



STATEHOUSE REPORT

Published by: County Commissioners Association of Ohio

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May 30, 2014

Main MBR bill heads to conference committee

A conference committee tasked with resolving the differences between the Ohio House and Senate relative to the Mid-Biennium Review legislation ([HB 483](#)) is expected to begin public hearings in the coming days. Policy issues to be sorted out include tax reform, behavioral health funding, and other “items of difference” which you can view in the [LSC comparison document](#).

The CCAO Policy Team has been communicating to policy makers on the following and urges county commissioners, county executives, and county council members to reinforce your Association’s lobbying efforts:

- LGF Preservation:** CCAO along with the Ohio Township Association and the Ohio Municipal League continue to reiterate our stance that the Local Government Fund (LGF) should not be further eroded in the process of making state tax policy changes. Specifically, the tax proposals added by the Ohio Senate (see side box) are estimated to reduce state general fund revenues \$402 million in FY 2015, thus resulting in a \$6.7 million LGF reduction. Click [here](#) to view the three associations’ joint letter.

The tax proposals including in HB 483 with a fiscal impact to both the state General Revenue Fund (GRF) and the Local Government Fund (LGF) include the following:

Certain Tax Changes in HB 483	Tax Cuts: FY2015
Acceleration of Income Tax Cuts	\$94 million
Enhancing Small Business Tax Deduction	\$229 million
Additional Tax Relief for Low/Middle Income (Increase EITC & Exemptions)	\$79 million
TOTAL income tax cut	\$402 million

- Recovery of Sales Tax Revenue Overpayments to Counties:** CCAO is urging the Senate provision be retained that extends, from up to 24 to 36 months, the payback period counties have when a sales tax overpayment results in a recovery of funds. This provision, which appears in the CCAO Legislative Platform, is of particular interest to counties who unexpectedly have been hit with large, multi-year overpayments that have resulted in substantial impacts to operating budgets that must finance the return of the inappropriately credited sales tax dollars. CCAO looks forward to continuing discussions

with the Ohio Department of Taxation later this year on a future legislative proposal to authorize repayment plans for up to 48 months; the Tax Department would like to include parameters for when longer repayment schedules could be allowed. CCAO Staff welcomes suggestions from counties.

- **Disclosure of Information to Counties Relative to Sales and Use Tax:** CCAO is urging the Senate provision be retained that allows counties to better partner with the Ohio Department of Taxation to verify the accuracy of vendor submittals so that sales taxes are properly distributed back to the appropriate county.
- **Transfer of Public Property to Development Corporations:** CCAO supports the Senate version which authorizes a county to transfer real property other than lands to an economic development corporation. This past February the Attorney General's Office released Opinion 2014-03 stating that a board of county commissioners could transfer land but not buildings. The language added to HB 483 would enable both buildings and land to be transferred.
- **Law Enforcement by Unpaid Police Officers:** CCAO supports a forthcoming amendment from Senator Patton so that counties will not be impacted by this provision. Specifically, Senator Patton put forth the language in HB 483 to prohibit a peace officer who does not receive an hourly rate of pay or salary from a law enforcement agency from issuing a citation for, or arresting any person for, a violation of the Motor Vehicle Law. CCAO understands Senator Patton is seeking to have this provision only apply to certain villages with the population around 200-250 or less.
- **Adult and Child Protective Services Funding:** CCAO appreciates the funding authorized for Adult and Child Protective Services in HB 483, and we look forward to participating in upcoming conversations for these two vital program areas as the Senate-added workgroups convene.
- **Improving Employment Opportunities for Public Assistance Recipients:** CCAO is working with Senate President Keith Faber (R-Celina) to incorporate some recommendations to better meet our shared goal of increased employment of individuals receiving public assistance.
- **Use of Community Behavioral Health Funds:** The CCAO Health & Human Services Committee is requesting lawmakers consider the following during their deliberations:
 - o Retain sufficient local flexibility to address community needs and priorities.
 - o Be mindful of the tight timeframes to avoid service disruption.
 - o Commissioners desire to make strides with flexible behavioral health funding to address mental health and addiction needs in county jail and child welfare settings.

