



# Legislative Bulletin

**December 12, 2016**

## **131<sup>ST</sup> GENERAL ASSEMBLY ENDS LAME DUCK SESSION WITH SEVERAL MUNICIPAL ISSUES ADDRESSED**

The lame duck session ended Friday morning at about 3:30 am and as the dust settled, we're proud to report that Ohio municipalities were able to claim a number of victories, a few draws, and only a limited number of losses. Now, we immediately turn our agenda to the next General Assembly, with the release of our first broad based policy report tomorrow. We would like to express our gratitude toward the many members of the General Assembly who worked with us on these many issues. Many members worked with us late into the night many times and worked hard to consider our concerns.

Below, we review the legislation that effected municipalities in the final days of the session. Each of the following bills has been sent to Governor Kasich for his consideration.

First, is Senate Bill 331, introduced by Senator Bob Peterson (R-Washington Court House). The original bill would regulate the sale of dogs from pet stores and dog retailers and to require the Director of Agriculture to license pet stores. This bill was introduced to create a statewide regulatory framework for pet breeding. The OML opposed this portion of the bill as an infringement on Home Rule and "single issue rule" problems which is the part of the Ohio Constitution that prohibits the legislature from passing bills with multiple subjects. This bill became a "Christmas tree bill" where numerous amendments were added, including language from AT&T on the 5G roll out

- **Amendment 1:** As mentioned above and as many of our members are aware, the House Finance committee amended the bill to create new regulations concerning micro wireless facility operators for their use of municipally owned land. This was a bill that the OML objected to strongly and worked very hard on in partnership with AMP Ohio to alert the original language that would have removed almost every aspect of local control related to the installation of the new telecommunications infrastructure. Ultimately, we agreed upon new language and we have our membership's response to the legislative alert from last week to thank for that. Our members were very proactive in contacting their legislative delegations to communicate their objections to this new proposal and the need that local governments continue to have the authority to exercise control over these important segments of municipal operations. [HERE](#) is a comparison document to show the issues addressed in the original proposal and the treatments sought by the telecommunications group compared to the alternate language that was adopted to the legislation.
- **Amendment 2:** House Finance amended SB195 into SB331 on 12/6/16. SB 195 addressed bestiality, was introduced by Senators Jim Hughes (R-Columbus) and Jay Hottinger (R-Pickerington) and it would prohibit a person from engaging in sexual conduct with an animal and related acts, would provide for the seizure and impoundment of an animal that is the subject of a violation, and would authorize a sentencing court to require an offender to undergo psychological evaluation or counseling.

- **Amendment 3:** Lastly, another amendment prohibits political subdivisions from establishing a minimum wage rate that is different from the rate required by state law. This would forestall a political subdivision from instituting a minimum wage higher than the current amount of \$8.10 per hour. The amount will rise to \$8.15 per hour in 2017.

Second, is Senate Bill 235 introduced by Senator Bill Coley (R-Liberty Township) and Bill Beagle (R-Tipp City). The bill would authorize political subdivisions to exempt from property taxation the increased value of property on which industrial or commercial development is planned for up to six years, to make changes to Ohio's unemployment compensation law, and to modify laws governing other state and local government authority and operations.

The League initially opposed this bill because it would have fully compromised local control, there were significant concerns with the fiscal impact on municipalities, and its effect on current and future economic development projects like TIFs. [HERE](#) is a comparison document addressing the changes made to the bill that addressed the concerns expressed by our members.

Third, is Senate Bill 27 introduced by Senator Tom Patton (R-Stongsville). This bill creates a presumption that when a firefighter has cancer that he/she contracted that cancer due to work-related factors if they meet certain conditions. The League worked extensively on this bill throughout 2016. Contrary to many reports, the bill does not open up a new pathway into Workers Compensation or provide health coverage for firefighters with cancer, because these things were already provided for under the status quo. The "presumption" in this bill partially shifts the burden of proof to employers in these types of Workers Compensation disputes.

We were able to amend many of the most egregious parts of the senate-passed version of the bill due to the work of the League through several members of the House Insurance Committee. The amendments were agreed upon by all parties including advocates of the bill. Unfortunately, the final version of the bill did not address several major concerns.

Continuing on, Senate Bill 199 which was introduced by Senator Joe Uecker (R-Miami Township) which addresses some technical issues related to military members carrying concealed handguns. However, the League's involvement with the bill arose from House Bill 48 introduced by Representative Ron Maag (R-Lebanon) which was later amended into SB 199.

Last Thursday, the OML did a legislative alert on a serious problem with an amendment in this bill, which would have required municipalities to allow people with concealed handgun licenses to carry concealed weapons in the "facilities" of public subdivisions (which would include municipalities) unless they had security guards and "security measures" at the entrance of those facilities. That language was removed from the bill and is no longer part of what is before the Governor. We believe this is largely because of the outcry of our members after the legislative alert. We heard almost immediately from General Assembly members that they had heard from the League's members. This was particularly significant considering that the whole thing happened prior to a House concurrence vote, which is rarely stopped in its tracks in this way.

And finally, Tuesday evening, the senate Finance committee amended HB 384, legislation dealing with education audits, with a far reaching, multi subject omnibus amendment, first reported to include "non-controversial tax changes" including the blanket exemption for tax purposes of income derived from Supplemental Employee Retirement Plans or SERPS. As many municipal officials know, SERP income is subject to municipal taxation and was part of the negotiations regarding the discussions concerning HB5.

It was determined during the HB5 deliberations that the legislature would wait for the court cases currently being heard to determine how the income should be treated for municipal tax purposes and there remains a court case before the Ohio Supreme Court to further clarify the SERP treatment. The league worked with multiple municipal advocates at the Statehouse to coordinate our efforts to inform members of the Senate and House that the issue had not been resolved by the courts and that the language exempting this income should be removed from the bill. We appreciate the consideration given by the members of the Ohio Senate to our concerns and the language was amended out of the bill on the Senate floor.

## **OTHER BILLS SENT TO THE GOVERNOR OF MUNICIPAL CONCERN**

**SB 76 PROTECTION ORDER SERVICE** (Sen. Kevin Bacon) To provide that service of a protection order or consent agreement upon a person is not necessary for the person to be convicted of the offense of violating a protection order if the person had actual notice of the order or agreement and the person recklessly violated its terms.

- **Amendments:** The House amended HB392 into SB76 on 12/8/16. HB 392 addresses domestic violence-protection orders and was introduced by Representatives Emilia Strong Sykes (D-Akron) and Christie Bryant Kuhns (D-Cincinnati). The bill would authorize the issuance of domestic violence protection orders with respect to conduct directed at an intimate partner, to provide access to domestic violence shelters for intimate partners who are victims of domestic violence, and to require the Attorney General's victim's bill of rights pamphlet to include a notice that an intimate partner who is the victim of domestic violence has the right to petition for a civil protection order.

**HB 341 TOWING FEES** (Rep. Ron Young, Rep. Martin Sweeney) To require the Public Utilities Commission to raise the existing statutorily designated towing and storage fees annually by the percentage increase in the consumer price index.

**SB 347 CIVIL ASSET FORFEITURE** (Rep. Robert McColley, Rep. Tom Brinkman) To modify the law governing criminal asset forfeitures.

**HB 463 MORTGAGE FORECLOSURE-ABANDONED PROPERTY** (Rep. Jonathan Dever) To establish expedited actions to foreclose mortgages on vacant and abandoned residential properties, to permit private selling officers to conduct judicial and execution sales of real property, to state the intent of the General Assembly regarding mortgage foreclosure actions, to revise the Commercial Paper Law relating to mortgages and lost instruments, and to make other changes relative to foreclosure actions.

**HB 154 BICYCLE PASSING-TRAFFIC LIGHTS** (Rep. Michael Henne) To provide that when a motor vehicle passes a bicycle the safe passing distance to the left is three feet, and to alter the protocol for proceeding into an intersection that has malfunctioning traffic lights.

**HB 172 CRIMINAL RECORDS LAW** (Rep. John Barnes, Jr.) To prohibit a person engaged in publishing or disseminating criminal record information from soliciting or accepting a fee to remove, correct, modify, or refrain from publishing or otherwise disseminating the information; to provide criminal and civil remedies for a violation of that prohibition; to provide that a person found not guilty of an offense or named in a dismissed complaint, indictment, or information may apply to the court for an order to expunge the person's official records in the case if the charge or finding was the result of the applicant having been a victim of human trafficking; to generally permit a person convicted of certain prostitution-related offenses to apply for the expungement of any record of conviction of an offense if the

person's participation was a result of having been a victim of human trafficking; to authorize intervention in lieu of conviction for persons charged with committing an offense while a victim of compelling prostitution; and to specify that the criminal penalty related to casino operators and employees participating in casino gaming applies at their casino facility or an affiliated casino facility.

HB 436           DRIVING PRIVILEGES-JUDGE (Rep. Bob Cupp, Rep. John Rogers) To authorize a judge that grants limited driving privileges to a second-time OVI offender to order the termination of the mandatory immobilization order.

HB 185           ARSON-PROPERTY OWNERSHIP (Rep. Kyle Koehler) To eliminate lack of the property owner's consent as an element of arson when the property is abandoned real property and to make the consent of the owner of abandoned real property an affirmative defense.

HB 388           OVI OFFENDERS-IGNITION INTERLOCK (Rep. Gary Scherer) To authorize a court to grant unlimited driving privileges with an ignition interlock device to first-time OVI offenders, to expand the penalties related to ignition interlock device violations, to modify the law governing the installation and monitoring of ignition interlock devices, to extend the look back period for OVI and OVI-related offenses from six to ten years, and to modify the penalties for OVI offenses.

SB 271 LAW ENFORCEMENT-POLICE DOG-HORSE (Sen. Lou Gentile) To authorize a law enforcement officer to purchase a police dog or horse for fair market value when the officer retires in good standing from a law enforcement agency and certain conditions are met, and to declare an emergency.

Since the legislature is done for the year, we will resume legislative bulletins the first of the year when the new 132<sup>nd</sup> General Assembly has convened. Thank you for all you support, and we wish you all Happy Holidays and a bright New Year.



# Legislative Bulletin

**December 9, 2016**

## **LATE NIGHT SESSIONS BRING AN END TO LAME DUCK ACTIVITY AND THE CLOSE OF 131<sup>ST</sup> GENERAL ASSEMBLY**

This is the final week of legislative activity for the 131<sup>st</sup> General Assembly and yesterday was the final day of session. There has been an extraordinary amount of legislative activity, which came as no surprise to us. The OML was active in working with legislators on multiple bills this week. Several bills have passed within the two chambers that deeply effect municipalities.

While we will be sending out a full report next week, notable legislative actions include the removal of language added by the Senate to HB 48. The bill expands the places concealed carry is permitted to include previously gun-free. Thanks to the quick action of our members and members in the legislature, the concerns of our members were address and the offending language was removed.

Also removed was language was included in an Omnibus amendment from the Senate attached to HB 348 that would have exempted Supplemental Employee Retirement Plans (SERPs) from municipal income tax.

Language in both SB 235 (property tax exemptions) and the AT&T small cell wireless antenna amendment adopted into SB 331 were changed to restore local control.

As of this writing, both chambers of the General Assembly remain in session with dozens of bills on the calendar. Because of this we will prepare a detailed analysis of the lame duck session bills impacting Ohio cities and villages and release that as a legislative bulletin on the first of next week.

We hope everyone has a good weekend.~



# Legislative Bulletin

November 22, 2016

## LAME DUCK CALL TO ACTION

There are two items receiving a great deal of attention during this lame duck session that we want to bring to our members' attention. OML strongly encourages our members to reach out to their members of the Ohio House of Representatives and Ohio Senate and discuss with them the effects these proposals will have on their cities or villages. Although there are dozens of proposals that we are keeping an eye on (listed below) we are asking our membership to give priority to the two proposals reviewed below.

### **I. AT&T Assault on Local Control Amendment**

The most significant concern currently is a legislative proposal being pursued by AT&T that would eliminate local control for Ohio municipalities with respect to their rates, zoning and maintenance efforts regarding pole attachments of "small cell" wireless antennas, and accessory equipment. The bill is extremely broad and gives wireless internet companies and speculators unrestricted access to not just municipal electric infrastructure, but also all municipal structures capable of supporting wireless antennas i.e., street lights, stop signs, water towers, public right-of-way, and any other public facilities.

AT&T is pursuing this legislation as an 11<sup>th</sup> hour amendment to any pending legislation in the lame duck session. *We need your help - please call your state senator and representative and oppose this onerous legislation.*

### **Concerns with Legislation**

Below are some concerns with how damaging this complex legislation would be to your community and municipal electric utility.

- This proposal strips away a municipality's constitutional authority for local control. Specifically, the draft bill would:
  - Permit any entity who files a completed request (this is not limited to telecommunications companies - could include speculators seeking to reserve space on your poles for resale) to attach a wireless antenna to any structure owned by a municipal corporation or build a new free-standing pole in the public right-of-way.
    - This would include attachments to critical infrastructure, such as water towers, police and fire facilities, and substations, raising security concerns.
    - This could also lead to multiple companies placing numerous poles within the right-of-way.
  - Permit the entity requesting consent to place accessory equipment (any size) anywhere in the right-of-way.

- Exempt all proposed actions (construction of new facilities, pole attachments, increasing pole or other structure height up to 50 feet) from any local zoning requirement.
- Any dispute arising from local concerns with applications would be heard and decided by the Public Utilities Commission of Ohio (for those requests that are not automatically approved under the bill). Municipal electric utilities are currently regulated and accountable to their local communities and not the PUCO.
- Many small cities and villages do not have the necessary resources to negotiate, comply or challenge agreements through the costly PUCO process.
- One or more entities requesting consent could file a single city-wide application for multiple wireless antennas (1, 100, 1,000 antennas) and a municipality would have 30 days to undertake an initial review, and 90 days to approve.
- Abandoned wireless facilities would be the responsibility of the municipality.
- The legislation singles out municipalities and does not include infrastructure owned by rural cooperatives, investor owned utilities, townships, counties or the State of Ohio.
- We are unaware of any issues that AT&T or others have experienced in Ohio that warrant blanket Draconian restrictions specifically on municipalities through statute.
- Municipalities are already required to provide non-discriminatory access. This bill creates a special carve-out for telecommunications companies or other entities requesting consent.
- Municipalities are already required to charge fees that are reasonably related to the cost.

Additionally, permitting wireless attachments and the equipment needed to operate them on poles and other structures throughout a municipality's right-of-way could have negative reliability implications for electric utilities, as well as safety concerns for municipal employees responsible for infrastructure maintenance.

The league has crafted a letter of opposition [HERE](#) that our members may want to reference when communicating with their state Representative and Senator. Please get involved in these efforts to stop this unwarranted maneuver.

## **II. SB 235 - Property Tax Bill**

Second, Senate Bill 235, introduced by Senator Bill Coley (R-Cincinnati) and Bill Beagle (R-Dayton) would exempt from property tax the increased value of property on which industrial or commercial development is planned until construction of new commercial or industrial facilities at the property commences.

This bill is opposed by the OML because it removes all local control over the approval, duration, or any additional requirements tied to the tax exemption. Additionally, the bill's lack of recognition of already existing tax exception agreements such as TIFs, CRAs and enterprise zones would not only jeopardize these agreements, but also could threaten new agreements in the future.

The league has crafted a letter of opposition [HERE](#) that our members may want to reference when communicating with their state Representative and Senator.

Last week, this bill received a first and second hearing in the House Finance Committee. During testimony, multiple Committee members continued to ask probing questions and express reservations about the bill. In the first hearing of the bill in the House, one member asked about whether this would affect school districts when they apply for reevaluations of the property value in question as soon as a

permit for improvements is applied for, creating a disincentive for investment. Other members expressed problems with how the bill might affect parking lots, farming and commercial activities, and greenfields.

The league has been working in collaboration with a coalition of local government and economic development advocates to educate legislators on the threats to economic development and other points of opposition included in the bill. A copy of our communication can be found [HERE](#).

### **SENATE BILL 27 PROCESS CONTINUES**

The League has been very active on Senate Bill 27 introduced by Senator Tom Patton (R-Cleveland). The bill creates a presumption that cancer in firefighters is work-related and an occupational disease. Last week, the League moved from being an opposed party to being merely an interested party after the acceptance by the House Insurance Committee of an overhaul of the bill through a vote on a substitute bill. The former senate-passed bill would provide that a firefighter who is disabled as a result of specified types of cancer is presumed for purposes of the laws governing workers' compensation and the Ohio Police and Fire Pension Fund to have incurred the cancer while performing official duties as a firefighter.

The sub-bill was part of a compromise offered by the League. The bill eliminates the need to debate what types of cancers are contracted by firefighters, and defers to the highly respected International Agency for Research of Cancer for that issue. Under the sub-bill, employee firefighters would have to show exposure to and general causal association to a Group 1, 2a, or 2b carcinogen in order to receive the presumption. The presumption then could be rebutted by showing that the employee had the cancer before his/her employment, that they were exposing themselves to conditions that present an extremely high risk of developing cancer (such as using tobacco products), or that the employee is over 75 years of age. Lastly, the sub-bill requires the BWC to issue a report to the General Assembly and the League about the number and costs of claims arising from the legislation.

This week, the League continues to work with multiple members of the Committee who will be introducing further amendments at our request.

### **NEW SENATE LEADERSHIP TEAM CHOSEN FOR THE NEXT GENERAL ASSEMBLY**

The Ohio Municipal League would like to congratulate the legislators who have been selected by their peers to lead their respective Ohio House caucuses in the upcoming 132<sup>nd</sup> General Assembly. The league and our members look forward to working with these leaders and all members of Ohio's legislature on issues critical to cities and villages and the state of Ohio, as a whole.

Last week, the Ohio Senate announced the leadership team that will be seated in the next General Assembly, starting in January 2017. Sen. Larry Obhof (R-Medina) was elected the next Senate president, Sen. Bob Peterson (R-Sabina) was elected president pro tempore, Sen. Randy Gardner (R-Bowling Green) was elected majority floor leader, and Sen. Gayle Manning (R-North Ridgeville) was elected majority whip.

### **OTHER BILLS WE ARE TRACKING DURING LAME DUCK**

Below is the list of bills we are following through the lame duck session. Some of the bills will be acted upon while others will not be moved and will have to be reintroduced in January, as part of the next General Assembly.

#### SENATE STATE AND LOCAL GOVERNMENT COMMITTEE

- SB322 - CHIEF OF POLICE TRAINING COURSE (HITE C) To require the Ohio peace officer training commission to develop and conduct a chief of police training course for newly appointed chiefs of police appointed on or after January 1, 2017.

#### SENATE INSURANCE

- HB388 - OVI OFFENDERS-IGNITION INTERLOCK (SCHERER G) To authorize a court to grant unlimited driving privileges with an ignition interlock device to first-time OVI offenders, to expand the penalties related to ignition interlock device violations, to modify the law governing the installation and monitoring of ignition interlock devices, to extend the look back period for OVI and OVI-related offenses from six to ten years, and to modify the penalties for OVI offenses.

#### SENATE ENERGY AND NATURAL RESOURCES

- SB333 - MBR-WATER QUALITY (HITE C) To revise specified laws relating to environmental protection.

#### SENATE STATE AND LOCAL GOVERNMENT

- SB322 - CHIEF OF POLICE TRAINING COURSE (HITE C) To require the Ohio peace officer training commission to develop and conduct a chief of police training course for newly appointed chiefs of police appointed on or after January 1, 2017.

#### SENATE CIVIL JUSTICE

- HB463 - MORTGAGE FORECLOSURE-ABANDONED PROPERTY (DEVER J) To establish expedited actions to foreclose mortgages on vacant and abandoned residential properties, to permit private selling officers to conduct judicial and execution sales of real property, to state the intent of the General Assembly regarding mortgage foreclosure actions, to revise the Commercial Paper Law relating to mortgages and lost instruments, and to make other changes relative to foreclosure actions.

#### SENATE TRANSPORTATION, COMMERCE AND LABOR

- HB341 - TOWING FEES (YOUNG R, SWEENEY M) To require the Public Utilities Commission to raise the existing statutorily designated towing and storage fees annually by the percentage increase in the consumer price index.

- HB154 - BICYCLE PASSING-TRAFFIC LIGHTS (HENNE M, SHEEHY M) To provide that when a motor vehicle passes a bicycle the safe passing distance to the left is three feet, and to alter the protocol for proceeding into an intersection that has malfunctioning traffic lights.

- HB455 - BOARDING SCHOOL ZONE (PATTERSON J, ROEGNER K) To authorize a municipal corporation or township to establish a boarding school zone and a special speed limit within that zone.

#### SENATE ENERGY AND NATURAL RESOURCES

- SB333 MBR-WATER QUALITY (HITE C) To revise specified laws relating to environmental protection.

#### SENATE GOVERNMENT OVERSIGHT AND REFORM

- SB251 - DRONE USE-LAW ENFORCEMENT (SKINDELL M, JORDAN K) To regulate the use of drones for gathering evidence and information by law enforcement officers in Ohio.

