



2012 OML Bulletins

February 17, 2012

OHIO LEGISLATURE ADJOURNS FOR SHORT RECESS

The Ohio General Assembly wrapped-up work on several legislative issues this week, before taking a short break until after the Primary elections have been held. There were several issues dealing with municipal government that received attention with work set to continue on many other issues the League is following.

The Senate State, Local Government & Veteran Affairs committee voted-out and forwarded to the full Senate for their consideration HB158, legislation we have reported on that would limit community's ability to safely manage and regulate through zoning authority the placement of amateur radio antennas. The committee adopted an amendment which we have posted the language [HERE](#) and then successfully voted to pass the bill out of committee. Although the committee approved the proposal, the vote was not unanimous with Senator Peggy Lehner (R-Kettering) voting to not pass the bill on to the full Senate out of concerns that the bill continues to violate the Home Rule provisions of the Ohio Constitution. We want to thank Senator Lehner for her concerns for the violations the bill poses to Home Rule.

As we reported to you last week, the House State Government & Elections committee voted-out and forwarded on to the full House membership HB386, legislation sponsored by Representative Blessing (R-Cincinnati) which makes changes to Ohio's gambling law. One of the changes that was amended into the bill last week would have required all 88 counties in Ohio that will be receiving revenue from Casino's to spend 50% of the revenue on police, fire and EMS services countywide. Well, a funny thing happened on the way to the full House considering of the amended version of HB386, county officials objected to the legislature's revenue sharing proposal and thus the language was taken-out of the bill and then passed by the Ohio House. The bill will now be assigned to a Senate committee for its consideration by the upper chamber. We hope our Senators will consider reinstating this initiative for our local governments to work together to solve the funding crisis of safety forces through-out the state.

Am.sub.HB50, the legislation currently being heard by the House Local Government committee which would severely interfere with TYPE-II Expedited annexation procedures, the most widely used annexation procedure available for private landowners and communities to manage land issues, did not receive a hearing this past week. The latest version of the bill that the committee is working off of is available on our website. We will be sure to announce any future schedule of hearings for this anti-annexation bill, by the committee.

Since reporting to you about our meeting last week with Representative Grossman, Representative Henne and other representatives of those interested in the legislative conversations taking place on the topic of municipal tax uniformity and the state creating a

centralized collection for local tax revenues, there has not been any other meetings concerning this topic which the League has been invited to participate in. We want to thank all of those cities and villages that continue to pass Resolutions opposing any of these state-initiated plans that would interfere or compromise local government's current revenues. We also thank very much those that are writing Letters to the Editor to their local newspapers sharing with their community what some of these "yet to be fully thought-out ideas" would mean to the funding of vital services in their communities. Please be sure to send to us and your individual member of the Ohio House of Representatives and State Senator copies of any action your councils have taken on these proposals or letters generated by their concerned constituents.

The General Assembly will be returning to the Statehouse the second week of March with a full plate of issues to address including the drafting of the Mid-Biennial Review (MBR), which is the title of the upcoming spring budget bill, from the Administration. We do not have the details of what will be included in the budget package, but have been working closely with the Office of Budget and Management on items we would like to see included for our municipalities.

ATTORNEY GENERAL DEWINE ANNOUNCES SETTLEMENT VICTORY/BLIGHT ASSISTANCE

Ohio Attorney General Mike DeWine announced this week that Ohio is part of a settlement of \$25 billion, with Ohio's share being \$335 million, with five of the nation's largest mortgage servicers over foreclosure abuses, fraud, and other unacceptable mortgage practices. From the State's share of \$335 million, \$97 million will be distributed directly to the Attorney General's office. Attorney General DeWine has further announced that his office will use their settlement funds to help cities and villages revitalize neighborhoods by tearing-down blighted properties, help with foreclosure prevention and assist Ohio families on the brink of foreclosure. The full press release by AG DeWine with statistics and other information about the settlement can be found [HERE](#). The details related to the application process to be considered for funding and other distribution issues are yet to be fully developed. We will be sure to keep our members up to date as details emerge.

STATE LAUNCHES PUBLIC NOTICE WEBSITE

The Ohio Department of Administrative Services (DAS) announced this week that the State Public Notice website is now up and live. The website will serve as a resource to comply with state law requiring local governments to publish public notices. We have attached the press release announcing the website [HERE](#) which will provide you with greater details and contact information for using the service. Please be aware that you must first create an account through the Ohio Business Gateway, before using or posting to the website.