In addition to the "items of difference" between the House and Senate, [HB 483](#) also includes many other provisions impacting local government. While some of these have been highlighted in past CCAO Statehouse Reports, the CCAO Policy Team will provide a comprehensive overview after [HB 483](#) has been signed by the Governor. If you have questions in the meantime, please contact CCAO Staffer Cheryl Subler at csubler@ccao.org or 614-746-8507.

DataOhio bills move out of House committee

A package of four bills, dubbed the “DataOhio” package, moved out of the House State & Local Government Committee. Sponsored by Reps. Mike Duffey (R-Worthington) and Christina Hagan (R-Alliance), the bills are intended to make government more transparent and enable government data to be available in the same nomenclature which can be readily examined by the public and various entities.

The package includes the following bills:

- [HB 321](#) Government Records – Creates the DataOhio Board, and specifies requirements for public offices to disclosure whether information on their public web sites is posted in an open data format (which means the information can be readily searched without specialized software). In addition, the bill requires public offices to provide certain information to the DataOhio Board.
- [HB 322](#) Uniform Accounting – Requires the Auditor of State to adopt rules regarding a uniform accounting system for public offices. The bill does not require public offices to implement such uniform chart of accounts.
- [HB 323](#) Public Data – Establishes an online catalog of public data at data.Ohio.gov.
- [HB 324](#) Local Government Information – Establishes the Local Government Information Exchange Grant Program for local public offices that choose to provide data to the state.



Rep Hagan



Rep Duffey

Prior to the committee vote, one lawmaker expressed a little reluctance because he fears some government-provided data could be used out of context, particularly years after the information has been provided and individuals forget the context and circumstances in which services were provided.

CCAO has been an “interested party” relative to our lobbying position. Staff has raised questions relating to potential costs and implementation issues, and staff will continue to work with counties and the bill sponsors on certain provisions contained in HB 321.

If you have questions or thoughts, please contact CCAO Staffer Cheryl Subler at csubler@ccao.org or at 614-220-7980.

Governor Kasich to sign Clean Energy Moratorium



It is expected that Governor John Kasich will sign the much-debated timeout on Ohio energy standards adopted six years ago. The House approved [SB310](#) (Balderson) on a 55-42 vote, and the Senate wasted no time in agreeing to House changes approving the revised bill by a vote of 21-11.

The heavily debated legislation headed to the House floor Wednesday after a very heated House Public Utilities

Committee hearing. The two-year "freeze" of renewable energy and energy efficiency mandates stayed intact. Opponents offered compromise language on a one-year freeze, but it was ruled out of order by House Public Utilities Committee Chairman Peter Stautberg (R-Cincinnati). Dissenting Republicans backing the one-year freeze, launching a parliamentary debate over the chairman's willingness to entertain other amendments submitted after Monday's 11 p.m. deadline, including the chair's own omnibus amendment.

Rep. Mike Duffey (R-Worthington) objected to Stautberg's handling of several follow-up Republican amendments and pointed out that portions of the omnibus had not met the 11 p.m. deadline. Duffey asked whether subsequent amendments could be "harmonized" with new omnibus language so they would not violate House rules barring multiple, standalone amendments to the same section of law in the same hearing. "Would your omnibus be out of order because it was not submitted by 11 pm?" countered Duffey. "It's at the chair's discretion," Stautberg answered.

The one-year freeze was set aside over the complaints of Reps. Romanchuk, Duffey and all Democrats in attendance. When Stautberg followed with an additional amendment excluding energy efficiency and PDR from shared savings, the Worthington Republican renewed his objections. "Your amendment is once again out of order," Duffey said. "We are going to accept it," answered Chairman Stautberg.