- SB 270 - PAWNBROKERS (Eklund, J) - To make changes to the law relating to pawnbrokers.  
Current Status: 11/16/2016 SUBSTITUTE BILL ACCEPTED & REPORTED OUT AS AMENDED  
LAST WEEK

#### HOUSE FINANCE

Rep. Smith: 614-466-1366

- SB235 - INCREASED VALUE-PROPERTY TAX (BEAGLE B, COLEY W) To exempt from property tax the increased value of property on which industrial or commercial development is planned until construction of new commercial or industrial facilities at the property commences.
- SB 331 - DOG SALES BY STORES-REGULATE RETAILERS, PET STORES LICENSING (PETERSON B) To regulate the sale of dogs from pet stores and dog retailers, to require the Director of Agriculture to license pet stores, to revise the civil penalties applicable to dog breeders and other specified entities, and to make an appropriation.
- HB492 - CAPITAL IMPROVEMENT-PILOT (ROGERS J, DRIEHAUS D) To create the Supplemental State Capital Improvements Pilot Program funded by a temporary transfer from the Budget Stabilization Fund and to make an appropriation.
- HJR5 - WATER-SEWER IMPROVEMENTS (LEPORE-HAGAN M, SMITH K) To permit the issuance of general obligation bonds to fund sewer and water capital improvements.
- HB508 - FISCAL DISTRESS-LOCAL GOVERNMENT FUNDING (SMITH K, BOGGS K) To make supplemental appropriations to the Auditor of State for purposes of distributing these funds to political subdivisions in fiscal caution, watch, or emergency.

#### HOUSE STATE GOVERNMENT

- SB220 - OHIO PUBLIC EMPLOYEE-ROTH FEATURES (HOTTINGER J) To authorize the Ohio Public Employees Deferred Compensation Board and local governments to establish designated Roth account features and other tax-deferred or nontax deferred features permitted for government deferred compensation plans.

#### **REMAINING GENERAL ASSEMBLY SCHEDULE**

Thursday, Nov. 24 - Thanksgiving Day (State Offices closed)  
Tuesday, Nov. 29 - Sessions  
Wednesday, Nov. 30 - Senate Session/House Session (if needed)  
December Thursday, Dec. 1 - Senate Session  
Tuesday, Dec. 6 - Sessions Wednesday  
Dec. 7 - Sessions Thursday  
Dec. 8 - Sessions  
Tuesday, Dec. 13 - Senate/House Sessions (if needed)  
Wednesday, Dec. 14 - Senate/House Sessions (if needed)  
Thursday, Dec. 15 - Senate Session (if needed)  
Sunday, Dec. 25 - Christmas Day Monday  
Dec. 26 - Christmas Day observed (State Offices closed)  
Wednesday, Dec. 28 - Senate Session (if needed)

#### **UPCOMING COMMITTEE SCHEDULE FOR BILLS OF MUNICIPAL CONCERN**

The committee announcement below is only the first to be made for next week. Please check our website for a revised committee schedule on Monday.

#### SENATE CRIMINAL JUSTICE

Wed., Nov. 30, 2016, 11:15 AM, South Hearing Room  
Sen. Eklund: 614-644-7718

HB185 - ARSON-PROPERTY OWNERSHIP (KOEHLER K) To eliminate lack of the property owner's consent as an element of arson when the property is abandoned real property and to make the consent of the owner of abandoned real property an affirmative defense. Fourth Hearing, All Testimony, AMENDMENTS/POSSIBLE VOTE



# Legislative Bulletin

**November 14, 2016**

This is an extremely important week in the 131<sup>st</sup> Ohio General Assembly (G.A.) as it marks the beginning of the end of the biennium. This part of the biennium is called the "lame duck" period because it is the period between the election of the 132<sup>nd</sup> G.A. and the ending of the 131<sup>st</sup> G.A. This period can bring about unpredictable legislation at times. The OML has worked since May to prepare for this period and has met with legislators across the state about the bills that we are tracking. Because of this, we feel confident going in that we have addressed our concerns with the G.A. although we are always vigilant about what might happen.

We ask that our members keep a close eye on our legislative bulletins for the rest of this year so that we may be able to better coordinate in our efforts to partner with the state. There are two main pieces of legislation that the OML is concerned about going into this lame duck session.

## **LEGISLATION OML TRACKING FOR THE LAME DUCK SESSION TO RECEIVE COMMITTEE ACTION**

First, is Senate Bill 27, introduced by Senator Tom Patton (R-Cleveland). The bill would provide a presumption, if a firefighter has one of many types of cancer, that that cancer was caused by work-related conditions, thereby moving the employee's health coverage from health insurance into the Workers Compensation system. We have reported extensively on this bill since early this year. The bill has passed the Senate and is assigned to House Insurance Committee which is Chaired by Representative Tom Brinkman (R-Cincinnati). There are many opinions about this bill overall but, like much legislation, the devil is in the details. The OML has offered an alternative bill that would address this issue in a responsible way, taking into account current scientific standards. The bill is scheduled for a hearing and possible vote on Wednesday November 16 at 10 am. The OML and the Ohio Township Association will testify against the current version of the bill and offer the Committee an explanation of why our proposal is much better. That testimony will be available in the coming days and will reflect the one-page summary of our position available [HERE](#).

Second, is Senate Bill 235 which was introduced by Senators Bill Beagle (R-Dayton) and Bill Coley (R-Cincinnati). This bill would exempt from property taxes the increased value of property on which industrial or commercial development is planned until completion of the new or redeveloped facilities, removes all local control over the approval, duration, or any additional requirements tied to the tax exemption and would jeopardize existing TIF agreements in place. Local governments from across the state have been actively involved in several meetings with the bill's sponsors while the measure was in the Senate. We raised numerous concerns and objections but were unfortunately forced to oppose Am. Sub. SB 235. Our full reasoning behind our opposition can be found [HERE](#). The bill is receiving a hearing on Wednesday morning at 9 am in the House Finance Committee. No vote is scheduled as of now.

Other Committees and legislation receiving hearings this week are listed at the end of this bulletin.

## **NEXT HOUSE LEADERSHIP TEAM SELECTED**

The Ohio Municipal League would like to congratulate the legislators who have been selected by their peers to lead their respective Ohio House caucuses in the upcoming 132<sup>nd</sup> General Assembly. The league and our members look

forward to working with these leaders and all members of Ohio's legislature on issues critical to cities and villages and the state of Ohio, as a whole.

Ohio House Republicans re-elected Representative Cliff Rosenberger (R-Clarksville) as Speaker of the House; Representative Kirk Schuring (R-Canton) as Speaker Pro Tempore; Representative Dorothy Pelanda (R-Marysville) as Majority Floor Leader; Representative Sarah LaTourette (R-Chesterland) as Assistant Majority Floor Leader; Representative-elect Tom Patton (R-Strongsville) as Majority Whip; Representative Robert McColley (R-Napoleon) as Assistant Majority Whip; and Representative-elect Bill Seitz (R-Cincinnati) as Caucus Policy Chair.

## **COMMITTEE SCHEDULE FOR THE WEEK OF NOVEMBER 14, 2016**

### **SENATE STATE AND LOCAL GOVERNMENT**

Tue., Nov. 15, 2016, 9:45 AM, North Hearing Room

- SB322 - CHIEF OF POLICE TRAINING COURSE (HITE C) To require the Ohio peace officer training commission to develop and conduct a chief of police training course for newly appointed chiefs of police appointed on or after January 1, 2017. Second Hearing, Proponent Testimony

### **SENATE CIVIL JUSTICE**

Tue., Nov. 15, 2016, 10:30 AM, Senate Finance Hearing Room

- HB463 - MORTGAGE FORECLOSURE-ABANDONED PROPERTY (DEVER J) To establish expedited actions to foreclose mortgages on vacant and abandoned residential properties, to permit private selling officers to conduct judicial and execution sales of real property, to state the intent of the General Assembly regarding mortgage foreclosure actions, to revise the Commercial Paper Law relating to mortgages and lost instruments, and to make other changes relative to foreclosure actions. First Hearing, Sponsor Testimony

### **SENATE TRANSPORTATION, COMMERCE AND LABOR**

Tue., Nov. 15, 2016, 11:15 AM, North Hearing Room

- HB341 - TOWING FEES (YOUNG R, SWEENEY M) To require the Public Utilities Commission to raise the existing statutorily designated towing and storage fees annually by the percentage increase in the consumer price index. First Hearing, Sponsor Testimony

- HB154 - BICYCLE PASSING-TRAFFIC LIGHTS (HENNE M, SHEEHY M) To provide that when a motor vehicle passes a bicycle the safe passing distance to the left is three feet, and to alter the protocol for proceeding into an intersection that has malfunctioning traffic lights. First Hearing, Sponsor Testimony

- HB455 - BOARDING SCHOOL ZONE (PATTERSON J, ROEGNER K) To authorize a municipal corporation or township to establish a boarding school zone and a special speed limit within that zone. First Hearing, Sponsor Testimony

### **HOUSE FINANCE**

Tue., Nov. 15, 2016, 1:30 PM, Hearing Room 313

- HB508 - FISCAL DISTRESS-LOCAL GOVERNMENT FUNDING (SMITH K, BOGGS K) To make supplemental appropriations to the Auditor of State for purposes of distributing these funds to political subdivisions in fiscal caution, watch, or emergency. First Hearing, Sponsor Testimony

### **SENATE ENERGY AND NATURAL RESOURCES**

Tue., Nov. 15, 2016, 4:00 PM, North Hearing Room

- SB333 MBR-WATER QUALITY (HITE C) To revise specified laws relating to environmental protection. First Hearing, Sponsor Testimony

### **SENATE GOVERNMENT OVERSIGHT AND REFORM**

Wed., Nov. 16, 2016, 8:45 AM, Senate Finance Hearing Room

- SB251 - DRONE USE-LAW ENFORCEMENT (SKINDELL M, JORDAN K) To regulate the use of drones for gathering evidence and information by law enforcement officers in Ohio. First Hearing, Sponsor Testimony

### **HOUSE FINANCE**

Wed., Nov. 16, 2016, 9:00 AM, Hearing Room 313

Rep. Smith: 614-466-1366

- SB235 - INCREASED VALUE-PROPERTY TAX (BEAGLE B, COLEY W) To exempt from property tax the increased value of property on which industrial or commercial development is planned until construction of new commercial or industrial facilities at the property commences. First Hearing, Sponsor Testimony
- HB492 - CAPITAL IMPROVEMENT-PILOT (ROGERS J, DRIEHAUS D) To create the Supplemental State Capital Improvements Pilot Program funded by a temporary transfer from the Budget Stabilization Fund and to make an appropriation. First Hearing, Sponsor Testimony
- HJR5 - WATER-SEWER IMPROVEMENTS (LEPORE-HAGAN M, SMITH K) To permit the issuance of general obligation bonds to fund sewer and water capital improvements. First Hearing, Sponsor Testimony

#### HOUSE INSURANCE

Wed., Nov. 16, 2016, 10:00 AM, Hearing Room 122

- SB27 - WORKERS' COMPENSATION-FIREFIGHTER CANCER (PATTON T) To provide that a firefighter who is disabled as a result of specified types of cancer is presumed for purposes of the laws governing workers' compensation and the Ohio Police and Fire Pension Fund to have incurred the cancer while performing official duties as a firefighter. Second Hearing, All Testimony, POSSIBLE VOTE

#### HOUSE STATE GOVERNMENT

Wed., Nov. 16, 2016, 2:30 PM, Hearing Room 121

- SB220 - OHIO PUBLIC EMPLOYEE-ROTH FEATURES (HOTTINGER J) To authorize the Ohio Public Employees Deferred Compensation Board and local governments to establish designated Roth account features and other tax-deferred or nontax deferred features permitted for government deferred compensation plans.

### **REMAINING GENERAL ASSEMBLY SCHEDULE**

Tuesday, Nov. 15 - Senate Session/House Session (if needed)

Wednesday, Nov. 16 - Sessions

Thursday, Nov. 17 - House Session

Tuesday, Nov. 22 - Senate Session (if needed)

Thursday, Nov. 24 - Thanksgiving Day (State Offices closed)

Tuesday, Nov. 29 - Sessions

Wednesday, Nov. 30 - Senate Session/House Session (if needed)

December Thursday, Dec. 1 - Senate Session

Tuesday, Dec. 6 - Sessions Wednesday

Dec. 7 - Sessions Thursday

Dec. 8 - Sessions

Tuesday, Dec. 13 - Senate/House Sessions (if needed)

Wednesday, Dec. 14 - Senate/House Sessions (if needed)

Thursday, Dec. 15 - Senate Session (if needed)

Sunday, Dec. 25 - Christmas Day Monday

Dec. 26 - Christmas Day observed (State Offices closed)

Wednesday, Dec. 28 - Senate Session (if needed)



# Legislative Bulletin

**November 2, 2016**

After a long break from legislative activity the General Assembly will reconvene shortly after the election next week during what is called the lame-duck session. At the end of this bulletin, we have provided the current legislative calendar for the lame duck session. The League will be monitoring multiple pieces of legislation during that time. If you are interested in testifying or speaking to legislators about these bills, we would appreciate your participation and will facilitate that for you.

## **OML CELEBRATES SUCCESSFUL 65<sup>TH</sup> CONFERENCE**

Last week, the OML held its 65<sup>th</sup> annual conference. We are happy to report that attendance exceeded our expectations and the reviews were very favorable for both the general session presentations and workshop topics. At the conference, OML members were able to interact with a multitude of speakers and presenters, as well as catch-up with old friends while meeting new municipal officials from across the state. The Ohio State "Hyperactive" Alumni Band played fired up the crowd Wednesday evening with some traditional Buckeye songs. On Thursday, our attendees were presented with an "inside the beltway" view of national politics and the latest insights on the presidential campaigns by Bob Cusack, national political analyst and editor of the publication *The Hill*. Pictures can be found on our Facebook page: [www.facebook.com/ohiomunicipalleague](http://www.facebook.com/ohiomunicipalleague). We would like to thank all of our members who were able to attend and we hope that you were able to take home new information that can be applied to your service to your municipality. We also are grateful to our exhibitors who participated in our annual Exhibit show and we hope our members were able to spend time and become better acquainted with new and existing services that are available for cities and villages.

## **OML MONITORING LEGISLATION DURING LAME DUCK**

The first piece of legislation that the League is monitoring during lame duck is Senate Bill 235 introduced by Senators Bill Beagle (R-Dayton) and Bill Coley (R-Cincinnati). The bill would exempt from property tax the increased value of property on which industrial or commercial development is planned until the completion of new commercial or industrial facilities at the property. The OML joins multiple other local government associations to oppose this bill. A detailed letter expressing our opposition has been attached.

Secondly, the league is monitoring House Bill 214 introduced by Representative Andy Thompson (R-Marietta). This bill would withhold state funding for any project when a public authority has a preference for a particular type of piping material for certain public improvements. The OML has been involved in multiple meetings and conversations to prevent this bill from passing. The OML believes that decision regarding civil engineering should be left to local engineers. The bill could result in new liability and more costly bidding processes for local governments.

Lastly, the OML is actively working with General Assembly members on redrafting Senate Bill 27 introduced by Senator Tom Patton (R-Cleveland). The bill would provide that a firefighter who is

disabled as a result of specified types of cancer is presumed for purposes of the laws governing workers' compensation and the Ohio Police and Fire Pension Fund to have incurred the cancer while performing official duties as a firefighter. The OML has offered a very reasonable compromise and is currently working with members of the House Insurance Committee to resolve our differences. We are optimistic at this point that a reasonable compromise is possible.

## **2020 TAX STUDY COMMISSION RELEASES HISTORICAL TAX CREDIT REPORT**

On Monday, October 31<sup>st</sup>, 2016, the 2020 Tax Policy Study Commission met to hear testimony over various tax concerns, as well as adopt the Historic Tax Credit Report.

The Commission first heard testimony from Gavin DaVore Leonard, the State Director of the advocacy group One Ohio Now. DaVore Leonard's testimony addressed the larger goals of Ohio's tax policies, arguing for increased spending in the areas of education, health care, human services, corrections, transportation and capital needs. The testimony supported an increased severance tax, providing the generated revenue would be earmarked largely for those communities where gas and drilling are greatest. This drew the attention of Budget Director Tim Keen, who during a line of questioning stated that earmarking undercuts the notion of state funding as a whole.

Stark County Commissioners' Director of Management and Budget, Chris Nichols, testified next regarding the elimination of sales tax collections from Medicaid MCO's which will take effect in July of 2017. Stark County alone stands to lose approximately \$1.19 million or 6.5% of their annual Justice System Sales Tax revenue. Total additional revenue loss state-wide is projected at approximately \$146 million, or 7.5% of cumulative sales tax revenues per year. Regional Transit Authorities around the state are expected to lose more than \$33.5 million each year. Nichols expressed concern that as the State tries to plug the ensuing \$440 million per year in revenue loss, that there will be further cuts in an already depleted Local Government Fund.

Highland County Commissioner Shane Wilkin Also testified on the loss of the Medicaid MCO's and the effects on Highland County's already stretched budget dollars.

Craig Johnson, Executive Director of the Streamlined Sales Tax Governing Board, and Max Behlke, Manager of State-Federal Relations for the National Conference of State Legislatures, testified in tandem in favor of Federal solutions to the issue of remote sales tax collection.

Finally, the Commission unanimously adopted the Historic Tax Credit Report. The report in its entirety can be found [HERE](#)

The Commission recommended the following changes:

- Implementation of an effective tracking system for credits established by HB 233
- Require tax credit applicants to disclose which percentage of the credit will go towards their project
- Required demonstration from applicants that their project will move forward after OHPTC approval
- Recommends considering including a provision depicting in the biennial operating budget bill:
  - ○ Total allowable amount of historic tax credits that may be authorized
  - ○ Estimate of tax credits claimed each fiscal year
  - ○ Estimate of tax credits authorized but will remain outstanding at the end of the biennial budget period

## MARIJUANA CULTIVATION RULES COMING

Earlier this year we reported on the new medical marijuana laws that the General Assembly passed. The bill was House Bill 523 introduced by Representative Steve Huffman (R-Tipp City). The bill required rules to be put in place by three regulatory agencies. The Department of Commerce was assigned to regulate the dispensaries. The DOC has released their first draft of the rules and they are currently being reviewed by the Medical Marijuana Advisory Committee, created in the state's medical marijuana legislation.

Here is an overview of the proposed rules as they stand. First, there will be two levels of cultivators: level 1 and level 2. Level 1 cultivators will be able to grow in a larger area, up to 15,000 square feet. Level 2 would be limited to 1600 square feet. The Department will authorized up to 12 licenses for Level 1 cultivators and 6 licenses for Level 2. The rules set proposed trash disposal, licenses fees, transportation, inspections, security for the cultivators. The rules also includes a process for reporting thefts. We at the League are monitoring this part closely to ensure that it makes sense for local law enforcement.

These proposed rules will go through the normal rule-making process, which includes the Common Sense Initiative and the Joint Committee for Agency Rules Review. The rules for cultivation are due by May 6, 2017. The Committee plans to meet once more this year, although no date is set. The Committee has an area for public comment at: <http://medicalmarijuana.ohio.gov/default>

### LEGISLATIVE SCHEDULE FOR LAME DUCK

#### November

Tuesday, Nov. 8 - General Election  
Wednesday, Nov. 9 - Senate Session - CANCELLED  
Thursday, Nov. 10 - Senate Session - CANCELLED  
Friday, Nov. 11 - Veterans' Day (State Offices closed)  
Tuesday, Nov. 15 - Senate Session/House Session (if needed)  
Wednesday, Nov. 16 - Sessions  
Thursday, Nov. 17 - House Session  
Tuesday, Nov. 22 - Senate Session (if needed)  
Thursday, Nov. 24 - Thanksgiving Day (State Offices closed)  
Tuesday, Nov. 29 - Sessions  
Wednesday, Nov. 30 - Senate Session/House Session (if needed)

#### December

Thursday, Dec. 1 - Senate Session  
Tuesday, Dec. 6 - Sessions  
Wednesday, Dec. 7 - Sessions  
Thursday, Dec. 8 - Sessions  
Tuesday, Dec. 13 - Senate/House Sessions (if needed)  
Wednesday, Dec. 14 - Senate/House Sessions (if needed)  
Thursday, Dec. 15 - Senate Session (if needed)  
Sunday, Dec. 25 - Christmas Day  
Monday, Dec. 26 - Christmas Day observed (State Offices closed)  
Wednesday, Dec. 28 - Senate Session (if needed)



# Legislative Bulletin

October 21, 2016

## **NATIONAL LEAGUE OF CITIES (NLC) CITY FISCAL CONDITIONS 2016 REPORT RELEASED**

Despite improved fiscal stability for day-to-day operations, local budgets continue to confront mounting challenges such as infrastructure and employee-and retiree- related costs, matched with inequitable recovery in local housing and labor markets threaten long-term fiscal sustainability. These issues are particularly important given that city revenues have not fully recovered from the great recession.

As a result, many municipalities may be operating with suppressed revenues when and if another recession occurs in the coming years.

NLC's latest report which can be found [HERE](#), provides a fiscal snapshot of cities based on a survey of city finance officers from across the nation about revenues and expenditures as well as policy actions and priorities. The official report release event took place in Washington, D.C. on October 13.

## **OML/OMAA GENERAL COUNSEL GARRY HUNTER RE-CERTIFIED AS LOCAL GOVERNMENT FELLOW**

Ohio Municipal League and Ohio Municipal Attorneys Association General Counsel Garry Hunter has been recertified as a local government fellow. With this recertification, Garry will be a local government fellow for twenty years. There are fewer than 125 Local Government fellows in the United States and Canada. The prestigious IMLA Local Government Fellows Program was established to recognize attorneys as legal specialists in the field of local government law and to encourage attorney proficiency and competency in the local government legal field.