February 10, 2012

INTERESTED PARTIES MEET TO DISCUSS MUNICIPAL TAX CHANGES

This week, League staff along with Dublin Tax Administrator Faye Gibson and Akron Tax Commissioner Don Smith attended an interested party meeting to discuss issues of municipal tax uniformity and the onerous concept of the state creating a centralized collection system for local taxes. State Representative Cheryl Grossman (R-Grove City) convened the meeting which included Ohio Tax Commissioner Joe Testa, Rep. Mike Henne (R-Clayton) and his Legislative

Aide, Rep. Beck's Legislative Aide, two legislative representatives from the OSCPA's, DJ Muse, with Shultz, Huber & Assocs. CPA firm and current OSCPA Legislative Chair, Past Tax Commissioner Tom Zaino with Hopkins McDonald, Governor Kasich's Legislative Director Matt Carle, Policy Director for Lt. Governor Taylor Mark Hamlin and other staff members from the Common Sense Initiative (CSI) project, Chris Ferruso from NFIB, and Scott Gill, Upper Arlington Tax Administrator. The meeting primarily consisted of Mr. Muse reading through the list of issue of uniformity that we have been meeting with the OSCPA's on for some time, with the interjection of quips and general explanations of concerns for some points. We want to thank our municipal representatives for participating in this discussion and their practical knowledge of the workings of municipal taxation is an invaluable tool for Legislators considering changes to current practices.

Representative Grossman asked that the parties meet again in early March to continue the conversation on where agreements can be reached. It was also referenced that Rep. Beck, who also serves as Chairman of the House Ways and Means committee, will be holding informal hearings, without legislation, on the topic of municipal taxation uniformity and centralized collection. There has not been a firm date determined as of yet for the House Ways and Means committee to convene these hearings but it was referenced that they may begin in March. Obviously, this is a critical opportunity for all of our municipal officials concerned with these topics to educate legislators about the importance of protecting the funding of critical services vital to our citizens and the businesses that employ them.

ANNEXATION/AMATEUR ANTENNAE TOWER LEGISLATION NOT ON AGENDAS

The House Local Government committee will be meeting next week but has not included the anti economic development bill, HB50, to the list of bills to receive a hearing. We continue to oppose this legislative proposal designed to interfere with the most widely used annexation procedure available to private landowners. We will be sure to alert you when the bill is placed on the committee's future agenda. Also, the Senate State, Local Government and Veteran Affairs committee will not be hearing HB158, the anti home rule bill that would restrict municipalities ability to enforce zoning regulations of amateur radio antenna towers, which the League opposes. As with HB50, we will be sure to report to you if this bill is placed on the Senate committee's schedule in the future.

BILL TO ELIMINATE PRIMARIES DATES INTRODUCED

Senator Kris Jordan (R-Powell) has recently introduced legislation, SB284, which would eliminate the ability to conduct special elections in February and August. The bill has been referred to the Senate Government Oversight & Reform committee, but has yet to receive a hearing. The League opposes this proposal to eliminate the two primary dates, just as we had objected when the language was originally included in recently enacted elections reform legislation, HB194. The offending language now included in SB284 was subsequently removed from HB194. We will be sure to alert our members when the bill is placed on the committee agenda.

PROPOSED CASINO RULES INCLUDE SAFETY FORCE FUNDING

The House State Government & Elections committee members overwhelmingly approved changes to Ohio's gambling law through the favorable consideration and passage of HB386.

Included in the long list of changes that were adopted by the committee was language specifying that at least 50% of casino tax revenue distributed to counties must be expended on police, fire and other safety services within the county. Additionally, the committee approved an amendment that would direct a percentage of simulcast and live racing revenue to host cities for public safety. The legislation was voted out of the House committee on Thursday and will next be taken-up by the full House for their consideration and then if successfully approved by the House, the Senate will then consider the proposal. We will be sure to keep you up to date on any changes or progress on this issue.