Rob Nichols, Kasich's spokesman, confirmed the governor will sign the legislation. "Ohio needs more renewable and alternative energy sources and it needs a strong system to support them as they get started. It's naïve, however, to think that government could create that system perfectly the first time and never have to check back to see if everything's OK. After a lot of hard work we've got a solid plan to examine the progress Ohio has made while also holding onto that progress. We rejected the efforts by those who'd like to kill renewable energy and energy efficiency efforts altogether and instead we're moving forward in a balanced way that supports renewable energy while also preserving the economic recovery that's created more than 250,000 jobs. It's not what everyone wanted, which probably means we came down at the right spot, and the governor looks forward to signing the bill," Nichols said in a statement.

Animal Capture bills passes out of Senate committee

Wednesday morning Senate Agriculture Committee unanimously passed [Sub HB 116](#) (Dorothy Pelanda, R - Marysville), which pertains to the capture of animals using tranquilizers and makes changes to laws governing animal euthanasia.



Rep. Pelanda

The bill allows county dog wardens to utilize a tranquilizer gun to capture stray or vicious dogs without the need to have a licensed veterinarian present. Under current law, a licensed veterinarian must be present in order for a dog warden to use a tranquilizer gun to capture a potentially dangerous dog.

The legislation also allows a more humane way to euthanize dogs in shelters by permitting wardens to tranquilize dogs prior to euthanasia. Currently, someone must physically restrain the dog for the warden to administer an euthanasia injection, which can be traumatic for the dog and dangerous to the warden.

"This bill provides another tool for Ohio dog wardens that provide safety and comfort for both the dog warden and the animal," said Rep. Pelanda.

The issue was brought to Rep. Pelanda's attention by Union County Dog Warden Mary Beth Hall, as well as representatives of the Ohio Dog Wardens Association, the Ohio Veterinary Association, the Ohio Pharmaceutical Board, and the County Commissioners Association of Ohio. Sub. H.B. 116 passed the Ohio House with strong bipartisan support and will now move to the full Senate for further consideration.

For additional information regarding this issue, please contact CCAO staffer Brian Mead at bmead@ccao.org or 614-220-7982.

Tax Refund Bill reported, House committee adds Sales Tax Refund language for Private Label Credit Cards

The House Finance and Appropriations Committee reported legislation ([SB 263](#)) intended to address the problem of the state not notifying taxpayers of overpayments of various taxes until after the refund period has expired. The bill generally addresses this problem by requiring the Ohio Department of Taxation to refund overpaid taxes to taxpayers even when the taxpayer has not filed a refund application. The bill also requires the department to notify taxpayers within a specified time period if the taxpayer has overpaid a tax or fee.



Prior to reporting the bill from committee an amendment was adopted that would permit vendors to apply for a refund of sales tax on bad debts on private label credit cards used to make a purchase from a vendor, even though the debt is charged off on the books of the credit card lender. The Ohio Supreme Court has ruled in the cases of *Chrysler Financial Co., L.L.C. v. Wilkins (2004)* and *Home Depot USA, Inc. v. Levin (2009)* that only vendors may apply for refunds on bad debts that the vendor incurs and that financial lenders are not eligible for sales tax losses they incur on loans that they have made to credit card holders.

The Ohio Department of Taxation estimates that this provision would cost the state general revenue fund (GRF) a minimum of \$5.6 million per year in SFY 16 and as much as \$35 million per year if the proposed change in law applies to all bad debt incurred by credit card lenders and not just the debt incurred by private label credit card companies. If the amendment remains in the bill and it is ultimately interpreted to apply to all bad debt of credit card financial services companies, the impact on county and transit authority sales taxes would be a loss of approximately \$7.6 million per year.

In addition, the Department of Taxation is concerned that the expansion of refund authority might apply to the bad debt of automobile financial services companies, resulting in losses of an additional \$5.8 million to the state and another \$1.3 to counties/transit authorities for these transactions.

The Ohio Department of Taxation is seeking removal of this amended language from SB 263 and CCAO supports the efforts of the department to have the private label credit card language removed from the bill. For additional information on this topic please contact either Brad Cole at bcole@ccao.org or Cheryl Subler at csubler@ccao.org or 614-220-7980.