To be designated a Local Government Fellow, the applicant must have been engaged in the practice of law in the United States or Canada. The applicant must demonstrate substantial involvement in the practice of local government law during the three (3) years immediately preceding the date of application. Substantial involvement means the applicant has devoted 40 percent or more of the applicant's practice to matters in which issues of local government law are significant factors and in which the applicant has had substantial and direct participation in those issues. An applicant must furnish information concerning the frequency of the applicant's work and the nature of the issues involved. The applicant shall submit as references five (5) lawyers who are familiar with the applicant's practice and who can attest to the applicant's reputation for special competence and substantial involvement in the field of local government law. The applicant must demonstrate that during the two (2) year period immediately preceding the date of application, the applicant has completed twelve (12) hours of continuing legal education in the area of local government law (for U.S.

Applicants, six (6) hours on national issues). The applicant must pass a written examination, uniformly administered to all applicants, designed to demonstrate sufficient knowledge, skills, and proficiency in the field of local government law to justify the representation of special competence to the legal profession and the public. The examination shall be comprised of two parts. The first part requires the applicant to provide written responses to a predetermined number of hypothetical fact-patterns prepared by members of the Local Government Fellows Examination Subcommittee. The second part requires the applicant to prepare and submit an original article for publication in the Municipal Lawyer magazine or a substantive paper suitable for presentation at an IMLA seminar or conference.

Lisa Eliason, Athens City Law Director said of Garry's recertification, "Garry is very deserving of this honor after having served as a local government attorney for forty years." Steve Wolf, former Law Director for Mt. Healthy and President of American Legal Publishing said, "Congratulations Garry for once again being designated a Fellow by the International Municipal Lawyers Association. You will now continue to rank among the elite practitioners of municipal law for 20 consecutive years! Ohio municipalities are proud and lucky to have you as a municipal resource."

### **OML 65<sup>th</sup> ANNUAL CONFERENCE NEXT WEEK**

As a final reminder, the OML Annual conference will be held next week at the downtown Columbus Renaissance Hotel. League staff has been working hard to produce an agenda of topics that are timely for municipal officials and address issues that cities and villages are facing not only in Ohio, but on a national level as well. The conference agenda can be found [HERE](#).

We hope you have already completed your registration material and returned them to our offices but if not, [HERE](#) is a link to the registration material you will need to join us next week!

Hope to see you there!



# Legislative Bulletin

September 30, 2016

The Ohio Senate returned briefly to the Ohio Statehouse this week, holding a voting session on Wednesday. During the session, Senators approved SB 329, legislation introduced by Senate President Keith Faber (R-Celina) and Sen. Kris Jordan (R-Delaware) that would require standing committees of the General Assembly to establish a schedule for the periodic review and sunset of state departments that are currently in the Governor's cabinet. The bill, which was introduced at the end of May and received two hearings in the Senate Government Oversight & Reform committee, has been sent to the Ohio House for their review. The legislature is not expected to return to the Statehouse until after the General elections, when the "Lame Duck" session will commence.

## **2020 TAX POLICY STUDY COMMISSION RECONVENES AND RECEIVES TESTIMONY ON MUNICIPAL INCOME TAX**

On Monday, September 26, the 2020 Tax Policy Study Commission held a hearing during which two very different proposals on municipal income tax policy were heard.

First, the commission heard the testimony from Fred Nicely, the Council on State Taxation (COST) senior tax council. Mr. Nicely advocated for the institution of a centrally administered municipal income tax system, as well as the elimination of the "throwback" provision, the provision of a 100% municipal income tax credit, and a 20-year NOL carry forward period for Net Operating Losses.

OML's executive director Kent Scarrett was able to testify after Mr. Nicely and refuted the claims made by COST. [HERE](#) is a link to the testimony that was presented. Director Scarrett argued that centralized collection would cut off the over 600 municipalities with municipal income tax from collecting or accessing their "life blood" revenue. As for the elimination of the "throwback" provision, Dir. Scarrett cited just two instances in which the elimination would have devastating consequences: one city outside Columbus would lose 25% of its general revenue, while a study by the city of Athens concluded its top five employers would lose more than \$76,000 per year.

Regarding the proposed municipal income tax credit, Dir. Scarrett rejoined, "When Ohio's workforce comes home, they enjoy such basic services as a trained police force, dependable fire and rescue services, safe roads, clean water, controlled zoning practices and other services that make a civilized community a safe place to live and prosper. The revenue consequences [ . . . ] would be untold. But understand, it would not take long for Ohio's workforce to flee the Buckeye state, making economic development success a thing of the past."

Budget Director Tim Keen asked Dir. Scarrett at the conclusion of the testimony a couple of questions clarifying whether municipal income tax is the sole source of revenue for municipalities since they are not mandated to impose one. Dir. Scarrett clarified that for the over 600 municipalities that have instituted a municipal income tax, it is far and away their largest and most reliable source of revenue.

The commission concluded the hearing without setting a date for the next one.

## **65<sup>th</sup> OML ANNUAL CONFERENCE AROUND THE CORNER**

The OML annual conference is quickly approaching and we want to remind our members that if you have not already done so please complete your registration information and return it to us so we can secure your attendance at this year's event.

We are excited to confirm that the Ohio State University Alumni Marching Band will be joining us Wednesday evening at our reception in the Exhibitors Hall to entertain and get everyone fired-up! Make sure you join us in Columbus October 26-28<sup>th</sup> at the Renaissance hotel to learn all about timely issues related to municipal government, hear insights from the campaign trail by national policy & political analyst Bob Cusack, Editor in Chief of *The Hill* news service and most importantly, interact with other municipal officials from around the state.

We look forward to seeing you at the conference.



# Legislative Bulletin

**September 23, 2016**

The Ohio General Assembly continues to focus on campaigns while the OML continues to meet with our members and the General Assembly's members during this period. The Ohio Senate will be back at the Statehouse for a quick session day with the real legislative action resuming after the General Election when the Lamé Duck session begins. Executive Director Kent Scarrett was on the road again this week meeting with the members of the Lake County Mayors and Managers Association and later with the Northwest Ohio Mayors and Managers Association. We appreciate the hospitality and opportunity to be around the state to talk with league members about issues they are confronting, the new direction of our organization and initiatives being put into place.

## **NOL IMPACT REVIEW COMMITTEE ADOPTS NEW DATA COLLECTION METHOD**

On Thursday, September 22, the Municipal Income Tax Net Operating Loss Review Committee met to vote on the adoption of a method of collecting data that will aid the understanding the impact that the newly instituted 5-year carryforward will have on municipalities. The committee had originally proposed a method that required a full review of each business and individual filing (or a "full pull") from 2012-2018 in order to project what kind of loss the municipality would have incurred had net operating losses in 2011-2013 been carried forward for five years.

Due to the incredible financial and administrative burden this would place on municipalities, coupled with the fact that much of the needed data simply does not exist (those who would have incurred an NOL did not file as such since there was no carry forward), the Ohio Municipal League proposed the Representative Illustration Method as an alternative. This method only applied to participating municipalities and relied on samples rather than a full pull.

After deliberation, the Department of Taxation proposed two alternative methods. Option #1 still required a full pull from 2011 and onwards and would have left only approximately a 90-day window for compliance. Option #2 still required a full pull, but only for taxable years going forward until 2020. As this would somewhat ease the burden on local tax administrators and ensure the data submitted was substantially more accurate, it was agreed that Option #2 was the preferred method.

Included in our most recent Legislative Bulletin dated September 16<sup>th</sup>, we provided a link to a copy of the correspondence from Tax Commissioner Testa which includes the detailed explanation of each of the options proposed and the specifics of Option #2. One of the most important aspects of Option #2 is that the data collection will be accumulated on a prospective basis by those communities most impacted by the unfunded mandate included in HB5, requiring a 5 year NOL carry forward to be part of all municipal tax ordinances.

OML Executive Director Kent Scarrett testified before the committee reiterating the fact that accumulating the information through a sampling system would be more beneficial for cities and villages but from the

alternatives being advanced by the committee, the preference would be for Option #2, but with an extended deadline. A copy of his testimony can be found [HERE](#). After brief questioning from the committee, the decision was made to extend the submission deadline from August 31, 2020 to August 31, 2021, and the method prescribed in Option #2 was adopted by the committee as the new guidelines for the data collection exercise.

Each municipality that administers an income tax will receive a letter from Commissioner Testa explaining the action taken by the committee yesterday and the details of the new data collection methodology.

We appreciate Chairman Testa's consideration of the concerns expressed by the league to the original methodology proposed and adopted for this important legislative review of the impact of the NOL mandate and the willingness to change course and work with the challenges expressed. The League is also grateful to the committee members and especially Rep. Kirk Schuring for his leadership in working with League staff and the Department of Taxation, on an ongoing basis, to facilitate a better collection procedure for all parties involved.

### **LEAGUE STAFF GROWS WITH NEW HIRE**

The Ohio Municipal League is proud to announce the hiring of Kari Straub to the position of Administrative Assistant. Members can expect to get to know Kari as she will be assisting with multiple tasks at the OML including administrative assistant work and assistance with planning our events. Kari graduated from the Ohio State University with a degree in hospitality management and a minor in Business. She has experience as an administrative assistant and office manager for a prominent CPA firm in Columbus, Ohio. She also has three years' experience as an event planner at The Ohio State University.

Also, Chrissy Blake, the league's former administrative assistant, will now be acting as the league's Member Services Director. Chrissy will be tasked with introducing new opportunities for league members and exploring service programs new to the league.

### **2020 TAX POLICY STUDY COMMISSION MEETING**

Co-Chairmen Senator Bob Peterson (R-Washington Court House) and Representative Tim Schafer (R-Lancaster) have announced that the Ohio 2020 Tax Policy Study Commission will be meeting on Monday September 26 at 2:30 p.m. in the Ohio Senate South Hearing Room. The Committee's purpose is to review the state's tax structure and policies and make recommendations to the General Assembly on how to maximize Ohio's competitiveness by the year 2020.

### **OHIO SENATE SCHEDULES SESSION FOR NEXT WEEK**

Last week we informed you that the Senate had scheduled several sessions over the coming months. The Ohio Senate cancelled all sessions except the one scheduled for 1:30 p.m. Wednesday September 28, 2016. No legislation has been scheduled for that session at this time.

### **REPRESENTATIVE McCLAIN RESIGNS AND BEGINS NEW CHAPTER**

Representative Jeff McClain (R-Upper Sandusky) has resigned from his position as the Representative of the 87<sup>th</sup> Ohio House District and has accepted position with the Ohio Chamber of Commerce as the Director of Tax and Economic Policy. Jeff has held Chairmanships and Vice-Chairmanships of several important committees such as Finance and Ways and Means. Representative McClain has been a friend of the League and we look forward to working with him in his new position.

## **LEAGUE LAUNCHING GRANTFINDER PROGRAM**

The OML is pleased to introduce our partnership with EfficientGov, an information service that tracks innovative solutions to fiscal and operational challenges facing cities and villages across the country.

EfficientGov provides local government leaders with unlimited access to information and tools that help reduce the cost and improve the efficiency of government. One of those tools is GrantFinder, which is a real-time, online searchable database of almost every federal, state, foundation and corporate grant available to your community. For more information about EfficientGov and GrantFinder, visit: [efficientgov.com](http://efficientgov.com)

Through our new partnership, the OML is able to offer 50 of our members a one-year trial membership of the GrantFinder tool at no charge to the municipality. This opportunity is available on a first come, first serve basis to the first 50 municipalities that contact us.

If you are interested in having access to the largest searchable database of private, state and federal grants available to municipalities and local non-profits, please send an email with your name, title, email address and phone number to: Chrissy Blake, Director of OML Member Services, at email address [cblake@omlohio.org](mailto:cblake@omlohio.org).

### **A LETTER FROM THE STATE AND LOCAL LEGAL CENTER ABOUT NEW OVERTIME RULE/FAIR LABOR STANDARDS ACT (FLSA)**

Twenty-one states are suing the Department of Labor over new overtime rules which make it more likely states will have to pay more employees overtime. They are seeking an injunction which will prevent the new rules from going into effect on December 1, 2016.

Per the Fair Labor Standards Act (FLSA), "white collar" employees do not have to be paid overtime if they work more than 40 hours a week. Per Department of Labor regulations, adopted shortly after the FLSA was adopted in 1938, employees must perform specific duties and earn a certain salary to be exempt from overtime as white collar employees.

On May 23, 2016, the Department of Labor (DOL) issued final rules nearly doubling the previous salary level test for white collar employees from \$455 per week, or \$23,660 per year to \$913 per week, or \$47,476 per year.

DOL also raised the salary threshold for highly compensated employees (who aren't eligible for overtime no matter their job duties) from \$100,000 per year to \$134,004 per year. The rules automatically update the salary level every three years for white collar and highly compensated employees.

As a practical matter the states object to these rules because they will cost more money and states "cannot reasonably rely upon a corresponding increase in revenue, [so] they will have to reduce or eliminate some essential government services and functions."

In its complaint the states make five arguments for why the Texas federal district court should grant their injunction. Its first and most ambitious argument is that the Court overturn *Garcia v. San Antonio Metropolitan Transit Authority* (1985), where the Court held that the FLSA applies to the states.

The states also argue that DOL has exceeded its authority under the FLSA in issuing these rules by ignoring the duties an employee performs and making salary a litmus test.

By automatically increasing the salary basis test DOL is violating the FLSA's requirement to "define and delimit from time to time" the white collar exception, the states claim.

As in almost any lawsuit objecting to federal rules, the states argue the rules are "arbitrary, capricious, an abuse of discretion, or otherwise not in accordance with law."

Finally, the states claim that Congress improperly delegated congressional legislative power by conferring "unlimited legislative authority on DOL" in the FLSA.

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### COMMITTEE SCHEDULE FOR NEXT WEEK

Since the Ohio Senate will be back in Columbus next week, there is one hearing that has been added to the committee schedule, in addition to the 2020 Tax Policy Study Commission.

Have a pleasant first weekend of Autumn.~

Monday, September 26

2020 TAX POLICY STUDY COMMISSION  
2:30pm, South Senate Hearing Room

State Tax Policy Issues

<u>Wednesday, September 28</u>	
SENATE WAYS AND MEANS	Sen. Peterson: 614-466-8156
<i>Wed., Sep. 28, 2016, 9:30 AM, South Hearing Room</i>	
SB160	HOTEL INTERMEDIARY TAX (HUGHES J, PATTON T) To require hotel intermediaries to collect and remit applicable sales and use tax on the full amount paid for hotel lodging. First Hearing, Sponsor Testimony
SB288	INCOME TAX-PASS THROUGH ENTITIES (EKLUND J) To revise the law governing how taxes on income from pass-through entities is to be reported and paid by the entities and their investors. Third Hearing, All Testimony



# Legislative Bulletin

**September 16, 2016**

The Ohio legislature remains on a break which will continue until after the election in November, with the exception of a four week period scheduled for the weeks of September 26<sup>th</sup> to October 3<sup>rd</sup>. The Ohio Senate has scheduled session dates for Tuesday, Wednesday, and Thursday of those weeks. During these fall months, the members have been concentrating mainly on campaigning. Meanwhile, we have been fortunate to get many meetings with members despite the campaign season. We have met with dozens of General Assembly Members, our own members, and various committees to prepare for the lame duck session at the end of this year and the next General Assembly.

## **NET OPERATING LOSS REVIEW COMMITTEE MEETING**

Ohio Tax Commissioner Joe Testa has announced that he is calling a second hearing of the Net Operating Loss Review Committee for September 22<sup>nd</sup> at 2:00 p.m. in Ohio Statehouse Room 114. All municipalities levying an income tax should have received a copy of the committee materials in the mail. If you have not received the information, you may access it [HERE](#). In the packet of information distributed to cities and villages by ODT, there is a letter to Commissioner Testa from the staff of ODT outlining their response to correspondence from the league and alternate proposals to the methodology adopted by the committee in May. The correspondence from the league to the Commissioner is available [HERE](#). OML and other interested parties will have the ability to testify at the hearing and share thoughts and concerns about the alternate proposals to collect data on impacts related to the mandate on Ohio municipalities to provide a five year NOL carry forward policy for individuals and businesses via HB5.

## **LEGISLATION EFFECTING MUNICIPALITIES INTRODUCED**

Three bills have been introduced since our last bulletin that we believe impacts municipalities. First is Senate Bill 342, introduced by Senator Cecil Thomas (D-Cincinnati) which grants municipal corporations the authority to impose a ban or restriction on the open carry or concealed carry of any firearm in a publicly secured area established by the municipal corporation during an event of regional or national significance being held in the municipal corporation.

Secondly, is a public safety related bill Senate Bill 350, introduced by Senator John Eklund (R- Munson Township), which would provide generally a testimonial privilege for communications between a qualified advocate rendering advocacy services and a victim of sexual violence, menacing by stalking, or domestic violence, to exempt the nondisclosure of that privileged communication from the offense of failure to report a crime, to require a qualified advocate to report knowledge or reasonable suspicion of child abuse or neglect of the victim except for privileged communications, and to specify circumstances in which the victim is considered to have waived the privilege.

Third, is Senate Bill 352, introduced by Senator Charletta Tavares (D-Cincinnati), which would require school zones to be indicated by signs equipped with flashing or other lights or that indicate the times during which the restrictive speed limit is enforced, and to make an appropriation for this purpose.

### **NEW MEMBERS ELECTED WITH MUNICIPAL BACKGROUNDS**

The OML would like to welcome two new members to the General Assembly with substantial municipal experience. Both were elected by the Ohio House of Representatives on August 2, 2016 to fill empty seats for the remainder of the 131<sup>st</sup> General Assembly. First, was Derek Merrin, a former Mayor of Waterville, Ohio who will replace, in the 47th House District, Rep. Barbara Backus Sears (R-Sylvania) (a former Sylvania councilwoman herself) who is leaving to become Assistant Director of the Governor's Office of Health Transformation. Second was Theresa Charters Gavarone, a member of Bowling Green City Council, who will replace Rep. Tim Brown (R-Bowling Green), who is leaving to become president of the Toledo Metropolitan Area Council of Governments. Both will join the Ohio House of Representatives Republican Caucus. We're proud to have two former municipal officials added to the Ohio General Assembly!

### **OHIO'S RESEARCH INITIATIVE FOR LOCALS (ORIL) IS NOW ACCEPTING RESEARCH IDEAS FOR CONSIDERATION FOR THE UPCOMING FY 2018 PROGRAM.**

Representatives from Ohio's local public agencies (townships, villages, cities, counties, MPOs or RPOs) may now submit ideas for transportation research. The ORIL Board will review all ideas submitted and select those that propose the greatest benefit for Ohio. Selected ideas will be developed into Requests for Proposals, which will be posted for response from the transportation research community in March 2017. Research projects may begin any time after July 2017.

Ideas may be submitted online. To access the Idea Submission Form and get additional information, [click here](#). Idea submissions must be received by 3:00PM on November 4, 2016 in order to be considered.

If you have any questions, please contact the ORIL program at [ORIL@dot.ohio.gov](mailto:ORIL@dot.ohio.gov) or via phone at 614-466-3029 or 614-644-8135.

Ohio's Research Initiative for Locals (ORIL)  
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Columbus, OH 43223  
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### **TWO BOARD SPOTS OPEN ON THE OML'S PUBLIC SAFETY DIRECTORS ASSOCIATION**

The OML would like to invite municipal public safety directors to apply for one of two spots available on the board of directors for the Ohio Association of Public Safety Directors, and affiliate of the OML. More information about this organization can be found at: [www.oapsd.org](http://www.oapsd.org).



# Legislative Bulletin

July 29, 2016

## **OHIO LEGISLATURE RETURNING TO STATEHOUSE NEXT WEEK**

The Ohio Legislature will return next week to take care of a few "housekeeping" issues including welcoming new members to the Ohio General Assembly and Resolutions recognizing the passing of past members. As of now, there is only one committee scheduled to meet next week while reps and senators are back on Capital Square. If more committees are added to the schedule, we will be sure to alert our members.

## **OML BRINGS ON NEW LEGISLATIVE ADVOCATE**

On Monday, the League added another member to the OML family through the hiring of Ashley Brewster as our new Legislative Advocate. Ashley is Westerville native who served as Legislative Aide for State Senator Jay Hottinger both during his service in the Ohio House and when he was elected to the senate. In addition to her lengthy legislative experience, Ashley brings to the league experience as a Public Relations Consultant for another Ohio nonprofit, the Military Veterans Resource Center.

Graduating Cum Laude from Grace College with a Bachelor's Degree in Public Relations and Journalism, Ashley will assist in many policy areas with a focus on municipal and state taxation policy as well as advancing the OML's mission of fostering a productive partnership between Ohio state and municipal governments.

Ashley is a big part of the League's ambition to further strengthen the partnership between Ohio's state government and its municipalities. At the Ohio General Assembly, Ashley demonstrated tremendous savvy, an understanding of the needs of Ohio's local communities and an ability to communicate effectively with lawmakers and state agencies. We are very excited to have Ashley join our team and look forward to our members working with her to address the needs of their communities.

**2016 OML MUNICIPAL INCOME TAX CONFERENCE CONTINUES EDUCATION ON REFORM CHANGES**

On July 6-8th, the League hosted our annual OML Municipal Income Tax Conference at the Marriott NW in Dublin. Over 300 municipal finance officials from across the state attended the three-day seminar reviewing critical aspects of HB5, the municipal tax reform legislation which became effective January 1, 2016.