UPCOMING SCHEDULE FOR THE OHIO GENERAL ASSEMBLY

After next week's schedule of committee hearings and session dates, the General Assembly will not be back in session until March 13. There is the potential that committees will hold hearings during this short recess and that bills of municipal interest may be called. We will alert our members when committee notices are announced with bills of municipal interest.

February 3, 2012

ANTI-ANNEXATION LEGISLATION RECEIVES 8TH HEARING. NO VOTE

The House Local Government committee held an 8th hearing on amended substitute HB50, legislation which would essentially end the 100% owner approved TYPE-II Expedited annexation procedure which is the most widely used annexation procedure available to help make Ohio competitive in bringing more jobs to our state. The legislation has endured a torturous existence in its short legislative life, which indicates to us that it is not the best piece of legislation that has ever been crafted. A fifth substitute version was presented to committee members this week but no official action was taken. The latest version of the sub bill and potential amendment language can be found [HERE](#). We want to thank Deborah McDonnell, the new city manager for Fairborn for presenting her testimony in opposition to the bill and for sharing with committee members the negative effects that she believes would be caused if this legislation were enacted.

Local Government committee is not scheduled to meet again until February 14th, 1:30pm in Hearing Room #121 and is expected at that time to consider amendments and possibly vote on accepting the fifth substitute version of the bill. We also understand that public comment will be received on the latest changes to this anti economic development proposal. We will be sure to report more information and updates to you as we get it.

LEAGUE TESTIFIES IN SUPPORT OF HB347

League staff testified before the House Local Government committee Tuesday in support of Rep. Anielski's HB347, legislation which would provide non-charter villages needed flexibility when it comes to the number of council seats required and would keep administrative costs down. Executive Director Sue Cave's testimony can be found [HERE](#).

STATE OF THE STATE

Governor Kasich and his cabinet officials will be traveling to Steubenville this coming Tuesday to deliver the State of the State address. Because members of the General Assembly will be accompanying the Governor when he delivers his speech, there will not be committee hearings or session on Tuesday and there will be a light committee schedule for the remainder of the week.

January 27, 2012

ANTI-ANNEXATION LEGISLATION RECEIVES 7TH HEARING

The House Local Government convened its seventh hearing on HB50, the anti-annexation legislation this past Tuesday. We want to thank Dennis Nichols, Batavia Village Administrator, Centerville City Manager Greg Horn and Richard Cline, Mayor of Powell for spending their Tuesday afternoon at the Statehouse to share with committee members their opposition to this anti-economic development proposal. Those also expressing their opposition to the changes included in HB50 were Building Industry Association of Central Ohio's counsel Tom Hart who shared with the legislative members his organizations reasons for opposing the bill. Mr. Hart expressed the concerns of his members that annexations have always been viewed as a tool for local governments but the rights of private land owners are also eroded when they are restricted from using their property as they deem appropriate. We appreciate this crucial perspective being shared with the committee.

As we reported the bill was scheduled for a possible vote but the committee again deferred taking final action on the measure by not voting on the bill. HB 50 is back on the agenda for next week House Local Government committee schedule with the Chairman calling for all parties' testimony with the possibility of amendments and substitute bill being presented. As of yet, we have not been provided copies of any amendments or a substitute version of the language but hope to see the proposals before the committee meets. We urge our municipal officials to consider attending the next hearing Tuesday, January 31 at 1:30 in hearing room #121 to share with the committee members the importance of protecting municipality's ability to provide economic development opportunities to their regions and the harmful effects that will result to private property ownership in Ohio if this widely opposed initiative is enacted. If you are unable to attend the hearing, please take a moment to contact your individual House member and let them know that this bill would definitely not be a tool for their "local government tool box".

OHIO TAX CONFERENCE TOUCHES ON MUNICIPAL ISSUES

The Ohio Tax Conference was held this week in Columbus, convening a two day program geared toward updating tax preparers and professionals with recent changes in state and local statutes from the previous year and providing a glimpse into what the tax community may expect to be issues for the New Year. The keynote speaker for the conference luncheon was Tax Commissioner Joe Testa who briefly touched on municipal taxation issues as part of his presentation to the attendees. Tax Commissioner Testa shared with the assembled group of professionals that the tax department has been looking at the concept of centralized collection and is working on the details if requested by the General Assembly to come up with a statewide

administration. The Commissioner also noted that municipalities spend \$80 million a year to collect \$4 billion in revenue. We are not entirely sure how the calculation was determined that it takes that amount for municipalities to administer their local tax but that is one of many questions that we look forward to asking Commissioner Testa when we are granted an opportunity to discuss these critical matters.