Statehouse Etcetera



Bills sent to the Governor to sign. The legislature had a very busy week and sent a slew bills to the Governor for his signature. [HB 117](#) – Invasive Plant Species, [HB 289](#) – Joint Economic Development Zones, [HB 314](#) – Controlled Substance Prescriptions for Minors, [HB 399](#) – Prescription Drug Abuse Awareness and Education Day, [HB493](#) – MBR Workers' Compensation, [SB 140](#) – Insurance Regulatory Modernization Act, [SB 172](#) – Land Reutilization/Property Tax Foreclosure Laws, [SB 192](#) – Invasive Plant Species, [SB 287](#) – Uniform Depository Act, and [SB 310](#) - Clean Energy Moratorium.

Mead delivers his first testimony in support of SCR 33 – Smith-Lever Act Centennial. CCAO offered proponent testimony commemorating the 100th anniversary of the Cooperative Extension System and Ohio State University Extension. [SCR 33](#) also received proponent testimony from Bruce McPheron, Vice President for Agriculture and Dean of the College of Food, Agricultural and Environmental Sciences at Ohio State University, and from Tony Seegers, Director of State policy for the Ohio Farm Bureau.



(Standing L-R: OSU Dean Bruce McPheron, CCAO Policy Analyst Brian Mead, OSU CFAES Director of Government Relations Gwen Wolford, and OSU Director of Extension Keith Smith)

Term Limit Poll. A poll released Wednesday shows three in five Ohio voters support increasing the length of a single legislative term but 70% said they prefer the eight consecutive year term limit for state lawmakers.

[The survey](#) from Akron Buckeye Poll, conducted by the University of Akron's Ray C. Bliss Institute of Applied Politics found 61% of voters are behind increasing a state representative's single term from two to four years and a senator's term from four to six years.

About 57% of those polled, however, say they think the eight consecutive years term limit for both chambers has "helped the state."

Meanwhile, when combining those respondents who said they support a 12-year limit (13%), those who would "accept" a 12-year limit (32%) and those who want to repeal limits (12%), the pollster concluded 57% showed "potential support" for extending the maximum to 12 consecutive years, Bliss Institute Director John Green said in an interview.

"It appears that voters want legislators to have more time on the task of legislating between elections," he said in a release. "Voters still like the idea of an overall limit on how long officials serve, although there is some flexibility on what that number should be."

When asked about the early voting process, 60% said they support the current system and think it has produced "good government in Ohio and helped the state," according to the survey.

The legislative redistricting process, however, found dissatisfaction with 48% of respondents, who say it has resulted in "poor government in Ohio and hurt the state." About 44% of voters said they support replacing the process with a "panel of non-partisan experts," but 86% of those who back a nonpartisan or partisan panel said they would accept a bipartisan board, according to Akron Buckeye Poll.

The survey conducted in April engaged a random sample of 1,078 registered voters using both landline and cell phone components. It has a margin of error of 3 percentage points.

[Click here](#) to see more.



Legislation of Interest

[HB 537](#) VETERANS FEE WAIVER (Budish, A., Brenner, A.) To establish the Veterans Fee Waiver Program. Am. 111.16, 111.17, 1703.31, 1729.12, 1746.06, 1782.63, 2305.10, and 4743.04 and to enact sections 5903.21, 5903.22, 5903.23, 5903.24, and 5903.25.

[HB 568](#) UTILITY FEES (McGregor, R.) To require the Public Utilities Commission to set the maximum fees that a manufactured home park operator, condominium unit owners association, and landlord may charge for electric, gas, water, or related services, or for sewage disposal service provided to a resident, unit owner, or tenant when a submeter is used to measure public utility service to the premises. En. 4781.401, 4934.01, 4934.02, 4934.03, 4934.04, 5311.082, and 5321.061.

[HB 569](#) ANIMAL FIGHTING (Sears, B., Wachtmann, L.) To prohibit and establish an increased penalty for knowingly engaging in activities associated with cockfighting, bearbaiting, or pitting an animal against another. Am. 959.15 and 959.99.