In addition to the review of the reform changes now incorporated into ORC718, the conference attendees also heard from a panel of legislators who are key policymakers on tax related issues at the Ohio Statehouse and from officials from the Department of Taxation. The discussion centered on the NOL Impact Review Committee's methodology for municipalities to provide impact analysis related to the new 5 year carry forward mandate for all Ohio cities and villages. We are grateful for the time Senator Bob Peterson and Representatives Gary Scherer and Jack Cera spent with our attendees before and after their presentations and for sharing their views as they relate to local and state tax issues.

We also want to thank all the exhibitors who set-up booths and offered their services and to the regional tax groups for their monetary support including the Ohio Association of Tax Administrators (OATA) and Southwest Ohio Tax Administrators (SWOTAA).

Finally, no conference could be a success without the intellectual firepower of those recruited to be session presenters. The 2016 tax conference covered some of the most difficult to interpret changes to the administration of the municipal income tax via HB5, so our presenters had their work cut out for them. We greatly appreciate the hours they spent to prepare the information and help our officials better understand the updated requirements of the continuing revisions of the municipal income tax.

## **OHIO MUNICIPAL LEAGUE BEGINS NEW ERA**

On March 31, 2016, Kent Scarrett moved from being OML's Director of Communication to its Executive Director. Since that time, the OML has begun the process of reviewing its operations to determine what it can do better to serve its members. On June 7-8, 2016, the OML held its inaugural Executive Board Retreat in Dublin, Ohio. There, the OML Board of Directors sat for two and a half days examining all OML functions and considering what it could do better.

The first session of the retreat began with a review of "where we are." The OML Board and staff discussed the OML's mission, key legislative accomplishments and activities, as well as image, perceptions and effectiveness.

Overall, the Board agreed with staff recommendations on rebranding the League and accepted several recommendations about improving communications and providing our members and legislators additional resources for communication and planning more strategic engagements. New projects in the development stages include a Local Government Legislative Alumni Caucus of past municipal officials now serving in the legislature; a Legislative Leadership Project where the League will facilitate meetings with legislative leaders and their district municipal officials; a New Legislator Orientation Project where league staff will arrange meetings with new members of the Ohio legislature to introduce them to issues relevant to Ohio cities and villages; and a robust Legislator Information Database providing our members and league staff with greater insight into legislators previous experience and issues where they have taken interest.

With these new initiatives being developed, the retreat produced a number of other directions for improvement, including the development of our new logo (which you may have noticed on our bulletin letterhead above) and tag line: "Partnering for Stronger Cities and Villages."

Second, the League will be introducing a new website and has already increased its social media presence. Third, the Board agreed that the League should send shorter, more frequent email communication through the League's bulletin email list, rather than longer, but less-frequent emails. These communication changes will take effect when the legislature returns to their legislative schedule after the November general elections.

Lastly, a robust discussion was held on how the League can facilitate the relationship between the League's members, members of Ohio government and the League's staff. In addition to the items mentioned previously, OML Board members will develop stronger lines of communication between each other and will have more organizational responsibilities.

Overall, it was agreed that the retreat was an enormous success and that the OML has the information and direction it needs from the Board to move forward. We would very much appreciate our member's feedback, so please call or email us with your input on these issues.

## **OML RETAINS CAPITAL PARTNERS FOR MUNICIPAL EDUCATION AND ADVOCACY PROJECT**

The OML has retained Capital Partners, a public policy and management strategy consulting firm, to provide analysis that accurately describes the fiscal, operational, policy, and political condition of Ohio's municipal sector, including its relationship with the State of Ohio. Capital Partners is headed by former Director of the Ohio Office of Budget and Management Dr. Greg Browning. The League feels Dr. Browning has the respect and attention of key leaders in the Ohio General Assembly.

Over the last several years, the League feels that many key leaders on Capital Square would benefit from a meaningful data project concerning municipalities in Ohio. The lack of reliable information has been a challenge for leaders in making policy that affects municipalities. The Capital Partners project will serve as the foundation and framework for actionable policy and management recommendations designed to enhance the stability and performance of Ohio municipalities. The project will also provide the OML with greater strategic clarity in regard to enhancing member services.

This project will accurately and honestly tell the story of Ohio's municipalities over the last several years. It will offer specific, concrete policy proposals via graphics that portray a "dashboard" of metrics that will help stakeholders better measure and enhance municipal government performance.

## **MUNICIPAL LEGISLATION PASSED INTO LAW**

Since our last legislative bulletin, the following legislation affecting municipalities has been signed into law by Governor Kasich:

Senate Bill 321, signed on June 28, 2016, which will be effective September 28, 2016. The bill was introduced by Senate Leader Keith Faber (R-Celina) which will create a procedure within the Court of Claims to hear complaints alleging a denial of access to public records and will modify the circumstances under which a person who files a mandamus action seeking the release of public records may be awarded court costs and attorney's fees. The bill protects higher education institutions from liability for disclosure of public records. We anticipate multiple complicated issues related to this bill and so the Ohio Association of Public Safety Directors (an OML affiliate) has scheduled a live seminar/webinar on this subject on August 26, 2016 from 9am to 12pm. Please contact [jbrown@omloho.org](mailto:jbrown@omloho.org) to register and get more information.

House Bill 387 was signed into law on June 28, 2016 and goes into effect September 28, 2016. The bill was introduced by Representatives Lou Terhar (R-Cincinnati) and Jonathan Dever (R-Cincinnati) and will raise the maximum allowable limit of the monetary jurisdiction of small claims divisions of municipal courts.

House Bill 277, which was signed on June 28, 2016 and went into effect immediately on that date. The bill was introduced by Representative Andrew Brenner (R-Powell) and will authorize a county, township, or municipal corporation to impose a 9-1-1 system levy in only the portion of the subdivision that would be served by the 9-1-1 system.

### **NEW LEGISLATION INTRODUCED ADDRESSING MUNICIPAL ISSUES**

Senate Bill 340 was introduced July 25, 2016 by Senator Bill Seitz (R-Cincinnati) and would re-regulate the use of indemnity provisions in contracts related to public improvements.

House Bill 585 was introduced July 14, 2016 by Representative Niraj Antani (R-Miamisburg) which would provide that a record created by a body camera that is worn or carried by a law enforcement officer who is engaged in the performance of the officer's official duties generally is a public record, to provide in the specified circumstances in which such a record is not a public record that there are conditions under which the record becomes a public record, to provide that the portions of a record that contain personal information or information that is not relevant to the offense or delinquent act are exempt from inspection and copying under the Public Records Law and are subject to redaction, and to require a local records commission to maintain records from a body camera for a minimum of one year unless the law enforcement agency is subject to a records retention schedule that establishes a longer period of time.

### **TWO NEW GENERAL ASSEMBLY MEMBERS ELECTED WHO HAVE MUNICIPAL EXPERIENCE**

House Speaker Cliff Rosenberger announced two resignations and replacements of member of the General Assembly. First, Derek Merrin, a former Mayor of Waterville, Ohio will replace, in the 47th House District, Rep. Barbara Backus Sears (R-Sylvania) (a former Sylvania councilwoman herself) who is leaving to become Assistant Director of the Governor's Office of Health Transformation. This area represents suburban and rural areas southwest of Toledo.

Second, Theresa Charters Gavarone, a member of Bowling Green City Council, will replace Rep. Tim Brown (R-Bowling Green), who is leaving to become president of the Toledo Metropolitan Area Council of Governments.

## **OML LAUNCHES NEW FACEBOOK PAGE**

The League has recently created a new Facebook page. We hope OML members will use this page to keep up to date on our training and policy matters, and to communicate with our organization. Ohio state officials and staff can use this page to become better educated on municipal affairs, as we will be constantly using this forum to discuss state policy as it relates to municipalities.

Please "Like" our and subscribe to our page

Like us on Facebook

## **OML ANNUAL CONFERENCE OCTOBER 26-28th**

We want to remind our members that the OML annual conference will be held at the downtown Columbus Renaissance Hotel, October 26-28th.

The schedule is just about complete and we are very excited that in addition to the list of timely issues that will be part of our workshop schedule including topics addressing issues related to "drones"; downtown redevelopment and other economic development tools; topics related to open meetings, public records management, grant funding opportunities and more, the 2016 OML annual conference will once again host a nationally recognized speaker to provide our conference attendees with an in depth critique of the political world right before voters go to the poll in the November General Election.

And of course, we will have another great exhibitor show to provide our members with an opportunity to learn more about services and products available to make the administration of their communities run more efficiently.

We are looking forward to a very strong, educational and fun annual conference later this year and look forward to seeing everyone there!

## **MESSAGE FROM THE OEPA**

TO: Mayors, County Commissioners, Regional Authority Officials, Consulting Engineers, and Interested Citizens

RE: Final 2017 Drinking Water Assistance Fund Program Management Plan Available

Director Butler, of Ohio EPA is pleased to announce the availability of the "Final" 2017 Drinking Water Assistance Fund (DWAF) Program Management Plan. You will find the documents by following this link: <http://www.epa.ohio.gov/defa/ofa.aspx#169544612-documents>. Thank you for your continuing interest in improving Ohio's drinking water.

(614) 644-2798

[outreach.defa@epa.ohio.gov](mailto:outreach.defa@epa.ohio.gov)

[epa.ohio.gov/defa](http://epa.ohio.gov/defa)

Compliance Assistance Hotline

(800) 329-7518

50 W. Town St., Suite 700

Columbus, OH 43215



# Legislative Bulletin

**June 24, 2016**

**CENTRALIZED COLLECTION OF MUNICIPAL TAX REVENUE AND OTHER  
DETRIMENTAL PROPOSALS CHAMPIONED BY BUSINESS WITNESSES BEFORE  
LEGISLATIVE TAX STUDY COMMITTEE**

On Monday, the Ohio 2020 Tax Policy Study Committee held a hearing at the Ohio Statehouse to continue their review of state tax policy issues for consideration as the Ohio legislature continues to consider reforms to both state and local tax practices. The hearing agenda for Monday's meeting only listed the Ohio Historic Preservation Tax Credit program as the single issue to be discussed but additional testimony was provided by Dan Navin, VP of tax policy for the Ohio Chamber of Commerce and Tom Zaino, past state Tax Commissioner and current President of Zaino, Hall & Farrin law firm in addition to serving as the acting Chairman of the Ohio Chamber of Commerce Board of Directors.

We have attached the testimony presented [Here](#) & [Here](#) for those that would like to read the information presented to the committee members.

During the presentation, the witnesses touched on a wide range of state tax policy issues including areas related to the municipal income tax, which the two organizations continue to encourage legislators to alter. First and foremost, Mr. Zaino implored the committee to seriously consider adopting a system to centrally collect Ohio's municipal income tax revenues and espoused the virtues such a system would have to ease compliance issues businesses face and how such a centralization scheme would benefit municipalities.

Secondly, to eliminate concerns regarding "double taxation", the witnesses support the idea of requiring each resident's municipality to provide a 100% credit for taxes paid to the resident's work municipality.

Finally, the recommendation was made that the "throwback" provision be eliminated, as part of the three factor formula for determining sales. The removal of the "throwback" provision was an item sought after by the proponents of HB5, the municipal income tax reform bill, but was removed from consideration by legislators in light of the severe revenue loss such a change would have to city and village budgets across the state.

The league looks forward to an opportunity to discuss with the committee members of the 2020 Tax Policy Study Committee the importance of the municipal income tax and the critical need that the integrity of the tax be preserved so Ohio municipalities will continue to provide the opportunities for Ohio's residents and future economic development success.

**LEGISLATION EXEMPTING BULLION AND COINS FROM SALES TAX PICKS-UP  
MUNICIPAL INCOME TAX CHANGES**

On June 14, Governor Kasich signed SB 172, legislation introduced by Sen. Kris Jordan exempting from sales and use taxes the sale or use of investment metal bullion and coins, among other things, into law. During the committee process in the House, the bill was amended to include three municipal tax changes that we want to make our members aware of.

The first muni tax amendment to SB 172 changed the quarterly withholding deadline back to the last day of the month instead on the 15th, which was prescribed by HB5 from the 130th session. Specifically, the amendment reads: *"(b) Any employer, agent of an employer, or other payer not required to make payments under division (B)(1)(a) of this section of taxes required to be deducted and withheld shall make quarterly payments to the tax administrator not later than the fifteenth last day of the month following the end last day of each calendar quarter.*

*So, quarterly withholding payments are now due by the last day of the month following the last day of the calendar quarter. This will be effective with THIRD QUARTER PAYMENTS in 2016. Second quarter withholding will still follow the due date of the fifteenth day of the month following the end of the calendar quarter.*

The second amendment added to SB 172 effecting the municipal income tax relates to the issue of *when a payment made by electronic funds transfer is considered to be "made" to the tax administrator and the definition of "time stamp."* At the urging of representatives of the CPA community, legislators adopted language that states: *If a payment under this chapter is made by electronic funds transfer, the payment shall be considered to be made on the date of the time stamp assigned by the first electronic system receiving that payment.*

The way the language is drafted creates opportunities for misinterpretations and lends itself to "unintended consequences" on the actual administration of the new definition and procedure. During the committee process the league and with the testimony presented by Mindy Frank, Columbus Tax Administrator, shared concerns with the language presented which was ultimately adopted to the bill.

Because of time constraints on the legislative calendar for the Ohio General Assembly and because the changes were made right before the legislature recessed for the summer break, House Ways and Means Chairman Schaffer and Rep. Scherer who offered the amendments pledged to work with the league to come up with alternative language on the timestamp issue. We appreciate the efforts of the representatives to continue to work with us on a final solution to the concerns raised.

The final alteration changes when a withholding payment is considered to be timely filed. The amendment incorporated to SB 172 changes the monthly and semi-monthly to postmark date as timely paid, rather than by the "received" date.

All of these new changes and a complete overview of HB5 will be part of the items addressed at the upcoming OML Income Tax Seminar, July 6-8th at the Columbus Marriott NW. The program agenda is available on our website at [www.omloho.org](http://www.omloho.org).

The changes included in SB 172 will become effective 90 days after the Governor's signature.

### **MAYORS ASSOCIATION OF OHIO HOLDS ANNUAL CONFERENCE, DOUBLING ATTENDANCE FROM LAST YEAR**

Last week, the Mayors Association of Ohio held their annual conference in Dublin. The conference was attended by over 120 mayors from across the state and offered the displays and opportunities to engage with nearly a dozen municipal vendors. The program workshops and general session topics ranged from economic development opportunities, funding structures and programs, legislative updates on topics related to taxation and land use policies. The mayors were honored to host Secretary of State Jon Husted who shared remarks during Thursdays luncheon and to have the perspective from the Ohio Attorney General's Office from Mr. Steven Shumaker, Deputy Attorney General. Attorney General DeWine was scheduled to share remarks with our mayors but was called to Cleveland to deliver a eulogy for the unfortunate and untimely passing of the late Governor George V. Voinovich. The mayors were also honored to be joined by House Majority Whip Rep. Dorothy Pelanda, who shared her perspective on activity around the Ohio Statehouse.

Lastly, as part of Thursday night banquet, the mayors presented past OML Executive Director Sue Cave with a Resolution honoring her 22 years as leader of the municipal league.

We appreciate and thank all of the mayors, their spouses for their attendance and support of the mayor's association and to all of our great speakers who did such a wonderful job informing, educating and updating our new and experienced mayors on the duties of their job and the perspectives surrounding their leadership role.

## **WATER CONTAMINATION BILL**

The OML would like to draw our members' attention to the signing on House Bill 512 in particular. This bill is one that members with water service should pay close attention to because much of the testimony involving this bill focused on the difficulties expected in implementing several parts of the bill-especially new notice requirements when contamination is found. On June 9th, the Governor signed House Bill 512, introduced by Representative Tim Ginter (R-Salem) which will establish requirements governing lead and copper testing for community and non-transient non-community water systems, to revise the law governing lead contamination from plumbing fixtures, to make appropriations to the Facilities Construction Commission for purposes of providing grants for lead fixture replacement in eligible schools, and to revise the laws governing the Water Pollution Control Loan and Drinking Water Assistance Funds. The bills goes into effect 90 days after it was signed. A copy of the analysis can be found at: [www.legislature.ohio.gov/legislation/legislation-documents?id=GA131-HB-152](http://www.legislature.ohio.gov/legislation/legislation-documents?id=GA131-HB-152)

## **GOVERNOR SIGNS BILLS AFFECTING PUBLIC SAFETY DEPARTMENTS**

At the end of this session, the Governor signed four bills that are of interest to public safety departments. First, Senate Bill 123, introduced by Senator Jim Hughes (R-Columbus) will allow emergency personnel in public safety vehicles to report traffic law violations under certain circumstances. This addresses a major complaint from public safety forces that their lives have been put in danger by drivers who do not respect their need to clear the roads as they are driving to a scene with their sirens on.

Secondly, HB 171, introduced by Representative Lou Blessing , III (R-Cincinnati) and Jonathan Dever (R-Cincinnati), will decrease the minimum amount of heroin involved in a violation of trafficking in heroin or possession of heroin that makes the violation a felony of the first degree and that is necessary to classify an offender as a major drug offender. Many of our members have expressed their frustration with the heroine epidemic and this is part of the state's effort to address this problem.

Third, Senate Bill 215, introduced by Senator Jim Hughes (R-Columbus) and Frank LaRose (R-Copley), will grant a person immunity from civil liability for any damage resulting from the forcible entry of a motor vehicle for the purpose of removing a minor or an animal from the vehicle because the minor or the animal is in imminent danger of suffering harm.

Lastly, House Bill 187, introduced by Representative Tim Ginter (R-Salem) will authorize a first responder, emergency medical technician-basic, emergency medical technician-intermediate, emergency medical technician-paramedic, or volunteer firefighter to stabilize an injured animal in an emergency.

## **GOVERNOR SIGNS BILLS AFFECTING MUNICIPALITIES**

At the end of this session, the Governor also signed House Bill 523, introduced by Representative Steve Huffman (R-Tipp City), which will authorize the use of marijuana for medical purposes and to establish the Medical Marijuana Control Program. The League urged the General Assembly to protect employers' rights and local control of dispensaries in this legislation and we were successful at achieving that. We spoke of this in detail in previous bulletins.

Next, the Governor signed House Bill 5, introduced by Representative Stephanie Kunze (R-Hilliard) which will allow the Auditor of State to conduct business case studies regarding the efficiency of local public offices and state agencies, to authorize the Auditor of State to establish a shared equipment service agreement program among political subdivisions, and to specify that a political subdivision that uses the loaned equipment has potential liability for its use under the Political Subdivision Tort Liability Law. The League supported passage of this bill.

A copy of the analysis can be found at: [www.legislature.ohio.gov/legislation/legislation-documents?id=GA131-HB-5](http://www.legislature.ohio.gov/legislation/legislation-documents?id=GA131-HB-5)

Next, the Governor signed House Bill 182, introduced by Representative Kirk Schuring (R-Canton) which will revise the law governing the creation and operation of joint economic development districts (JEDDs) and enterprise zones, to exempt from property taxation real property owned by a nonprofit organization selected by the Federal Small Business Administration as an intermediary lender in the Federal Microloan Program, to lower the contribution threshold necessary to maintain an income tax refund contribution "check-off" option, to extend the deadline for municipal corporations to report information to enable a computation of fiscal effects of recent changes to net operating loss deductions for municipal income tax purposes, and to modify eligible investment criteria for the state New Markets Tax Credit.

Next, the Governor signed House Bill 207, introduced by Representative Michael Henne (R-Clayton) and Robert McColley (R-Napoleon), which will allow a state fund employer to have a workers' compensation claim that is likely to be subrogated by a third party paid from the surplus fund account in the state insurance fund rather than charged to the employer's experience.

Finally, the Governor signed House Bill 180, introduced by Representative Ron Maag (R-Lebanon) which will allow a state fund employer to have a workers' compensation claim that is likely to be subrogated by a third party paid from the surplus fund account in the state insurance fund rather than charged to the employer's experience.

## **GRANTS GUIDANCE IN CINCINNATI, OH - TWO CLASSES AVAILABLE**

Cincinnati Police Academy and Grant Writing USA will present two workshops this summer in Cincinnati, OH. Learn where to find the grants and how to get them. Join us July 11-12, 2016 when Cincinnati Police Academy hosts Grant Writing USA's two-day grant writing workshop in Cincinnati. Attend this proven class and you'll learn how to find grants and write winning grant proposals. Beginning and experienced government and nonprofit personnel are welcome to attend. You do not need to work in the same profession as the host agency. Tuition is \$455 and includes all materials.

Click here for full event details: [Here](#)

Learn to stay in compliance and keep the money. Attend this grant management training, August 4-5, 2016 in Cincinnati, and you'll learn what to do after your government grants arrive. We will help you hone your grant administration skills and arm you with extensive knowledge of the compliance requirements that all grantees must meet when managing federal funds. This training is recommended for grant recipient organizations across all disciplines and is again locally hosted by Cincinnati Police Academy. Tuition is \$595 and includes all materials.

Click [Here](#) for full event details:

Attend both classes and receive \$100 off your combined tuition. Checks, cards, and purchase orders are welcome. Multi-enrollment discounts are also available.

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There will not be a bulletin released next week so from the staff of the Ohio Municipal League, we hope everyone as a safe and enjoyable weekend and a festive upcoming Fourth of July celebration.