STATE FIRE MARSHALL ANNOUNCES AVAILABILITY OF GRANT AND LOAN APPLICATION PACKAGES

State Fire Marshall Larry Flowers has announced the availability of grant and loan application packages for Ohio's fire service. Fire Marshal Flowers also announced that there is a change to the grant process that encourages collaboration between multiple government agencies. The information including contact information from the Fire Marshall's office with full application details and loan specifics is available [here](#).

DEBT COLLECTION PROGRAM FOR LOCAL GOVERNMENTS ANNOUNCED

Ohio Attorney General Mike DeWine has announced a new program, The Local Government Collections Services Program, designed to help local governments collect delinquent debt owed to them. The new program was part of HB153, the biennial budget enacted last year which allows the Attorney General to collect debt on behalf of Ohio local governments.

The Ohio Attorney General's Collection Enforcement Section serves as the chief collection agent for all state agencies, boards, commissions, and universities and will now include the charge of providing this service for municipalities. The program will allow municipalities to enter into a Memorandum of Understanding with the AG's office to collect the debt they are owed. The debt must be greater than \$100 and be final. Examples of debt that can be collected under the new program include statutory fines and court costs. Utilizing the program will allow local governments to offset a debtors state income tax refund or lottery winnings to recover the debt owed and is funded by collection costs passed to the debtor.

SENATE DEMOCRATS ANNOUNCE LEADERSHIP CHANGE

The Ohio Senate Democrats announced this past week that they have elected Senator Eric Kearney of Cincinnati to serve as their caucus leader. Sen. Kearney will be replacing Sen. Capri Cafaro as minority leader. The transition also includes Senator Joe Schiavoni of Youngstown being elected to serve as assistant minority leader, Senator Nina Turner of Cleveland as minority whip and Senator Edna Brown of Toledo as assistant minority whip. We wish all of these leaders the best of luck in their new duties.

January 20, 2012

GOVERNOR JOHN KASICH AND ODOT DIRECTOR JERRY WRAY MEET WITH OML BOARD

On behalf of the OML Board of Trustees, we would like to extend a sincere Thank You to Governor John Kasich and ODOT Director Jerry Wray for graciously spending their Thursday morning with us to discuss current and future issues related to the state of Ohio and our municipalities. The back and forth discussion touched on a far ranging amount of topics, from

education to work force development with a number of questions and comments focused on the troublesome subject of the state creating a centralized collection system for municipal income taxes. Director Wray also shared his insights on the recently announced shortfalls in funding for many prioritized highway construction projects around the state. We appreciate both of these leaders sharing their valuable time with us and thank both gentlemen for listening to the concerns of Ohio's municipal officials.

*****ANNEXATION ALERT*****

HB 50, legislation that would change current expedited Type II annexation procedures, is scheduled for its seventh hearing this before the House Local Government Committee.

The committee will be meeting Tuesday, January 24, at 1:30 p.m. in hearing room #121, and will hear all testimony, consider amendments and is also scheduled for a POSSIBLE VOTE.

HB 50, as written, would give veto power to townships, school districts and other local government jurisdictions that own ally property within a proposed 100% owner petitioned Type II Expedited Annexation. Type II Expedited Annexations have been the annexation option of choice for municipalities, landowners and -developers since the passage of SB 5 (the Annexation Reform measure) in 2001. With the added requirements to the more traditional forms of annexation, the Expedited Type II format has become the only real option for annexation for many communities. HB 50 would require the signature of any other governmental jurisdiction that owns land within the annexation territory regardless of the size of the parcel, as long as it has at least one employee *"headquartered"* at a facility on the parcel. Essentially, one part-time employee could report to a shed on a 100' x 100' lot and meet the requirements of this bill.

A political subdivision that owns a small storage building on a postage stamp size lot could effectively kill a several hundred acre annexation/development project by refusing to sign the annexation petition. Historically, government-owned property has not been included in the annexation petition signature process, thus assuring that private property owner rights would not be held hostage by governmental squabbles. During this time of unprecedented economic difficulties, roadblocks to development should be eliminated not encouraged.