[HB 570](#) PROPERTY DAMAGE FORFEITURES (Rogers, J.) To require that a portion of forfeitures assessed for violations or compliance failures resulting in property damage be paid to the political subdivision in which the damage occurred or to a political subdivision or state agency that incurred costs in remediating the violation or compliance failure. Am. 4905.54, 4905.57, 4905.95, 4907.47, 4907.60, 4921.21, and 4973.11 and to enact sections 4905.97, 4905.971, 4905.972, 4905.973, 4905.974, and 4905.975.

[HB 571](#) EMERGENCY PROPERTY TAX (Rogers, J.) To authorize subdivisions to levy a fixed-sum emergency property tax for police, fire, or emergency medical services purposes. Am. 9.65, 319.301, 505.43, 505.51, 742.33, 742.34, and 5705.26 and to enact section 5705.73.

[HB 579](#) PROPERTY TAX VALUATIONS (Grossman, C.) To prohibit any party to a property tax valuation dispute, other than the original complainant, from appearing at a county board of revision hearing or subsequent appeal unless the party calls as a witness a representative of the county auditor or another qualified person who has appraised the property at issue. Am. 5715.19, 5717.01, 5717.04, and 5717.05

Upcoming Legislative Committee Calendar



Tuesday, June 3

House Agriculture & Natural Resources, (Chr. Hall, D., 466-2994), Rm. 116, 9:00 am

[HB 506](#) EMISSION STANDARDS (Thompson, A., Cera, J) To require the Director of Environmental Protection to adopt rules establishing standards of performance for carbon dioxide emissions from existing coal-fired and natural gas-fired electric generating units and to specify factors on which the standards must be based. --3rd Hearing-All testimony-Possible amendments, substitute & vote

HB 453 **AGRICULTURE LAWS** ([Pelanda, D.](#)) To include diseases of concern within the scope of the Animal Diseases Law, and to make changes to the laws governing weights and measures and auctioneers, the membership of the Farmland Preservation Advisory Board, and the pesticide licensing renewal process. - **2nd Hearing-Proponent**

House Session, (Chr. [Batchelder, B.](#), 466-3357), House Chamber, 11:00 am

Senate Reference, (Chr. [Jordan, K.](#), 466-8086), Majority Conf. Rm., 11:15 am

House State & Local Government, (Chr. [Blair, T.](#), 466-6504), Rm. 121, 2:00 pm or after session

HB 175 **GOVERNMENT SPENDING** ([Dovilla, M.](#)) To require the Treasurer of the State to establish the Ohio State Government Expenditure Database. --**3rd Hearing-All testimony-Possible amendments & vote**

SB 6 **FINANCIAL CONTINUING EDUCATION** ([Schaffer, T.](#)) To establish education programs and continuing education requirements for the fiscal officers of townships and municipal corporations, to establish procedures for removing those fiscal officers, county treasurers, and county auditors from office, and to create fiscal accountability requirements for public schools, counties, municipal corporations, and townships. --**2nd Hearing-All testimony-Possible amendments & vote**

HB 10 **FISCAL CONTINUING EDUCATION** ([Hagan, C.](#)) To establish education programs and continuing education requirements for the fiscal officers of townships and municipal corporations, to establish procedures for removing those fiscal officers, county treasurers, and county auditors from office, and to create fiscal accountability requirements for public schools, counties, municipal corporations, and townships. --**3rd Hearing-All testimony-Possible amendments & vote**

Senate Finance, (Chr. [Oelslager, S.](#), 466-0626), Finance Hearing Rm., 2:30 pm

SB 252 **WORKERS COMPENSATION** ([Patton, T.](#)) To make peace officers and firefighters diagnosed with post-traumatic stress disorder arising from employment without an accompanying physical injury eligible for compensation and benefits under Ohio's Workers' Compensation Law. --**1st Hearing-Sponsor**

HB 5 **MUNICIPAL TAX COLLECTIONS** ([Grossman, C.](#)) To revise the laws governing income taxes imposed by municipal corporations. --**2nd Hearing-Proponent**