Ohio Municipal League  
*Our Cities and Villages ★ Bringing Ohio to Life*

## Legislative Bulletin

**May 27, 2016**

The General Assembly wrapped up several weeks of flurried activity this week. The House passed 34 bills and concurred with Senate amendments in 26 bills. The Senate passed 36 bills and concurred with House amendments in 8 bills. Several significant pieces of legislation were passed. You may notice that several

bills we reported as committee actions in the last several weeks, are now being reported as being passed in the General Assembly. The General Assembly begins its summer break today and the League will spend the summer meeting with legislators and staff to engage in much needed conversations about municipal issues. We also have several events this summer for our members, where you will have an opportunity to engage us about what matters to you.

## **MEDICAL MARIJUANA, LEAD IN WATER TESTING STANDARDS, JEDD REVISION, 911, PUBLIC RECORDS AND MORE AMONG ISSUES LEGISLATURE PASSES AND SENDS TO THE GOVERNOR IMPACTING MUNICIPALITIES**

The Ohio General Assembly made history this week when Ohio became the 25th state to enact legislation allowing for the medicinal use of marijuana. Deep into Wednesday evening, the Ohio Senate passed and the House concurred with amendments to HB 523, introduced by Representative Steve Huffman (R-Tipp City), which would authorize the use of marijuana for medical purposes and establish the Medical Marijuana Control Program. The bill underwent several significant amendments in the Senate. What follows are the ones that impact municipalities.

- First, an amendment clarified townships and municipal corporations will retain the ability through their legislative governing body to prohibit, zone, or limit the number of dispensaries within their jurisdiction.
- Second, medical marijuana establishments (dispensaries, processors, independent testing facilities, and cultivators) shall be prohibited from being situated within 1,000 feet of a school, church, public library, public playground, or public park.
- Third, an amendment was added that clarifies that employers are not required to accommodate an employee's use of medical marijuana. That amendment allows an employer to refuse to hire, discharge, or take adverse employment action against a person because of that person's use of medical marijuana, disqualifies from eligibility for unemployment compensation benefits an individual who is discharged from employment because of that person's use of medical marijuana, and clarifies that this bill does not affect the authority of the BWC to grant rebates or discounts on premium rates that participate in a drug free workplace program.

Although the legislature has acted and the bill awaits the Governor's signature before becoming law, there are several organizations who are involved in the process of qualifying for ballot measures proposing alternative legalization language for the upcoming November General Election.

The Senate also passed HB 512, introduced by Representative Tim Ginter (R-Salem) which would establish requirements governing lead and copper testing for community and nontransient noncommunity water systems, would revise the law governing lead contamination from plumbing fixtures, would make appropriations to the Facilities Construction Commission for purposes of providing grants for lead fixture replacement in eligible schools, and would revise the laws governing the Water Pollution Control Loan and Drinking Water Assistance Funds. This bill underwent no amendments, including to the public notice time frames in the bill, which many water systems felt needed to be extended.

The Senate passed and the House concurred in amendments to HB 182, introduced by Representative Kirk Schuring (R-Canton) which would revise the law governing the creation and operation of joint economic development districts (JEDDs) and enterprise zones. We reported on amendments made to this bill last week that were requested by the league and we appreciate the sponsor working with our concerns.

The Senate passed and the House concurred in amendments to HB 277, introduced by Representative Andrew Brenner (R-Powell) which would authorize a county, township, or Municipal Corporation to impose a 9-1-1 system levy in only the portion of the subdivision that would be served by the 9-1-1 system. There were no witnesses in committee meetings on this bill this week. The committee accepted two

amendments from Chairman Oelslager without objection. The first amendment added an emergency clause to the bill, which will make the bill go into effect immediately upon the Governor's signature. A second amendment clarified that the bill covers 9-1-1 renewal levies.

The Senate passed and the House concurred to its amendments in HB 390, introduced by Representatives Tim Schaffer (R-Lancaster) and Wes Retherford (R-Hamilton), which exempt the sale of natural gas by a municipal gas company from the sales and use tax. The bill will give relief to seven municipalities that, through an interpretation by the Ohio Department of Taxation, acquired natural gas tax debts. The league appreciates the work of the two sponsors to ensure its passage. The bill was amended to the prohibit counties from imposing a utility service tax. This bill exploded into a full-blown MBR bill this week. The following amendments were added:

- addressing real property foreclosures
- restored funding for Union Catalog and InfoOhio Network
- unitized drilling of mineral rights owned by the Ohio Department of Transportation (ODOT)
- the Correctional Institution Inspection Committee (CIIC), which was largely restored to its existing form but without an actual director, to be replaced by "professional, technical and clerical employees" under the committee's direction
- adding a mechanism to enable the state to pay off the unemployment compensation debt this year using unclaimed funds (the money would be repaid through a surcharge on employers in 2017 but would save them nearly \$400 million in penalties to the federal government in the process)
- changes to the Ohio Film Production Tax Credit, increasing the annual cap from \$20 million to \$40 million per year

The House concurred with Senate amendments to HB 166, introduced by Representative Doug Green (R-Mt. Orab) which would extend the deadline for filing an application for the homestead exemption or 2 1/2% property tax rollback to the end of the tax year, would require that auditors certify Local Government Fund allocations to subdivisions by regular or electronic, rather than certified mail, and would repeal laws requiring county auditors to issue permits for traveling shows, issue licenses for new merchandise public auctions, certify the annual state tax interest rate to local courts, and provide certain certifications related to the repealed personal property tax.

As we reported last week, the bill did not include proposed amendments regulating pet stores. However, those amendments have been introduced as bills in the House and Senate. One of those bills-SB 331, introduced by Senator Bob Peterson (R-Washington Court House)-also passed the Senate this week. The other, HB 573, introduced by Representative Gary Scherer (R-Circleville) received a first hearing (sponsor testimony only) this week in the House Finance Committee. The League will be working to address the legal challenges that the bills presents due to the issue of home rule authority and have been and will continue to be in conversations with the bill sponsor's and other members to address our objections to the pre-emption language.

The House passed and the Senate concurred to amendments in SB 321, introduced by Senate President Keith Faber (R-Celina) which would create a procedure within the Court of Claims to hear complaints alleging a denial of access to public records and to modify the circumstances under which a person who files a mandamus action seeking the release of public records may be awarded court costs and attorney's fees. This bill will now go to the Governor for his consideration.

The legislature sent to the Governor HB 5, introduced by Representative Stephanie Kunze (R-Hilliard), which would allow the Auditor of State to conduct business case studies regarding the efficiency of local public offices and state agencies, would authorize the Auditor of State to establish a shared equipment service agreement program among political subdivisions, and would specify that a political subdivision that

uses the loaned equipment has potential liability for its use under the Political Subdivision Tort Liability Law.

The House passed HB 12, introduced by Representative Jim Butler (R-Oakwood) which would establish a procedure by which political subdivisions proposing a tax increment financing (TIF) incentive district are required to provide notice to the record owner of each parcel within the proposed incentive district before creating the district, and would permit such owners, under specific conditions, to exclude their parcels from the incentive district by submitting a written response. The bill now goes to the Senate for consideration.

The House also passed HB 347, introduced by Representative Rob McColley (R-Napoleon) which would modify civil asset forfeiture proceedings and to modify the law governing criminal asset forfeitures. The bill modifies the Forfeiture Law by revising the civil forfeiture process, among other changes. The bill will now go to the Senate for consideration. This is a bill the League is watching closely to ensure that the ability of our public safety forces to do their job will not be adversely effected.

### **HOUSE COMMITTEE AMENDS BILL TO INCLUDE TWO MUNICIPAL INCOME TAX CHANGES RELATED TO HB5**

In the flurry of activity and committee action that occurred this week, one bill was amended deep in the process to include two changes to ORC 718 and the Ohio municipal income tax. On Tuesday, the Ohio House Ways and Means Committee amended SB 172, legislation introduced by Sen. Kris Jordan (R-Delaware) exempting from sales and use taxation sales of investment metal bullion and investment coins. As a result of language included in HB5, the municipal income tax reform bill enacted in 2014 and effective January 1, 2016, a change was made on when quarterly withholding for employers would be due to 15 days after the end of the quarter. The change included in SB 172 will change that date to the 30th after the end of each quarter, to be uniform with the state code.

Another change was added to the bill that deals with when an electronic payment is received through the Ohio Business Gateway. The bill modifies the rule for when any municipal income tax payment remitted electronically is considered to have been made. Under current law, such a payment is generally considered to have been made on the date the payment is credited to an account designated by the tax administrator to receive such payments. Instead, the bill provides that such a payment is considered to have been made on the date of the timestamp assigned by the first electronic system receiving the payment. The league with the assistance of Mindy Frank, Tax Administrator for the city of Columbus had been working with the OSCPA's and legislators to have alternative language offered to address the concerns raised by some tax preparers, which would have provided greater certainty that payments would be received by taxpayers when due. As is often the case when there is a rush to complete legislation to meet a deadline for the legislature to adjourn, the clock ran out on getting an agreeable solution to the issue. During the committee hearing, the chairman of the committee and the sponsor of the amendment pledged to work with the league and other parties to come to a resolution over the summer and have a "fix" included in legislation for the upcoming lame duck session.

### **COMMITTEES HEAR BILLS RELATED TO FIREFIGHTER CANCER PRESUMPTION, PAWNBROKERS, FORECLOSURES AND POLICE BODY CAMERAS BEFORE ADJOURNING FOR SUMMER**

The House Insurance Committee held a first hearing (sponsor testimony) on SB 27, introduced by Senator Tom Patton (R-Cleveland) which would provide that a firefighter who is disabled as a result of specified types of cancer is presumed for purposes of the laws governing workers' compensation and the Ohio Police and Fire Pension Fund to have incurred the cancer while performing official duties as a firefighter. We have reported extensively on this legislation and will continue to make our public testimony available. The

League continues to be involved in conversations surrounding this bill and will continue to address the shortcomings of the current proposal and the fiscal impact to Ohio cities and villages.

The Senate Government Oversight and Reform Committee held hearings on two bills that the League is following. First, the Committee held a fourth hearing on SB 270, introduced by Senator John Eklund (R-Munson Township) which would make changes to the law regarding pawnbrokers. We reported last week on the difficult issues brought up by officials from Columbus and the Police Chiefs Association. Amendments were made last week which removed paragraphs limiting information law enforcement officers can seek to obtain from pawn shop licensees, in response to those concerns. However, there appears to continue to be issues that need to be worked out. The League will continue to work with the sponsor and interested parties to ensure that concerns that have been raised so unintended consequences can be avoided.

Second, the Committee held a second hearing on HB 134, introduced by Representatives Cheryl Grossman (R-Grove City) and Michael Curtin (D-Columbus), which would establish summary actions to foreclose mortgages on vacant and abandoned residential properties, expedite the foreclosure and transfer of unoccupied, blighted parcels, and would make other changes relative to residential foreclosure actions. If you have been following our reporting on HB 463, you may notice similarities between the bills. That bill's sponsor testified in favor of HB 134, and this week, the provisions of HB 463 were amended into HB 134. A consensus seems to be forming around the basic changes in each bill. The amended version received proponent or interested party testimony from the Ohio State Bar Association, the County Treasurer's Association, Families for Foreclosure Fairness, the Greater Ohio Policy Center, the City of Cincinnati, the Ohio Judicial Conference, the Ohio Recorder's Association, and the Ohio Environmental Council. The League has been involved with the process for both bills and will continue to be involved in the progress of the proposal.

The House Energy and Natural Resources Committee held a third hearing on HB 214, introduced by Representative Andrew Thompson (R-Marietta), which would restrict when a public authority may preference a particular type of piping material for certain public improvements. The League has submitted opposition testimony to the bill which can be found [HERE](#) because it would limit municipalities' discretion regarding the bidding process on water works projects.

The House Local Government Committee held a sixth hearing and passed HB 407, introduced by Representatives Cheryl Grossman (R-Grove City) and Kevin Boyce (D-Columbus) which require law enforcement agencies that use body cameras to adopt written policies for operation of the cameras and to require agencies to make the adopted policies available to the public.

## **MESSAGE FROM THE OHIO EPA ABOUT WATER SYSTEMS**

The following is a message from the Ohio EPA:

May 25, 2016

Mayors, County Commissioners, Regional Authority Officials, Consulting Engineers, and Interested Citizens

RE: Draft 2017 Drinking Water Assistance Fund Program Management Plan Available

Dear Madam or Sir:

Director Butler, of Ohio EPA is pleased to announce the availability of the "Draft" 2017 Drinking Water Assistance Fund (DWAF) Program Management Plan for your review and comment. Comments will be received until Monday, June 27, 2016 close of business. A public meeting will be held on Monday, June

27, 2016 at 10:30 A.M. and 1:00 P.M. in Ohio EPA's Center of Excellence on the 7th floor, to answer your questions and receive your comments. You will find the documents by following this link:<http://www.epa.ohio.gov/defa/ofa.aspx>.

Thank you for your continuing interest in improving Ohio's drinking water.

## **MESSAGE FROM OEPA STATE RELEASES DRAFT LAKE ERIE NUTRIENT REDUCTION PLAN**

The Ohio Environmental Protection Agency (Ohio EPA) is seeking public comment on its draft Western Lake Erie Basin Collaborative Agreement Implementation Plan to reduce phosphorus entering Lake Erie by 40 percent by 2025.

The document shows how the state will implement the Western Basin of Lake Erie Collaborative Agreement, which was signed in June 2015 by Lt. Gov. Mary Taylor, Michigan and Ontario with a goal of reducing phosphorus loading to Lake Erie by 20 percent by 2020 and 40 percent by 2025. This plan gives Ohio a two-year jump start on USEPA's and Environment and Climate Change Canada's deadline to develop a state domestic action plan required under the binational Great Lakes Water Quality Agreement.

According to a news release from Ohio EPA, items to be implemented focus on prioritizing and assessing watersheds within the Western Lake Erie Basin; furthering the use of nutrient best management practices in agriculture and at point source discharges; identifying and fixing failing home septic systems; and improving the coordination of programs and funds being spent in the basin.

The Ohio Lake Erie Commission will be coordinating the implementation of the plan with Ohio EPA, Ohio Department of Agriculture (ODAG), Ohio Department of Health (ODH) and Ohio Department of Natural Resources (ODNR). Each agency will be accountable for implementing their respective areas of authority included in the plan.

"The adaptive management process is central to the long-term implementation of the plan. This means that water quality monitoring, sampling and nutrient management practices processes will be developed, evaluated, and adjusted as circumstances change in order to meet the goals of the collaborative," Ohio EPA said. Verification that implemented programs are working to reduce nutrients from entering the lake will be key over time as the state moves towards its goal.

Public comments on the draft implementation plan should be sent to:[collaborativecomments@epa.ohio.gov](mailto:collaborativecomments@epa.ohio.gov)  
Please send by the close of business on Saturday, June 25.

The full draft plan is available [HERE](#).

## **HOTEL ACCOMMODATIONS AT THIS YEAR'S TAX SEMINAR**

This year's Income Tax Seminar is proving to be equally as informative and heavily attended as last year's seminar. Because of the high volume registrations at this point, OML has learned that the Marriott NW has reached its booking capacity and have sold out of the rooms reserved during this already busy time for central Ohio hotels.

To accommodate the increased demand for rooms, OML has secured more rooms with the same rate as offered at the Marriott NW. We are currently holding rooms at Embassy Suites Columbus - Dublin, 5100 Upper Metro Place Dublin, Ohio 43017. For Reservations Call - **1-800-220-9219** or go to [Embassy Suites Website](#) \*when registering please use **Group Code: OMM\*** Please check our website often as we will post updates on room rates and locations. If you have any additional questions please contact our office.

## **SUMMER RECESS AT THE OHIO STATEHOUSE WILL NOT MEAN A BREAK FOR THE LEAGUE**

During the time that the legislature is on summer recess, the publication of our bulletins will slow down to a bi-weekly schedule, except when issues arise that we feel it important to contact our members through a special bulletin.

There will be a lot of activity with the league this summer, in addition to the conferences, seminars and other organized league activities. Our Board of Trustees will be participating in a first ever organizational retreat June 9 & 10 in Columbus where we will be doing an extensive forensic analysis and examination of where the league has been, where we are and where we want to be.

This is a very exciting opportunity for the organization to readjust where necessary and to implement whole new systems of operation and advocacy for the future success of the league and our members. In addition to the retreat, we will be sharing with our members future plans that are being engaged in that should place the league in a greater leadership role in providing more effective and efficient systems for our members to communicate their concerns and opportunities for solutions with their residents, state legislators and others interested in the success of the state of Ohio.

Have a safe and enjoyable Memorial Day and lest we forget those that have sacrificed so much.~

**May 20, 2016**

The legislature continued its wrap up of several weeks of flurried activity this week. Wednesday saw the House pass 23 pieces of legislation while the Senate considered 16. As the activity begins to draw down the League is has been involved with amending, testifying, and making recommendations on dozens of bills. The following is a quick rundown of legislative activities the league has been involved in this week:

## **SENATE PASSES BILLS AFFECTING MUNICIPALITIES**

The Ohio Senate passed three bills that the League has been tracking. First was HB 5, introduced by Representative Stephanie Kunze (R-Hilliard) and Kyle Koehler (R-Springfield) which would allow the Auditor of State to conduct business case studies regarding the efficiency of local public offices and state agencies. The bill received support and proponent testimony from multiple municipal officials. The bill has already passed the House but underwent amendments in the Senate, so it will go to the House for consideration of a concurrent vote and likely the Governor for his consideration.

Second, the Senate passed HB 187 which would authorize a first responder, emergency medical technician-basic, emergency medical technician-intermediate, emergency medical technician-paramedic, or volunteer firefighter to stabilize an injured animal in an emergency. The bill passed unanimously in both chambers and will now go to the Governor for consideration.

Third, the Senate passed HB 166 which would extend the deadline for filing an application for the homestead exemption or 2 1/2% property tax rollback to the end of the tax year, would require that auditors certify Local Government Fund allocations to subdivisions by regular or electronic, rather than certified mail, and would repeal laws requiring county auditors to issue permits for traveling shows, issue licenses for new merchandise public auctions, certify the annual state tax interest rate to local courts, and provide certain certifications related to the repealed personal property tax. The bill will now go to the House for consideration of a concurrent vote and likely the Governor for his consideration.

We reported last week about how an amendment was added to this bill (HB 166) that addresses allowable sources of animals for pet stores. The amendment would have usurped local Home Rule authorities by preempting all local ordinances that regulate pet stores and by declaring that the regulation of pet stores to be a matter of statewide interest. HB 166 was passed without that amendment. However, the Chairman of the committee that this bill was assigned to (Senate Ways and Means Committee) Senator Bob Peterson (R-Washington Court House) introduced SB 331 this week, which is similar to the amendment. A companion bill was introduced in the House by Representative Gary Scherer (R-Circleville), HB 573. The League will be communicating with Chair to express our concerns with this legislation, as expressed in last week's bulletin regarding the amendment.

## **HOUSE PASSES BILLS AFFECTING MUNICIPALITIES**

The Ohio House passed six bills that the League has been tracking. First, the House passed HB 130, introduced by Representatives Mike Duffey (R-Worthington) and Christina Hagan (R-Alliance). The bill would create the "DataOhio Board," which would specify requirements for posting public records online, would require the Auditor of State to adopt rules regarding a uniform accounting system for public

offices, would establish an online catalog of public data at data.Ohio.gov, and would establish the Local Government Information Exchange Grant Program.

The bill received reserved support from the League after a long process of negotiation with the sponsors. The League worked to ensure that, not only would every element of the bill be voluntary, but that it would be difficult to make it involuntary in the future. To do so, we ensured that the League would have appointments to the new DataOhio Board and successfully lobbied for multiple provisions in the bill. We will continue to monitor the bill as it goes to the Senate and have made the sponsors aware that the League's acquiescence is conditioned on the provisions we have agreed upon. Meanwhile, we greatly appreciate the many hours that the sponsors dedicated to addressing our concerns.

Secondly, the House passed HB 341, introduced by Representatives Ron Young (R-Leroy Township) and Martin Sweeny (D-Cleveland) which would require the Public Utilities Commission to raise the existing statutorily designated towing and storage fees annually by the percentage increase in the consumer price index, would establish a \$35 fee for the retrieval of nonmedical personal items from a motor vehicle, would modify the civil penalties applicable to violations of the towing law, would modify the calculation of the value of an abandoned vehicle to which a towing service or storage facility seeks to take title, and would make other changes to the towing law. The League is an interested party on this bill and is working with several of our members and the sponsors to continue amending the bill. We expect several amendments once this bill goes to the Senate.

Third, the House passed HB 435, introduced by Representative Jeffrey McClain (R-Upper Sandusky) which would authorize the Treasurer of State to issue revenue obligations of the state for the purpose of making loans to qualifying public entities for their acquisition of permanent improvements through the Treasurer of State's purchase of public obligations of those qualifying entities. This new bond bank will make this system available to permanent improvement projects as defined under ORC 133.01(CC).

The League was involved in the vetting of this legislation and believes that it will be helpful to municipalities in several ways. First, it will offer an option that would lower the cost of bonds for municipalities. The bill would create an optional system by which a municipality's bonds would be issued through a pooled system, managed by the State Treasurer, rather than directly from the municipality itself. The State of Ohio would also avail municipalities of a state-payment intercept system that will reduce costs. This would make the bond more secure and provides for outsourcing of many administrative requirements, and hence, less expensive.