To make matters worse, the Ohio Township Association is now supporting an amendment that would require the signature and approval of township trustees for any annexation that included a township park or cemetery, regardless of whether there were any buildings on the site or employees working there. That means any township-owned land with a park sign placed on it or any old, inactive cemetery plot could be used to hold the petitioning private property owners of a 100% Type II Expedited Annexation hostage.

Any municipal official that has an interest in preserving the potential growth of cities and villages throughout this State should make every effort to attend this hearing. The rights of private property owners and the potential for orderly growth and development in Ohio are at risk should this anti development legislation be given serious consideration.

If you can't attend the hearing, please contact your member of the House and Senate as well as members of the committee to express your opposition.

AMATEUR RADIO ANTENNA BILL HEARD; POSSIBLE VOTE NEXT WEEK

The Senate State, Local Government and Veterans Affairs committee held a fourth hearing on HB158, legislation which will restrict local government's ability to enforce zoning regulations of amateur radio antenna structures, and in turn violating Ohio Constitution Home Rule provisions. The legislation will be up for a fifth hearing Wednesday, January 25th at 3:30 pm in hearing room #110 and is scheduled for all testimony to be heard as well as the consideration of amendments and a possible vote on the bill. The League has previously testified in opposition to the legislation and hopes the committee will consider the interference in matters of local control this legislative proposal would create.

MUNICIPAL TAX MEETING CALLED

We have been alerted by Rep. Cheryl Grossman's (R-Grove City) office that she will be holding a "Municipal Income Tax Interested Party" meeting February 9th. We, of course, are a very interested party to any meetings that are held regarding the subject of municipal tax and appreciate the opportunity to participate in discussions which may directly affect the operations of municipal government in Ohio and the critical services that they provide. We do not know who else will be attending the meeting but we will be sure to inform you of any outcomes from the event.

January 13, 2012

OHIO ATTORNEY GENERAL DEWINE ANNOUNCES 2012 SUNSHINE LAW TRAINING SESSIONS

Attorney General DeWine has released the dates and locations for the 2012 Sunshine Law Training sessions <http://www.ohioattorneygeneral.gov/SunshineLawTrainings>, which all elected officials, excluding Judges, are required to complete. Ohio Revised Code section 109.43 outlines the statutory requirement for the training sessions to be fulfilled. If an elected official is unable to personally attend one of the training sessions, a designee may be sent to represent that official, as long as the designee is from that individual's specific office.

MORE ON THE CENTRAL COLLECTION AND UNIFORMITY OF YOUR MUNICIPAL INCOME TAXES

We want to thank all of you, again, who have passed Resolutions and drafted letters expressing your communities deep concern with and opposition to the proposals being discussed by some Legislators and members of the administration to create a centralized collection system for municipal income taxes, and concerns for issues of uniformity that would cause a significant decrease in existing municipal revenues. From these correspondences with elected officials, we have been forwarded a few of the responses that have been generated but want to ask those that may have forgotten to forward to us those communications that you please do so, so that we have a firm perspective of various opinions on this troublesome issue. Please continue to communicate with your members of the General Assembly and administration officials your reservations with this radical approach and urge them to do everything they can to help defend the essential functions of municipal government in Ohio.

CLEAN OHIO ASSISTANCE FUND TAPPED-OUT

The Department of Development announced this week that they have stopped accepting future applications for the Clean Ohio Assistance Fund which provides local governments assessment grants to remediate brownfields. The final round of applications is due by January 20, 2012 to access the remaining \$20 million left in the fund. In 2000, the constitutional amendment that created Clean Ohio was approved by Ohio voters and reauthorized in 2008 for a remaining 8 year term to allow the state of Ohio to issue bonds of up to \$400 million at any one time, with a limit of \$50 million a year. These crucial COAF grants allow Ohio municipalities to assess the extent of environmental contamination at abandoned commercial and industrial locations and for communities wanting to clean-up and reuse the locations of these eyesores and often environmental time bombs, COAF offers up to \$3 million in funding for the purpose of acquiring, remediating and preparing these current unusable properties for redevelopment. The funding for this voter approved Constitutional amendment was diverted in HB153, the biennial budget bill from last year, and is now going to the funding of the new privatized economic development entity, JobsOhio.