HB 320 **HEALTH CARE SERVICES** ([Young, R.](#)) To create a state income tax deduction regarding certain health care services provided at a free clinic; to extend qualified immunity from civil liability for certain volunteer health care services provided to individuals eligible for or receiving Medicaid; to authorize a person practicing under a volunteer's certificate to provide health care services to any person; to create a volunteer's certificate for retired nurses; and to designate December as "Free Clinic Appreciation Month." --**5th Hearing-All testimony-Possible vote**

Wednesday, June 4

Senate Civil Justice, (Chr. [Coley, B.](#), 466-8072), North Hearing Rm., 9:45 am

SB 334 **AGRITOURISM** ([Jones, S.](#), [Peterson, B.](#)) To limit the authority of a board of county commissioners or board of township trustees to prohibit agritourism through zoning, to apply current agricultural use valuation to land used for agritourism for property tax purposes, to establish immunity in a civil action for agritourism providers, and to authorize the Director of Agriculture to adopt rules regarding amusement rides at agritourism locations. --**1st Hearing-Sponsor**

House State & Local Government, (Chr. [Blair, T.](#), 466-6504), Rm. 121, 10:00 am

HB 239 **COUNTY TRANSIT SYSTEMS** ([Ruhl, M.](#), [Brenner, A.](#)) To allow the operator of a county transit system to enter into an agreement with a public or private entity for certain services, materials, equipment, or supplies if determined necessary for the generation of operating funds. --**3rd Hearing-All testimony-Possible amendments & vote**

SB 6 **FINANCIAL CONTINUING EDUCATION** ([Schaffer, T.](#)) To establish education programs and continuing education requirements for the fiscal officers of townships and municipal corporations, to establish procedures for removing those fiscal officers, county treasurers, and county auditors from office, and to create fiscal accountability requirements for public schools, counties, municipal corporations, and townships. --**3rd Hearing-All testimony-Possible amendments & vote**

HB 10 **FISCAL CONTINUING EDUCATION** ([Hagan, C.](#)) To establish education programs and continuing education requirements for the fiscal officers of townships and municipal corporations, to establish procedures for removing those fiscal officers, county treasurers, and county auditors from office, and to create fiscal accountability requirements for public schools, counties, municipal corporations, and townships. **--4th Hearing-All testimony-Possible amendments & vote**

HB 175 **GOVERNMENT SPENDING** ([Dovilla, M.](#)) To require the Treasurer of the State to establish the Ohio State Government Expenditure Database. **--4th Hearing-All testimony-Possible amendments & vote**

House Public Utilities, (Chr. [Stautberg, P.](#), 644-6886), Rm. 313, 10:00 am

HB 545 **UTILITY SUBMETERING** ([Gonzales, A.](#)) Regarding master metering and submetering for public utility service to premises administered by a landlord, condominium unit owners association, or manufactured home park operator. **--1st Hearing-Sponsor**

HB 568 **UTILITY FEES** ([McGregor, R.](#)) To require the Public Utilities Commission to set the maximum fees that a manufactured home park operator, condominium unit owners association, and landlord may charge for electric, gas, water, or related services, or for sewage disposal service provided to a resident, unit owner, or tenant when a submeter is used to measure public utility service to the premises. **--1st Hearing-Sponsor-Pending referral**

House Commerce, Labor & Technology, (Chr. [Young, R.](#), 644-6074), Rm. 114, 10:00 am

HB 140 **RESIDENTIAL CONSTRUCTION** ([Patmon, B.](#)) To require licensure of residential construction contractors and to create the Residential Builders' and Maintenance and Alteration Contractors' Licensing Board to regulate the licensure and performance of residential construction contractors. **--4th Hearing-All testimony-Possible amendments, substitute & vote**

Senate Session, (Chr. [Faber, K.](#), 466-4900), Senate Chamber, 1:30 pm

House Session, (Chr. [Batchelder, B.](#), 466-3357), House Chamber, 1:30 pm