Fourth, the House passed HB 447, introduced by Representatives Kirk Schuring (R-Canton) and Stephen Slesnick (D-Canton) which would prohibit a person from intentionally killing a police dog in the line of duty.

Fifth, the House passed HB 455, introduced by Representatives John Patterson (D-Jefferson) and Kristina Roegner (R-Hudson) which would authorize a municipal corporation or township to establish a boarding school zone and a special speed limit within that zone.

Sixth, the House passed HB 423, introduced by Representative Rick Perales (R-Beavercreek) which would specify that an order for active military service or other documentation regarding the call to order of an individual in the Armed Forces of the United States or the Ohio organized militia is not a public record. The League submitted proponent testimony for the bill.

## **GOVERNOR SIGNS BILLS AFFECTING MUNICIPALITIES**

The Governor signed two bills into law this week that will affect municipalities. First, SB 75, introduced by Senators Shannon Jones (R-Springboro) and Bob Peterson (R-Washington Court House) which is the "agritourism" bill. The bill would 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, and to establish immunity in a civil action for agritourism providers. Secondly, the Governor signed the Capital Appropriations bill, SB 310, introduced by Senator Scott Oleslager (R-Canton).

### **SENATE HEARS BILL ON POLICE CHIEF TRAINING**

The Senate State and Local Government Committee held a first hearing on SB 322, introduced by Senator Cliff Hite (R-Findlay) which would require the Ohio peace officer training commission to develop and conduct a chief of police training course for newly appointed chiefs of police appointed on or after January 1, 2017, and to require newly appointed chiefs of police of villages, cities, and townships to attend the training course within six months of appointment as a chief of police. The OML is tracking this bill closely and will be making some amendment requests.

### **HOUSE HEARS BILL TO RAISE TRANSPORTATION DOLLARS**

The House Ways and Means Committee held a first hearing on HB 528, introduced by Representative Margaret Ann Ruhl (R-Mt. Vernon) which would authorize additional permissive local motor vehicle license taxes up to a total of \$15. This is similar to proposals made by many local government organizations several months ago. The bill would be a solution to the problems arising from declining gas tax revenue and extraordinary infrastructure needs of local governments. We urge members to contact their representatives to discuss these issues in detail and advocate for this legislation.

### **HOUSE COMMITTEE HEARS POLICY BODY CAMERA LEGISLATION**

The House Local Government Committee held a fifth hearing on HB 407, introduced by Representatives Cheryl Grossman (R-Grove City) and Kevin Boyce (D-Columbus). The bill creates a basic framework for police departments that implement a police body camera program. The League has reviewed the legislation and has not found any substantial problems with it. The bill could provide needed guidance for local departments in developing their policies. A Fraternal Order of Police (FOP) requested amendment was considered this week that would allow a police officer to review the recordings that he/she makes before it is released to the public. That amendment was tabled but is expected to resurface again. After consultation with membership, the League is strongly supporting some version of this amendment, although we agree that the tabled amendment was not acceptable because it allowed the officer to amend his incident report after reviewing the video.

### **SENATE COMMITTEE HEARS 911 BILL**

The Senate Finance Committee held a second hearing on HB 277, introduced by Representative Andrew Brenner (R-Powell) which would authorize a county, township, or Municipal Corporation to impose a 9-1-1 system levy in only the portion of the subdivision that would be served by the 9-1-1 system. The only

witness was Jeff Wilson, Chief of the BST&G Fire Department and President of the Delaware County 9-1-1 Advisory Board. Wilson testified that a Delaware County 911 levy does not exclude Westerville, Dublin, and Columbus from the tax, even though those jurisdictions do not utilize the service. He explained how the bill would fix this problem.

### **CIVIL ASSET FORFEITURE BILL PASSES**

The House Judiciary Committee held a seventh hearing and passed HB 347, introduced by Representative Rob McColley (R-Napoleon) and Tom Brinkman (R-Cincinnati) that would eliminate civil asset forfeiture proceedings and modify the law governing criminal asset forfeitures. The prosecutors and police chiefs associations have vigorously opposed the bill. The bill was favorably voted out of Committee this week, with dissenting votes from Representatives Greta Johnson (D-Akron), Kristin Boggs (D-Columbus), and Bob Cupp (R-Lima).

The bill was amended in several ways this week, including amendments that: permit civil forfeiture after three months instead of a year, except for a fugitive running from the law; requires the filing of a civil forfeiture action that merges with the associated criminal action; requires hearings not sooner than 21 days after a motion is filed, rather than 14 days in several parts of the bill; allows for forfeiture funds to be spent on a longer list of items; excludes drug buy money from the definition of "proceeds" if it is used by a law enforcement agency; changes the burden of proof for a third party; creates an independent civil cause of action for illegal proceeds corresponding to the criminal charge, and for two years after the violation of the criminal charge there could be a civil suit filed, whereby the proceeds would go into escrow (the amount needs to exceed \$25,000 to be eligible); and, lastly, provides a two-year statute of limitations and one-year requirement that the case be completed.

### **SENATE COMMITTEES HEAR BILLS RELATED TO MUNICIPALITIES**

Senate Energy and Natural Resources Committee held hearings on two bills the League is tracking. First, it held a first hearing on HB 512, introduced by Representative Tim Ginter (R-Salem) which would establish requirements governing lead and copper testing for community and non-transient non-community water systems, would revise the law governing lead contamination from plumbing fixtures, would make appropriations to the Facilities Construction Commission for purposes of providing grants for lead fixture replacement in eligible schools, and would revise the laws governing the Water Pollution Control Loan and Drinking Water Assistance Funds. We have reported extensively on this bill in previous bulletins and continue to monitor the bill's process. The issue of contention continues to be the time frames involved. There is a fundamental disagreement between several water systems and the state on how long certain notices should take. The Committee also asked questions to ensure that the corrosion issues that Flint, Michigan experienced are adequately addressed.

Second, the Committee held a fifth hearing on SB 185, introduced by Senator Bill Seitz, which would revise the law governing special improvement districts created for the purpose of developing and implementing plans for special energy improvement projects. The bill would allow one or more property owners to petition a municipality to create a special energy improvement district and creates laws to govern such districts.

The Senate Government Oversight and Reform Committee held a third hearing on SB 270, introduced by Senator John Eklund (R-Munson Township) which makes changes to laws regulating pawnbrokers. The Police Chiefs Association, Columbus Public Safety Director George Speaks, and Columbus Deputy

Police Chief Richard Bash all testified against the bill, citing numerous problems with the bill. Each testified that the bill makes it easier for thieves to sell stolen goods quickly.

The Senate Ways and Means Committee held hearings on three bills that the League is tracking. First, HB 182, introduced by Representative Kirk Schuring (R-Canton) would revise the law governing the creation and operation of joint economic development districts (JEDDs) and enterprise zones. The Township Association testified that the bill should revert back to the House-passed version, which restricted area businesses from opting out of a JEDD. They feel that the business will benefit from the JEDD because it is still located in the JEDD zone and should therefore have to contribute to it. Afterwards, several amendments were added to the bill. Those amendments: changed the income tax check-off thresholds, dealt with municipal exemption authority, dealt with procedures for exemption complaint notifications, dealt with township authority, made changes regarding a property tax exemption for the Columbus Convention Center, and moved the municipal net operating losses reporting deadline to Dec. 31, 2016.

Second, the Committee held a second hearing on HB 390, introduced by Representatives Tim Schaffer (R-Lancaster) and Wes Retherford (R-Hamilton), which exempt the sale of natural gas by a municipal gas company from the sales and use tax. The bill is intended to give relief to certain municipalities that acquired natural gas tax debts. The bill was amended to the prohibit counties from imposing a utility service tax. Otherwise, there was no testimony or other action.

Third, the Committee held a sixth hearing and favorably voted out HB 166. The Senate also passed this bill on the floor this week, so the details related to this bill are reported on in the section dealing with Senate-passed bills (above).

### **STATE OF OHIO SEEKING PARTNERS TO HELP OHIO SMALL BUSINESSES**

The Ohio Development Services Agency (DSA) is seeking partners to help develop and grow Ohio small businesses and entrepreneurs through the Small Business Development Centers (SBDC) Program. This program supports small businesses by offering free counseling, workshops and training focused on creating jobs, increasing sales and gaining access to capital.

In order to maintain the highest quality services for Ohio small businesses, DSA will be conducting an open competition to select the Ohio SBDC regional partners. Non-profit organizations, economic development organizations and educational institutions with strong experience in business and economic development will be eligible for the program.

The Ohio Development Services Agency (DSA) currently administers the Ohio SBDC program in collaboration with the U.S. Small Business Administration (SBA) through 27 regional partners. The request for proposals is now open till June 6, 2016, with awards planned for July 6, 2016. To apply, visit: [www.sbddevelopment.ohio.gov](http://www.sbddevelopment.ohio.gov) . The Ohio SBDC program is managed by DSA's Office of Small Business and Entrepreneurship and is a state and federal initiative to develop and grow Ohio's small businesses.

### **COMMITTEE SCHEDULE FOR WEEK OF MAY 23rd, 2016**

Below is the committee schedule for next week. You may notice that the Ohio Senate has not released their schedule of committee activity for next week, but they will be in session. When the additions to the schedule are released, we will post those to our website Monday.

Have a safe weekend~

**Tuesday, May 24, 2016**

**HOUSE WAYS AND MEANS** Rep. Schaffer: 614- 466-8100  
Tue., May. 24, 2016, 1:30 PM, Hearing Room 121

**HB 12 TAX INCREMENT FINANCING (BUTLER J, BURKLEY A)** Property owners- notice/  
exclude parcel  
Fourth Hearing, Proponent/ Opponent/ Interested Party, POSSIBLE AMENDMENT,  
POSSIBLE VOTE

**HB 491 PILOT PROGRAM (ANIELSKI M)** Foreign trade zone facilities - commercial activity tax  
credit.  
Second Hearing, Proponent

**HOUSE ENERGY AND NATURAL RESOURCES** Rep. Landis: 614-466-8035  
Tue., May. 24, 2016, 1:30 PM, Hearing Room 017

**SB293 MBR-NATURAL RESOURCES (BALDERSON T)** To revise specified laws relating to  
natural resources.  
Third Hearing, All Testimony, AMENDMENTS/POSSIBLE VOTE

**HB214 PUBLIC IMPROVEMENT-PIPING MATERIAL (THOMPSON A)** To restrict when a  
public authority may preference a particular type of piping material for certain public improvements.  
Third Hearing, All Testimony

**HOUSE LOCAL GOVERNMENT** Rep. Anielski: 614-644-6041  
Tue., May. 24, 2016, 2:00 PM, Hearing Room 113

**HB407 BODY CAMERAS-POLICIES (BOYCE K, GROSSMAN C)** To require law enforcement  
agencies that use body cameras to adopt written policies for operation of the cameras and to require  
agencies to make the adopted policies available to the public.  
Sixth Hearing, All Testimony, POSSIBLE VOTE

**SENATE FINANCE** Sen. Oelslager: 614-466-0626  
Tue., May. 24, 2016, 2:30 PM, Finance Hearing Room

**Sub HB 277 COUNTY, TOWNSHIP, MUNICIPALITY (BRENNER A)** - 911 levy in only areas  
served by 911  
Third Hearing, Proponent/Opponent/Interested Party, POSSIBLE AMENDMENTS

**SB 331 DOG SALES BY STORES ( PETERSON R)** - Retailers-regulate/pet stores-license  
First Hearing, Sponsor/Proponent/ Opponent/ Interested Party, POSSIBLE AMENDMENTS

**HOUSE FINANCE** Rep. Smith: 614-466-1366  
Tue., May. 24, 2016, 3:00 PM, Hearing Room 313

**HB547 OBM-MBR (SMITH R)** To provide authorization and conditions for the operation of state  
programs and to make appropriations.

Fourth Hearing, All Testimony, AMENDMENTS/POSSIBLE VOTE

**HB573** PET STORE LICENSES (SCHERER G) To regulate the sale of dogs from pet stores and dog retailers and to require the Director of Agriculture to license pet stores.

First Hearing, Sponsor/Proponent Testimony, PENDING REFERRAL

**Wednesday, May 25, 2016**

**HOUSE HEALTH AND AGING** Rep. Gonzales: 614-466-4847

Wed., May. 25, 2016, 9:30 AM, Hearing Room 116

**HB520** PUBLIC RETIREMENT SYSTEMS (SCHURING K, RAMOS D) To revise the law governing the state's public retirement systems.

Fourth Hearing, All Testimony, SUBSTITUTE BILL

**SENATE FINANCE** Sen. Oelslager: 614-466-0626

Wed., May. 25, 2016, 10:30 AM, Finance Hearing Room

**SB 331** DOG SALES BY STORES (PETERSON R) - Retailers-regulate/pet stores-license

Second Hearing, Proponent/ Opponent/ Interested Party, POSSIBLE AMENDMENTS

**PLEASE CHECK OUR WEBSITE MONDAY FOR THE FINAL  
COMMITTEE SCHEDULE**

**May 13, 2016**

You may notice that several bills that we have been tracking are being reported as floor actions rather than committee actions this week, as the legislative pace continues to hum along. Both chambers of the General Assembly are getting to the end of several weeks of heavy activity in anticipation of the summer break expected to occur in a few weeks. Both chambers held marathon sessions this week, getting several bills passed out that municipalities are concerned with.

## **MUNICIPAL LEAGUE ASKS GOVERNOR TO VETO ANTI RESIDENCY LEGISLATION**

This week, the Ohio Senate passed a very controversial piece of legislation that the league has opposed and one which will continue the weakening of the constitutionally provided powers bestowed to Ohio municipalities through Home Rule authorities.

The bill that has been advanced to the Governor's desk, HB 180, was introduced by Representative Ron Maag (R-Lebanon), and would prohibit a public authority from requiring a contractor to employ a certain percentage of individuals from the geographic area of the public authority for the construction or professional design of a public improvement.

On Friday, the League submitted a letter to Governor Kasich, asking that he veto this Bill. A copy of the letter can be accessed [HERE](#). We ask that the Governor exercise this exclusive power on the grounds that geographic-based employment rules are an entirely local government issue and any law that forbids geographic hiring requirements is a law that strips the right of local leaders to put their own communities first. Furthermore, we believe it is not legally appropriate for the General Assembly to substitute its judgment for that of local communities when wholly local issues are at stake.

## **HOUSE PASSES SEVERAL MUNICIPAL RELATED BILLS**

**Water Systems:** The Ohio House of Representatives passed four bills that the League has been tracking. First, HB 512 is a bill introduced by Representative Tim Ginter (R-Salem) which would establish requirements governing lead and copper testing for community and non-transient non-community water systems, revise the law governing lead contamination from plumbing fixtures, make appropriations to the Facilities Construction Commission for purposes of providing grants for lead fixture replacement in eligible schools, and revise the laws governing the Water Pollution Control Loan and Drinking Water Assistance Funds. The league very much appreciates the working relationship we have had with the sponsor and committee members to address concerns we had. HB 512 passed unanimously and will now go to the Senate, where we look forward to the opportunity to continue to improve upon the Bill.

**Transportation:** Secondly, the House passed SB 315, introduced by Senator Gayle Manning (R-North Ridgeville), which authorizes the state to accept federal funds for certain transportation projects, as discussed in more detail in previous bulletins. The bill will now go to the Governor for consideration.

Foreclosures: Third, the House passed HB 463, introduced by Representative Jonathan Dever (R-Cincinnati) which would establish expedited actions to foreclose mortgages on vacant and abandoned residential properties, permit private selling officers to conduct judicial and execution sales of real property, state the intent of the General Assembly regarding mortgage foreclosure actions, revise the Commercial Paper Law relating to mortgages and lost instruments, and make other changes relative to foreclosure actions. The league enjoyed a productive working relationship with the sponsor and other interested parties and we appreciate the efforts to address this serious issue confronting Ohio's cities and villages.

The bill passed 91-1 with only Representative Bill Patmon (D-Cleveland) dissenting. The bill will now go to the Senate for consideration.

Worker's Compensation: Fourth, the House concurred with Senate amendments to HB 207, introduced by Representatives Mike Henne (R-Clayton) and Robert McColley (R-Napoleon) which would eliminate the minimum number of employees required for a private sector employer or a board of county commissioners with respect to the construction of a sports facility to obtain self-insuring status under the Workers' Compensation Law and would allow a state fund employer to have a workers' compensation claim that is likely to be subrogated by a third party paid from the surplus fund account in the state insurance fund rather than charged to the employer's experience. This bill will now go to the Governor for his consideration and signature.

### **BILL ADDRESSING ISSUES RELATED TO VILLAGE DISSOLUTIONS RECEIVES FIRST HEARING**

On Wednesday, the House State Government Committee held a first hearing on HB 509, a bill dealing with municipal dissolutions, introduced by Representative Gary Scherer (R-Circleville). The Bill has been offered in response to issues surrounding the dissolution of villages in the recent past, in which the parties involved and the process to facilitate the dissolution became complicated due to the lack of statutory guidance for the procedure.

Among other things, as currently drafted, the Bill would allow electors of a village to petition the board of elections as an alternative to the legislative authority for the dissolution of the village, and would decrease from the current statutory requirement of 40% to 30% the portion of electors in a village sufficient to qualify a petition for the dissolution of the village. The legislation as introduced addresses the issue of utility management in dissolution procedures by requiring electric, water and sewer utility property to be transferred by agreement entered into by the village and the entity that will be taking over the provision of utility services and by requiring the provision of utility services to be uninterrupted during the transition period following the dissolution. HB 509 would also require the Auditor of State to perform and complete an audit or agreed-upon procedures before transferring any cash balances to a township following a village dissolution and would require the Auditor of State to assist in facilitating a timely and systematic manner for complying with the provision of law providing for the transfer of village property when a village is dissolved.

The League has been involved in negotiations relative to this Bill since last summer. We are currently an interested party with concerns on this Bill. Our main concerns involve the lowering of the thresholds for the petition. Otherwise, the bill provides needed guidance on how a municipal dissolution should proceed.

### **AMENDMENT GRANTING STATE REGULATION OF PET STORES PACKS SENATE WAYS AND MEANS COMMITTEE HEARING**

The Senate Ways and Means Committee continued hearings this week on HB 166, legislation introduced by Representative Doug Green (R-Mt. Orab) which would extend the deadline for filing an application for the homestead exemption or 2 1/2% property tax rollback to the end of the tax year, would require that auditors certify Local Government Fund allocations to subdivisions by regular or electronic (rather than certified mail), would require that notices of appeal from a decision of the Board of Tax Appeals originating with a county board of revision be filed with that board and the county auditor, would clarify the effect of certain certifications related to the repealed personal property tax, and numerous other tax related changes to the Ohio Revised Code.

As we reported last week, several amendments were added to the tax related bill last week in committee including language the league supports to create consistency on refuse fees between chartered and statutory counties and other clean-up language addressing concerns from the Clermont County Community Improvement Corporation.

Unfortunately, a third amendment was added to the bill that addresses allowable sources of animals for pet stores. The amendment usurps local Home Rule authorities by preempting all local ordinances that regulate pet stores by declaring that the regulation of pet stores is a matter of statewide interest. The action taken by the Ohio Senate to a Bill that was not included in the legislation when approved by the Ohio House has not been properly vetted to examine unintended consequences of what this action would result in. The league submitted a letter of opposition to members of the committee which can be found [HERE](#). The letter shares with those legislators how this last minute addition to the Bill, completely unrelated to a taxation issue which is the subject matter of HB 166, raises serious constitutional concerns as it relates to the violation of Home Rule provisions included in the Ohio Constitution.

The league has been working with legislators since the introduction of the amendment last week to have the offending language removed from the Bill. We are hopeful with the amount of witnesses that were able to attend the committee hearing this week, at the last minute, to express their deep opposition to this amendment becoming law will persuade legislators that this is not the appropriate procedure for this issue to be considered.

Another Bill the league has been following closely received a third hearing in the Senate Ways and Means Committee Wednesday, HB 182, introduced by Representative Kirk Schuring (R-Canton) revises the law governing the creation and operation of joint economic development districts (JEDDs) and enterprise zones. The committee accepted a substitute version of the Bill which:

- Adds a definition for mixed use development.
- Removes the DSA director from the business opt-out provision, directing such issues straight to common pleas courts.
- Provides for a litmus test to determine whether or not a business can get out of JEDD based on whether they are not getting substantial economic value.
- Offers technical contracting language dealing with cost sharing, petition responses, and use of income tax revenue.
- Provides for an expansion of new market tax credit eligibility.
- Allows a property tax exemption for nonprofit corporations tailored for the Economic Community Development Institute in Columbus.

The league greatly appreciates the time of Melinda Frank, Tax Administrator for the City of Columbus, who attended the hearing and provided testimony on issues that lacked clarity and shared with committee members administrative challenges the bill may possess. Following the hearing, league staff along with

Ms. Franks met with the sponsor of the legislation to work on alternative language to address some of the concerns expressed. The league appreciates the time of the committee members and the Bill sponsor.

Lastly, the Committee heard testimony related to HB 390, introduced by Representatives Tim Schaffer (R-Lancaster) and Wes Retherford (R-Hamilton) which would exempt the sale of natural gas by a municipal gas company from the sales and use tax. The Committee heard testimony from Jimmy Stewart, President of the Ohio Gas Association who testified in support of the bill and the codification of the historical practice of not charging municipal gas companies the tax.

### **SENATE PASSES BILLS RELATED OF CONCERN TO MUNICIPALITIES**

In other action taken by the Ohio Senate, SB 321 was passed, which has been introduced by Senate Leader Keith Faber (R-Selina) and would create a procedure within the Court of Claims to hear complaints alleging a denial of access to public records, modify the circumstances under which a person who files a mandamus action seeking the release of public records may be awarded court costs and attorney's fees, and would expand the infrastructure record exemption under Public Records Law.

Also, the Senate adopted House Continuing Resolution 7, strongly supported by the league, which urges Congress to preserve the municipal bond tax exemption. The league would like to thank again Rep. Robert Sprague (R-Findlay) for carrying this measure, at the request of the league, and is so important to Ohio's cities and villages. We would like to express our gratitude to the members of the legislature for sending this message of support to Congress. We believe Ohio is now the first state in the country to pass such a resolution

### **SENATE COMMITTEE HEARS AUDITOR AND MARIJUANA BILL**

The Senate Government and Oversight & Reform Committee held a fourth hearing on HB5, introduced by Representatives Stephanie Kunze (R-Hilliard) and Kyle Koehler (R-Springfield) which would allow the Auditor of State to conduct business case studies regarding the efficiency of local public offices and state agencies, authorize the Auditor of State to establish a shared equipment service agreement program among political subdivisions, and would specify that a political subdivision that uses the loaned equipment has potential liability for its use under the Political Subdivision Tort Liability Law.

A substitute bill was accepted which does two main things: 1) makes technical and clarifying changes to address the specificity required from agreements for business case studies and the bill's ShareOhio language, and 2) clarifies that participation in the program is voluntary and that the bill does nothing to preclude public offices from entering into shared services agreements outside of the program.

Lastly, the Committee held its first hearing on HB 523 which would legalize medical marijuana. The Committee only heard sponsor testimony from Representative Steve Huffman (R-Tipp City). The testimony was essentially the same as the testimony offered in the House.

### **COMMITTEE SCHEDULE FOR WEEK OF MAY 16, 2016**

Below is the committee schedule for next week. If there are any changes, we will post those to our website Monday, as they come in.

Have a safe weekend~

**Tuesday, May 17, 2016**

SENATE GOVERNMENT OVERSIGHT AND REFORM      Sen. Coley: 614-466-8072  
Tue., May. 17, 2016, 9:30 AM, Senate Finance Hearing Room

HB523 MEDICAL MARIJUANA (HUFFMAN S) To authorize the use of marijuana for medical purposes and to establish the Medical Marijuana Control Program.  
Second Hearing, All Testimony

PUBLIC OFFICE-STATE AGENCY EFFICIENCY STUDIES (KUNZE S, KOEHLER K) To  
HB5 allow the Auditor of State to conduct business case studies regarding the efficiency of local public offices and state agencies.  
Fifth Hearing, All Testimony, POSSIBLE VOTE

SENATE AGRICULTURE      Sen. Hite: 614-466-8150  
Tue., May. 17, 2016, 11:15 AM, South Hearing Room

HB187 FIRST RESPONDERS-INJURED ANIMALS (GINTER T) To authorize a first responder, emergency medical technician-basic, emergency medical technician-intermediate, emergency medical technician-paramedic, or volunteer firefighter to stabilize an injured animal in an emergency.  
Fourth Hearing, All Testimony, POSSIBLE VOTE

HOUSE FINANCE      Rep. Smith: 614-466-1366  
Tue., May. 17, 2016, 1:00 PM, Hearing Room 313

HB547 OBM-MBR (SMITH R) To provide authorization and conditions for the operation of state programs and to make appropriations.  
Third Hearing, All Testimony, SUBSTITUTE BILL/POSSIBLE VOTE

HOUSE ENERGY AND NATURAL RESOURCES Rep. Landis: 614-466-8035  
Tue., May. 17, 2016, 1:30 PM, Hearing Room 017

SB293 MBR-NATURAL RESOURCES (BALDERSON T) To revise specified laws relating to natural resources.

First Hearing, All Testimony, PENDING REFERRAL

HOUSE LOCAL GOVERNMENT

Rep. Anielski: 614-644-6041

Tue., May. 17, 2016, 2:30 PM, Hearing Room 113

BODY CAMERAS-POLICIES (BOYCE K, GROSSMAN C) To require law enforcement agencies that use body cameras to adopt written policies for operation of the cameras and to require agencies to make the adopted policies available to the public.

Fifth Hearing, All Testimony, AMENDMENTS/POSSIBLE VOTE

**Wednesday, May 18, 2016**

SENATE GOVERNMENT OVERSIGHT AND REFORM

Sen. Coley: 614-466-8072

Wed., May. 18, 2016, 8:45 AM, Senate Finance Hearing Room

SB270 PAWNBROKERS (EKLUND J) To make changes to the law relating to pawnbrokers.

Third Hearing, All Testimony, AMENDMENTS/POSSIBLE VOTE

HB523 MEDICAL MARIJUANA (HUFFMAN S) To authorize the use of marijuana for medical purposes and to establish the Medical Marijuana Control Program.

Third Hearing, All Testimony

SENATE WAYS AND MEANS

Sen. Peterson: 614-466-8156

Wed., May. 18, 2016, 9:30 AM, South Hearing Room

JOINT ECONOMIC DEVELOPMENT DISTRICTS (SCHURING K) To revise the law governing the creation and operation of joint economic development districts (JEDDs) and enterprise zones.

Fourth Hearing, All Testimony, AMENDMENTS/POSSIBLE VOTE

HB390 NATURAL GAS-TAX EXEMPTION (SCHAFFER T, RETHERFORD W) To exempt the sale of natural gas by a municipal gas company from the sales and use tax.

Fourth Hearing, All Testimony, AMENDMENTS/POSSIBLE VOTE

HB166 LOCAL TAX-FISCAL REVISIONS (GREEN D) To extend the deadline for filing an application for the homestead exemption or 2 1/2% property tax rollback to the end of the tax year, to require that auditors certify Local Government Fund allocations to subdivisions by regular or electronic, rather than certified mail, and to repeal laws requiring county auditors to

issue permits for traveling shows, issue licenses for new merchandise public auctions, certify the annual state tax interest rate to local courts, and provide certain certifications related to the repealed personal property tax.

Sixth Hearing, All Testimony, AMENDMENTS/POSSIBLE VOTE

SENATE CIVIL JUSTICE

Sen. Bacon: 614-466-8064

Wed., May. 18, 2016, 2:30 PM, Senate Finance Hearing Room

HB387 MUNICIPAL COURTS-SMALL CLAIMS (TERHAR L, DEVER J) To raise the maximum allowable limit of the monetary jurisdiction of small claims divisions of municipal courts.

Third Hearing, All Testimony, POSSIBLE VOTE

SB301 PREGNANCY REASONABLE ACCOMMODATION ACT (JONES S, CAFARO C) To enact the "Pregnancy Reasonable Accommodation Act" to generally require employers to make reasonable accommodations for employees who are pregnant or breastfeeding.

Third Hearing, Opponent Testimony

**Please check our website Monday for the Final Committee Schedule**

**May 6, 2016**

The wheels have been spinning at a fevered pace at the Statehouse and this week was no different as the Ohio legislature pounds away at the legislative proposals before them and others being introduced that are moving quickly through the legislative process.

We apologize for the recent length of our legislative bulletins, but league staff believe these issues we report to our members on are important for them to be aware of and the volume of issues the league is dealing with at the Statehouse currently is significant.

The legislature will be in session for another few weeks, adjourning sometime before June for the rest of the summer. The plan is for legislators to return to the Statehouse after the November election, which will then begin the "Lame Duck Session" where legislative product comes out fast and from every direction, in an attempt to beat the clock and have legislation completed before the year ends and the new General Assembly begins.

## **HB5 MUNICIPAL INCOME TAX/NOL REVIEW COMMITTEE HOLDS FIRST HEARING/PROPOSES METHODOLOGY FOR DATA COLLECTION**

On Thursday, the Net Operating Loss Review Committee held their first hearing at the Statehouse. The committee met to begin the process of crafting a methodology that will be used by the roughly 600 Ohio cities and villages who currently have a municipal income tax. Through the methodology agreed upon by the members of the review committee, our members with an income tax will be required to supply the committee with the financial data showing what the impact of the 5 year NOL carry forward mandate included in HB5 will be on their budgets.

The committee, chaired by Ohio Department of Taxation Commissioner Joe Testa, was provided with a first draft of a proposed methodology created by staff members at the Department of Taxation which can be found [HERE](#). The document will be used as a launching point for discussion on how the data should be collected from municipalities. The municipal league has shared concerns with committee members related to the first proposal that was distributed, which primarily include concerns related to the abbreviated timeline presented for municipalities to comply with the data request and the enormity of the task being asked of our members, especially those without an NOL carry forward prior to 2016, which would require them to individually review each business filing for the past five years to determine what losses would have resulted, if a carry forward policy had been in place.

The league greatly appreciates comments made by the legislative committee members that they are sensitive to the concerns expressed by municipalities and are eager to work with the municipal league on solutions to address the weaknesses included in the first proposal.

We will be sure to keep our members aware of future committee activities.

## **SUPREME COURT ISSUES IMPORTANT OPEN MEETINGS DECISION**

On Tuesday, the Ohio Supreme Court issued a decision that said that a private, prearranged discussion of public business by a majority of a public body through email will violate Ohio's open meeting laws. The case was about an Olentangy School Board discussion which took place through email. One board member had received attention in the press for a vote that he took. The other Board members wanted to respond in a coordinated way and they communicated through email to achieve this. The Supreme Court ruled that the open meetings laws are triggered through any form of communication, including their emails, despite the fact that the law does not explicitly refer to these forms of communication.

The whole opinion can be viewed [HERE](#):

### **LEGISLATION INTRODUCED TO INCREASE LOCAL GOVERNMENT FUND**

The Senate Finance Committee held its first hearing on SB 22, introduced by Senator Charleta Tavares (D-Columbus) which would increase monthly allocations to the Local Government Fund from 1.66% to 3.68% of the total tax revenue credited to the GRF each month. The league appreciates this proposal to support our financially challenged cities and villages and looks forward to the opportunity to testify about the value that the LGF provides to our members and the extraordinary losses local governments have undergone since the massive cuts to the LGF.

We will be sure to alert our members of future opportunities to testify in support of this measure and to help the league educate members of Ohio's legislature on the value this funding has to their communities and the state as a whole.

### **SENATE COMMITTEE HEARS TESTIMONY ON NEW PUBLIC RECORDS BILL**

The Senate Government Oversight & Reform Committee held a second hearing on SB 321 which was introduced by Senate President Keith Faber (R-Celina). The bill would create a procedure within the Court of Claims to hear complaints alleging a denial of access to public records and would modify the circumstances under which a person who files a mandamus action seeking the release of public records may be awarded court costs and attorney's fees.

The Committee Chair Senator Bill Coley (R-Liberty Township) said that he would like to move the bill relatively quickly. The bill has received support from public agencies and frequent records requesters alike, as it has been endorsed by the State Auditor Dave Yost and the Ohio Newspaper Association. The bill is expected to be on a "fast track" through the Senate chamber.

### **SENATE WAYS AND MEANS COMMITTEE DISCUSSES MUNICIPAL RELATED BILLS**

The Senate Ways and Means Committee dealt with three bills of interest to municipalities this week. First, it held a fourth hearing on HB 166, introduced by Representative Doug Green (R-Mt. Orab), which would extend the deadline for filing an application for the homestead exemption or 2 1/2% property tax rollback to the end of the tax year, would require that auditors certify Local Government Fund allocations to subdivisions by regular or electronic, rather than certified mail, and would repeal laws requiring county auditors to issue permits for traveling shows, issue licenses for new merchandise public auctions, certify the annual state tax interest rate to local courts, and would provide certain certifications related to the repealed personal property tax.

No witnesses testified and Chairman Bob Peterson (R-Washington Court House) announced that the Committee would not vote on the bill. However, the Committee did vote to incorporate three amendments. The first amendment is intended to create consistency on refuse fees between chartered and statutory counties. The language helps address an issue facing the city of Parma and the league was happy to support the inclusion of that language to the bill. The second amendment addresses annexation law concerns from the Clermont County Community Improvement Corporation.

The third amendment is a significant source of concern for the league as it will preempt all existing local ordinances that regulate the operations of pet stores. Currently, the league is aware of two municipalities, Grove City and Toledo, whose Home Rule authority would be stripped by the state, via this new and previously unvetted amendment to a bill that has no nexus to this topic. The amendment incorporated to the bill Wednesday addresses sources of animals for pet stores, which was an extension of previously passed "puppy-mill" provisions. The amendment declares regulation of pet stores as a matter of statewide interest which allows the General Assembly to preempt any local ordinances. The league objects to this amendment and will be sharing our concerns with committee members as part of the hearing next week.

Second, the Committee also took testimony in a second hearing on HB 182, introduced by Representative Kirk Schuring (R-Canton) which would revise the law governing the creation and operation of Joint Economic Development Districts (JEDDs) and Enterprise Zones. The Ohio Chamber of Commerce testified in favor of the bill, saying that they were skeptical when the original JEDD bill was passed, but that they have come to believe that the concept has worked reasonably well. The bill has already passed the House. No action was taken on the bill this week.

Third, the Committee heard testimony on HB 390, introduced by Representative Tim Schaffer (R-Lancaster) and Wes Retherford (R-Hamilton), which would exempt the sale of natural gas by a municipal gas company from the sales and use tax. Patrick Moeller, mayor of Hamilton, Randal Ullom, law director of Lancaster, and R. Michael Pettit, general manager of Lancaster Municipal Gas, provided proponent testimony. Their testimony was similar to that offered by Lancaster and Hamilton officials in the House Ways and Means Committee in January. The bill was introduced in response to major billing issues that certain municipalities had regarding the sale and use tax of natural gas.

## **HOUSE FINANCE HEARS TESTIMONY ON MID-BIENNIUM REVIEW**

This week, the Ohio House Finance Committee heard its first round of testimony on HB 547, which is a mid-biennium review budget introduced by Representative Ryan Smith (R-Bidwell). The Committee took testimony from the Director of Ohio's Office of Budget and Management Tim Keen. He testified that Ohio expects a positive balance of about \$300 million dollars at the end of this fiscal year, despite lower than projected income tax revenue. Keen attributed this to cost savings found in Medicaid.

The key provisions in this bill are as follows:

- Multiple minor changes to state employee salary schedules
- Changes the name of the Controlling Board Emergency Purposes Fund to the Controlling Board Emergency Purposes/Contingencies Fund.
- Transfers up to \$25 million of surplus GRF revenues for use by the Controlling Board.
- Clarifies the role of the Director of Budget and Management, Tax Commissioner, and Superintendent of Insurance in reviewing taxpayer applications for job retention tax credits.
- Authorizes a property tax exemption for Nationwide Arena.
- Eliminates the authority of counties to levy a tax on utility services purchased by consumers in the county.

- Requires the Auditor of State, in consultation with the Department of Education and the Office of Budget and Management, to determine for which school districts to conduct performance audits, with priority given to districts in fiscal distress.
- Requires the Auditor of State, rather than the Department, to pay the costs of such performance audits and transfers \$1 million for fiscal year 2017 from the Department to the Auditor of State for that purpose.
- Expands the requirements to obtain a license to practice veterinary medicine
- Allows designees of the Directors of Transportation and Budget and Management to serve as members of the Ohio Turnpike and Infrastructure Commission.
- Exempts the Ohio Judicial Conference from sunset review in 2016.
- Makes multiple capital and other appropriations.
- Provides that the bill's provisions, with certain exceptions, are not subject to the referendum and therefore take effect immediately.

### **HOUSE FINANCE COMMITTEE ACTS ON SEVERAL BILLS OF INTEREST TO MUNICIPALITIES**

The Ohio House Finance Committee acted on three bills of interest to municipalities this week. First, the Committee held a second hearing on HB 475, introduced by Representative Kirk Schuring (R-Canton), which would authorize motion picture companies to transfer the authority to claim refundable motion picture tax credits to other persons, to adjust how the credit is calculated, to increase the total amount of credits that may be awarded per year, to remove the limit on the maximum credit amount that may be awarded to a motion picture, and to create a job training program for resident film crew members. The OML submitted written testimony in favor of the bill. Our testimony can be read [HERE](#):

Secondly, the Committee held a second hearing and unanimously passed SB 310, the Capital Appropriations bill introduced by Senator Scott Oelslager (R-Canton). Hearings were held on Tuesday and Wednesday with the main subject of discussion was whether the bill did enough for brownfields. An amendment offering grants for brownfields was submitted and discussed but not voted into the bill.

Third, the Committee held a first hearing of SB 315, introduced by Senator Gayle Manning (R-North Ridgeville) which would authorize a total of \$684 million in new spending authority as a result of sources of revenue received or anticipated to be received by the Department of Transportation. There are three main sources of the spending: federal funding as a result of Congressional passage of the Fixing America's Surface Transportation Act of 2015; federal funding awarded under the TIGER Discretionary Grant Program operated by the U.S. Department of Transportation; and moneys authorized for ODOT from the sale of bonds issued by the Ohio Turnpike Commission. The money raised through turnpike bonds will go to turnpike-related projects, and will go into effect immediately to expedite the work. This was originally a Controlling Board request which the Committee members felt was better suited for legislation. Testimony was taken this week from the sponsor and Department of Transportation Director Jerry Wray. The bill has already passed the Senate and is expected to pass quickly in the House.

### **HOUSE COMMITTEE HEARS TESTIMONY ABOUT WATER CONTAMINATION BILL**

The Ohio House Energy & Natural Resources Committee held a second hearing on HB 512, introduced by Representative Tim Ginter (R-Salem), which would establish requirements governing lead and copper testing for community and non-transient non-community water systems, revise the law governing lead contamination from plumbing fixtures, make appropriations to the Facilities Construction Commission for

purposes of providing grants for lead fixture replacement in eligible schools, and would revise the laws governing the Water Pollution Control Loan and Drinking Water Assistance Funds.

The bill received support Tuesday from nine different groups, including the City of Lima, Ohio Water Development Authority, Ohio Facilities Construction Commission, and the Avon Lake Regional Water System. However, the bill received opponent testimony from the Mahoning Valley Sanitary District and interested party testimony from the Ohio Water Utility Council (OWUC), expressing concerns about a two-day timelines for lead contamination notification.

The Chairman of the Committee Representative Al Landis (R-Dover) indicated that he felt these concerns could be addressed through the Ohio Environmental Protection (OEPA) Agency's rule-making process. Further, the OEPA's Director Craig Butler was on hand, and spoke the Committee in response, saying that the agency is unlikely to budge on the two-day requirement and that they had a fundamental disagreement with the bill's opponents on the amount of time it takes to report lead contamination.

The OWUC also made the following suggestions: allow local water utilities the flexibility to select corrosion control programs, limit corrosion control treatment studies to be required only when changes are made that might affect the corrosivity of the water, require the OEPA to develop "health-based acute and chronic exposure limits" for lead in drinking water based on peer reviewed scientific research, provide grants to remove lead service lines, authorize seed money for utilities to establish a loan program, install state tax incentives for lead service line removal, require the disclosure of lead service lines upon property transfer or rental agreement.

## **HOUSE COMMITTEE HEARS TESTIMONY ABOUT POLICE BODY CAMERAS**

The House Local Government Committee held a fourth hearing on HB 407, sponsored by Representatives Cheryl Grossman (R-Grove City) and Kevin Boyce (D-Columbus) which would require law enforcement agencies that use body cameras to adopt written policies for operation of the cameras and to require agencies to make the adopted policies available to the public. The bill basically sets minimum standards for departments that use body cameras, but does not require any department to use them.

Testimony this week was taken from the Fraternal Order of Police's (FOP) Director of Government Affairs Michael Weinman. He testified that the FOP could support the bill if an amendment was added that allowed the officers to review the film before it is distributed, so that officers may provide context.

## **SENATE PASSES SB 235, AND OTHER MUNICIPAL RELATED BILL**

This week, the Senate passed SB 235, legislation introduced by Senators Bill Beagle (R-Tipp City) and Bill Coley (R-Liberty Township) which would exempt from property tax the increased value of property on which industrial or commercial development is planned until construction of new commercial or industrial facilities at the property commences. The League is still an interested party with concerns and will continue to work with members as this goes through the House.

The Ohio Senate also passed HB 207, a bill introduced by Representative Robert McColley (R-Napoleon) which would eliminate the minimum number of employees required for a private sector employer or a board of county commissioners with respect to the construction of a sports facility to obtain self-insuring status under the Workers' Compensation Law and to allow a state fund employer to have a workers' compensation claim that is likely to be subrogated by a third party paid from the surplus fund account in the state insurance

fund rather than charged to the employer's experience. The League was among the supporters of the bill, although we did not offer testimony. The bill will now go to the Governor.

### **HOUSE PASSES CONSTRUCTION RESIDENCY LEGISLATION**

On Wednesday, the Ohio House passed SB 152, introduced by Senator Joe Uecker (R-Miami Township) which would prohibit a public authority from requiring a contractor to employ a certain percentage of individuals from the geographic area of the public authority for the construction or professional design of a public improvement and to prohibit a state agency or state institution of higher education from requiring a contractor to or prohibiting a contractor from entering into certain labor agreements as a condition of performing or bidding on a public improvement project. The bill passed 51-42 on the House floor after a long session of speeches on the subject.

The bill had already cleared the Senate when the House voted Wednesday. However, because the House made amendments, it had to go back to the Senate for a consideration of the amendments. The Senate vote 25-8 to reject the House amendments. Both chambers will now hold a conference committee on the bill. A conference committee is a group of members from both chambers, who are selected by the Speaker and Senate Leaders, who will work out an agreed-upon bill. If they do not agree, there will be no more action. If they do agree, the agreed-upon language must still pass both chambers before going to the Governor. The Speaker said that he would like to have this legislation to the Governor before the summer break. He also reaffirmed his support for the House language.

On this subject, the Ohio House has already passed HB 180 which is virtually the same as SB 152. HB 180 has passed the House in June of 2015. This week, the Senate Government Oversight and Reform Committee held a second hearing on HB 180, introduced by Representative Ron Maag (R-Lebanon). The Committee passed the bill this week. The full Senate will now consider whether to schedule it for a floor vote.

### **SENATOR INTRODUCES BILL TO REQUIRE POLICE CHIEF TRAINING**

Senator Cliff Hite (R-Findlay) introduced SB 322 this week, which would require the Ohio peace officer training commission to develop and conduct a chief of police training course for newly appointed chiefs of police appointed on or after January 1, 2017, and would require newly appointed chiefs of police of villages, cities, and townships to attend the training course within six months of appointment as a chief of police.

The League was involved in discussions early last year on this issue as the Attorney General put together a working group to discuss the matter. The League did not take a firm position on the matter and will continue monitor this legislation and report on it. We are very concerned about the long-term ramifications of this legislation but have heard from some departments that they favor the legislation. We will continue to follow the legislation closely.

### **MEDICAL MARIJUANA BILL PASSES HOUSE COMMITTEE**

The House Select Committee on Medical Marijuana held an eighth hearing and has unanimously reported out the substitute version of HB523, introduced by Representative Steve Huffman (R-Tipp City) paving the way for a floor vote next week in the Ohio House.

### **TOWING LAW CHANGES PASSES COMMITTEE**

The House State Government Committee held a fifth hearing and passed HB 341, introduced by Representatives Ron Young (R-Leroy Township) and Martin Sweeney (D-Cleveland). The bill would require the Public Utilities Commission to raise the existing statutorily designated towing and storage fees annually by the percentage increase in the consumer price index, would establish a \$35 fee for the retrieval of nonmedical personal items from a motor vehicle, would modify the civil penalties applicable to violations of the towing law, would modify the calculation of the value of an abandoned vehicle to which a towing service or storage facility seeks to take title, and would make other changes to the towing law.

## **STATE AGENCY ACTIVITIES**

### **ODOT WINTER ROAD SALT CONTRACT PARTICIPATION INFORMATION**

The Department will begin accepting electronic forms and resolutions for the ODOT winter salt contract (018-17) participation through the ODOT website beginning Monday, May 9th. This is the link to the ODOT's homepage where this year's road salt website and participation form will be posted to on Monday, May 9th: <http://www.dot.state.oh.us/Divisions/ContractAdmin/Contracts/Pages/Purchase.aspx>.

Click [HERE](#) to download the Department's letter to local governments on this issue and the Mandatory Resolution for 018-17 Winter Road Salt Contract.

### **DEPT. HEALTH HOLDING MEETINGS ON ACCREDITATION ISSUES**

The Legislative Committee on Public Health Futures has two subcommittees that met recently to discuss issues communities face when seeking accreditation from the Public Health Accreditation Board. The ODH will assemble a third subcommittee focused on funding issues as well. These issues have been brought to the Department's attention by multiple local government officials. ODH is planning on providing training opportunities statewide and regionally, as well as hiring or coordinating a staff person to help with training and technical issues related to accreditation. ODH is also planning on providing funding accreditation activities of local health departments' choosing; connectivity or IT requirements related to PHAB; and funding for community health assessments (CHAs) and community health improvement plans (CHIPs).

Please contact the League if you need assistance in testifying before the upcoming committees or have other accreditation concerns that your community needs state help with.

### **COMMITTEE SCHEDULE FOR NEXT WEEK**

Below is the list of committee hearings scheduled for next week. When additions or changes to the schedule are released, we will post them to our website Monday.

Have a safe weekend.~

**Tuesday, May 10, 2016**

HOUSE GOVERNMENT ACCOUNTABILITY AND OVERSIGHT Rep. Brown: 614-466-8104

Tue., May. 10, 2016, 1:30 PM, Hearing Room 114

SJR1 PUBLIC OFFICE COMPENSATION COMMISSION (FABER K) Proposing to amend Sections 4, 20, and 31 of Article II, Section 19 of Article III, and Section 6 of Article IV and to enact Section 20a of Article II of the Constitution of the State of Ohio to establish the Public Office Compensation Commission.

Third Hearing, All Testimony, AMENDMENTS

HB503 AGENCY RULE-MAKING (DUFFEY M) To reform agency rule-making and legislative review thereof.

Second Hearing, Proponent Testimony

**Wednesday, May 11, 2016**

SENATE WAYS AND MEANS

Sen. Peterson: 614-466-8156

Wed., May. 11, 2016, 9:30 AM, South Hearing Room

HB182 JOINT ECONOMIC DEVELOPMENT DISTRICTS (SCHURING K) To revise the law governing the creation and operation of joint economic development districts (JEDDs) and enterprise zones.

Third Hearing, All Testimony, AMENDMENTS/POSSIBLE VOTE

HB390 NATURAL GAS-TAX EXEMPTION (SCHAFFER T, RETHERFORD W) To exempt the sale of natural gas by a municipal gas company from the sales and use tax.

Second Hearing, All Testimony, AMENDMENTS/POSSIBLE VOTE

HB166 LOCAL TAX-FISCAL REVISIONS (GREEN D) To extend the deadline for filing an application for the homestead exemption or 2 1/2% property tax rollback to the end of the tax year, to require that auditors certify Local Government Fund allocations to subdivisions by regular or electronic, rather than certified mail, and to repeal laws requiring county auditors to issue permits for traveling shows, issue licenses for new merchandise public auctions, certify the annual state tax interest rate to local courts, and provide certain certifications related to the repealed personal property tax.

Fifth Hearing, All Testimony, AMENDMENTS/POSSIBLE VOTE

SENATE TRANSPORTATION, COMMERCE AND LABOR Sen. LaRose: 614-466-4823

Wed., May. 11, 2016, 10:15 AM, North Hearing Room

SB307 FAMILY-MEDICAL LEAVE ACT (CAFARO C) To establish family and medical leave insurance benefits to provide paid leave to allow an individual to address the individual's own serious health condition, to care for a family member, or to bond with a new child and to exempt those benefits from personal income tax.  
First Hearing, Sponsor Testimony

SENATE CIVIL JUSTICE

Sen. Bacon: 614-466-8064

Wed., May. 11, 2016, 11:15 AM, North Hearing Room

HB387 MUNICIPAL COURTS-SMALL CLAIMS (TERHAR L, DEVER J) To raise the maximum allowable limit of the monetary jurisdiction of small claims divisions of municipal courts.  
Second Hearing, Proponent Testimony

**Please check our website Monday for the Final Committee Schedule**

**April 29, 2016**

It was another busy week at the General Assembly as members begin to posture themselves to get the spring legislative agenda done before the summer. The General Assembly members are targeting mid-May for their summer break. Both chambers continue to move very quickly on important legislation. There has been much congratulations to the new committee chairs mentioned below.

## **MUNICIPAL INCOME TAX NET OPERATING LOSS REVIEW COMMITTEE TO HOLD FIRST HEARING NEXT WEEK**

Late Thursday afternoon, State Tax Commissioner Joe Testa announced that a first hearing will be held Thursday, May 5 at 9:30 a.m. in hearing room #114 for the Municipal Income Tax Net Operating Loss Review Committee.

As our members will remember, the committee was established as part of HB5 to give further legislative review to the impact of the unfunded mandate included in the reform legislation, requiring all Ohio cities and villages to allow a 5 year NOL carry forward policy, as part of their local municipal income tax ordinance.

The committee agenda for Thursday's hearing includes introduction of committee members and discussion of a proposed data collection method. Whatever data collection method is agreed upon by the committee members will be the mechanism municipalities will be asked to use in order to provide the data to the legislative body for analysis.

Commissioner Testa, who also has been appointed to serve as the committee's Chairman has announced that the tax department staff has been working to develop a suggested method to propose to the committee as a starting point. Municipalities will have until September 30, 2016 to submit the required data for an analysis with the final method.

It remains unclear if all municipalities will be required to provide the data or only those with a zero NOL policy before the enactment of HB5, who will feel the full impact of the revenue losses. The league has not been asked to assist with the development of the data collection methodology at this point but we look forward to engaging with the committee to help roll-out the plan and promote the most effective and efficient data collection procedure.

Lastly, committee members were told Thursday that, "a decision on a method for the estimation would need to be prescribed by the committee by May 25th in order to ensure the Municipalities have adequate time to compile and submit the requested information."

The appointed legislative committee members include Senators Bob Peterson (R-Washington Court House) and Capri Cafaro (D-Hubbard), House members Kirk Schuring (R-Canton) and Jack Cera (D-Bellaire). Committee members representing municipal taxpayers include CPA's J. Matthew Yuskewich, Mark Bainbridge and Bret Dixon.

The municipal representatives that have been appointed by the Senate President are Mayor Jeffrey Hazel of Celina and New Albany City Manager Joseph Stefanov. The enacted language in HB5 called for three municipal representatives to be appointed to the committee and to the best of our knowledge the third appointment has yet to be made.

We will be sure to update our members on the proposals presented Thursday.

### **LEAGUE TESTIFIES BEFORE COMMISSION STUDYING OHIO HISTORIC PRESERVATION TAX CREDIT PROGRAM**

The General Assembly formed a special commission as part of the last State operating budget bill called the 2020 Tax Policy Study Commission to review current state tax policies. Kent Scarrett, Executive Director of the league testified before the commission offering support for the current tax credit program, sharing with commission members the importance the program is to Ohio's Cities and Villages. The Commission is studying efficiencies with the current tax credit program and among other things are considering turning the program into a grant system. A copy of the Testimony presented Thursday is [HERE](#)

The league is hopeful that the Commission will continue the tax credit program as it currently exists. During the hearing yesterday commission members expressed a desire to improve upon this tax credit program and identified frustrations with the Federal Government administrative role. The league will continue to monitor this issue and keep our members aware of future action taken.

### **NEW WATER BILL REFERRED TO HOUSE COMMITTEE**

The House Rules and Reference Committee referred HB 512, introduced by Representative Tim Ginter (R-Salem) to the House Energy and Natural Resources Committee. The bill would establish requirements governing lead and copper testing for community and non-transient non-community water systems, to revise the law governing lead contamination from plumbing fixtures, to make appropriations to the Facilities Construction Commission for purposes of providing grants for lead fixture replacement in eligible schools. The bill would also revise the laws governing the Water Pollution Control Loan and Drinking Water Assistance Funds.

### **STATE AUDITOR, SENATE PRESIDENT SEEK TO CHANGE PUBLIC RECORDS PROCEDURES**

Yesterday morning, Senate President Keith Faber (R-Celina), State Auditor Dave Yost, representatives from the Ohio Attorney General's office, and the Ohio Newspaper Association held a press conference to discuss new legislation that is "designed to streamline disputes over public records and provide a more affordable, accessible process for citizens trying to obtain them. The bill is believed to be the first of its kind in the nation." The bill has not been introduced yet but is said to focus on creating an inexpensive mediation process for dispute in public records requests.

When the legislation is introduced we will be sure to notify our members of the content and how the bill may affect them.

### **MUNICIPALITIES ROLE IN SB 11 VOLUNTEER POLICE OFFICER BENEVOLENT FUND**

The League would like to remind our members that on March 23, 2016, SB 11 became effective as law. This bill did the following:

- Created the Volunteer Peace Officers' Dependents Fund to provide death benefits to survivors of volunteer, part-time, and reserve police officers, sheriffs' deputies, constables, and deputy marshals killed in the line of duty and disability benefits to such disabled officers and deputies.
- Made each political subdivision with a police or sheriff's department that employs volunteer peace officers a member of the Fund and requires each Fund member to establish a volunteer peace officers' dependents fund board to administer claims for benefits from the Fund.
- The bill requires the following benefit amounts to be paid from the Fund: (1) surviving spouses, a lump-sum award of \$1,000, plus a benefit of \$300 per month, (2) dependent children, a benefit of \$125 per month, (3) disabled volunteer peace officers and disability benefit of \$300 per month.
- To pay for benefits disbursed by the Fund, the bill requires each Fund member to pay the Treasurer of State an initial premium of \$300 to \$500, which is based on the member's assessed property valuation.
- If claims against the Fund have reduced it to 95% or less of its basic capital account, requires Fund members to pay additional premiums of \$90 to \$150, depending on the member's assessed property valuation.

Our members can access the analysis [HERE](#) and fiscal impact statement [HERE](#) for the enacted version of the bill.

### **SPEAKER APPOINTS NEW COMMITTEE CHAIRS**

Yesterday, House Speaker Cliff Rosenberger (R-Clarksville) announced a shake-up of committee chairmanships. Much of the movement was intended to give newer members an opportunity to chair committees that were previously chaired by term-limited members (although there were some exceptions). The changes were as follows:

- Rep. Tim Ginter (R-Salem) was appoint to be Chair of the House Community and Family Advancement Committee
- Rep. Mark Romanchuk (R-Mansfield) was appoint to be Chair of the House Economic and Workforce Development Committee
- Rep. Mike Dovilla (R-Berea) was appoint to be Chair of the House Public Utilities Committee
- Rep. Tim Schaffer (R-Lancaster) was appoint to be Chair of the House Ways and Means Committee
- Rep. Robert McColley (R-Napoleon) was appoint to be Chair of the House Finance Transportation Subcommittee

The League wants to congratulate each of these deserving appointees. If one of these members is in your district, please reach out and congratulate them and offer your advice on municipal matters. Please contact the League if you would like their contact information and advice on reaching out.

### **HOUSE COMMITTEE PASSES EXPEDITED FORECLOSURES BILL**

The House Financial Institutions and Housing and Urban Development Committee (FIHUD) held a fifth hearing for open testimony and passed HB 463, which would create an expedited foreclosure process for situations where nobody disputes that a property is abandoned and/or vacant. The bill was introduced by Representative Jonathan Dever (R-Cincinnati).

We reported last week on a number of amendments that were added to the bill. Before the Committee voted to pass the bill, the committee approved an amendment from Rep. Stephen Hambley (R-Brunswick) that made two changes. The first would give sheriffs five years to go onto the online system for real estate transactions referred to in the bill. The second change would permit a dual sale at both an online and physical location. The League did not offer supporting testimony because of the flurry of amendments to the bill. However, we are planning on offering supporting testimony in the Senate.

Committee members also held a fourth hearing for open testimony on HB 435, introduced by Rep. Jeff McClain (R-Upper Sandusky) which would authorize the Treasurer of State to issue revenue obligations of the state for the purpose of making loans to qualifying public entities for their acquisition of permanent improvements through the Treasurer of State's purchase of public obligations of those qualifying entities.

### **HOUSE FINANCE HEARS CAPITAL APPROPRIATIONS BILL TESTIMONY**

The Director of the Office of Budget and Management Tim Keen gave detailed testimony about SB 310 the Capital Appropriations bill. Committee members asked for greater detail of Mr. Keen about particular expenditure items included in the spending bill. We expect the bill to move through the General Assembly and be passed before the legislature adjourns in late May. Vice Chair of the Committee Kirk Schuring (R-Canton) said he expects a vote next week.

### **HOUSE COMMITTEE HOLDS FURTHER HEARINGS ON MEDICAL MARIJUANA**

On Wednesday, the Ohio House Select Committee on Medical Marijuana heard testimony from a number of advocates of legalization of medical marijuana. The League is monitoring the legislation to ensure that municipalities will retain the ability to regulate dispensaries and other aspects of the sales and use of the drugs. Much of this week's testimony was centered around the differences between the approved ballot initiative and the current HB 523.

Generally, HB 523 creates a committee that will make regulatory decisions related to the sales and use of the drug, whereas the ballot initiative addresses much more of those issues directly. Specific issues of regulation include: what physical ailments will give people access to the drug, personal possession quantities, allowable forms of the drug, allowable forms of procurement, caregiver possession, what criminal penalties may revoke a person's possession rights, the right of marijuana users to organ transplants, certain assets, child custody, and certain licenses, definition of "medical purpose," physician reporting requirements, financial institution rules, and makeup of the oversight commission.

### **HOUSE STATE GOVERNMENT COMMITTEE TAKING AMENDMENTS TO TOWING BILL**

The House State Government Committee did not hold a hearing, but did hold discussion related to HB 341, which would require the Public Utilities Commission to raise the existing statutorily designated towing and storage fees annually by the percentage increase in the consumer price index, would establish a \$35 fee for the retrieval of non-medical personal items from a motor vehicle, would modify the civil penalties applicable to violations of the towing law, would modify the calculation of the value of an abandoned vehicle to which a towing service or storage facility seeks to take title, and make other changes to the towing law. The Committee is considering a number of amendments. The League is engaging with the sponsor, Ron Young (R-Leroy Township), to facilitate some amendments offered by our members.

### **SENATE MOVES ON IMPORTANT BILLS THAT EFFECT MUNICIPALITIES**

The Senate Agriculture Committee heard its third round of testimony on SB 151 which would revise provisions of the Dogs Law governing nuisance, dangerous, and vicious dogs, to revise enforcement of that Law, and to establish a notification process regarding complaints of certain violations of that Law. Supporters of the bill praised the bill, but asked for two things: that the bill do more to punish negligent owners and allow more remedies for dogs that might otherwise be put to sleep.

The Senate passed SB 220 which would authorize the Ohio Public Employees Deferred Compensation Board and local governments to establish designated Roth account features and other tax-deferred or non-tax-deferred features permitted for government deferred compensation plans. The bill was introduced by Senator Jay Hottinger (R-Pataskala) who said the bill would provide needed flexibility and clarity regarding the law on this issue. The bill now moves to the House.

The Senate Finance Committee held its first hearing on HB 277 which passed the House last week. The bill was introduced by Representative Andrew Brenner (R-Powell) and it would authorize a county, township, or municipal corporation to impose a 9-1-1 system levy in only the portion of the subdivision that would be served by the 9-1-1 system.

The Senate Reference Committee referred HB 413 to the Senate State and Local Government Committee. The bill was introduced by Representative Tom Brinkman (R-Mt. Lookout) and is mainly a bill that make minor alteration to township regulation, but also has a provision that would expand the public infrastructure improvements townships, municipal corporations, and counties may pay for using money from their public improvement tax increment equivalent funds.

The Senate Ways and Means Committee held hearings on four bills related to municipalities. First, HB 166, introduced by Representative Doug Green (R-Mt. Orab), would change multiple laws relative to the collection of local property taxes. The bill underwent three amendments, first to correct ambiguities related to foreclosure costs and a requirement that county auditors seek unpaid taxes on land bank acquisitions. Also, amendments were accepted that eliminated a requirement regarding estate taxes, changes who received certain notices when there is a satisfaction of mortgage, change when agricultural land use reviews are done, and provide clarity regarding what happens with special election fund accounts when the election is over.

Secondly, the Committee held its first hearing for sponsor testimony on HB 182 which seeks to revise the law governing the creation and operation of joint economic development districts (JEDDs) and enterprise zones. The bill has already passed the House. According to the sponsor Rep. Kirk Schuring (R-Canton) the following represents the bill's key items:

- Easy Read - the legislation harmonizes various sections of the JEDD law to eliminate the patchwork of sections that must be put together to read the statewide JEDD statute. Under the bill the statewide JEDD law is located in one section of the ORC and easier to read.
- Redevelopment - the bill adds economic redevelopment as a purpose for the establishment of a JEDD.
- Mixed use - HB 182 modifies the prohibition of residents being allowed in a JEDD by stipulating that residents are allowed if they live in a mix-use building combining residential with retail/office space. Mix use is defined in the bill.
- Swiss cheese - the legislation allows the JEDD to carve out properties within the district that don't want to be a part of the JEDD. These carve outs would put holes in the JEDD that would create a "Swiss Cheese" effect.
- Annexation - the bill expands the restrictions on annexation to include the territory within the JEDD.

- Out of Town Owners - the bill stipulates that out of town business and/or property owners will be contacted by certified mail during the petitioning process. If they don't respond in 30 days, it will be assumed that they agree with the establishment of the JEDD. However, the bill stipulates that the certified mail must be signed by the record property owner to ensure that the petition is going to the appropriate decision maker.
- Opt out - this provision allows a business or property owner to "opt out" of a JEDD if it can be proven that the business or property owner has received little or no economic benefit from the JEDD. The Development Services Agency will determine if the opt out is warranted. The bill also allows the decision to be appealed to the Common Pleas if disputed.
- Enterprise Zone Waiver - the bill creates a waiver for enterprise zone tax abatements if the abatement doesn't qualify under current Ohio law. The waiver would be granted if the local school board approves the abatement.

Third, the Committee took its first hearing sponsor testimony on HB 390 introduced by Representative Tim Schaffer (R-Lancaster) and Wes Retherford (R-Hamilton). The bill would exempt the sale of natural gas by a municipal gas company from the sales and use tax. The bill stems from a Department of Taxation effort to recoup sales taxes from natural gas sales made by municipal utilities to residents of Lancaster, Hamilton, and the villages of Deshler, McComb, Verona and Williamsport.

As we have previously reported, the Department of Taxation informed the above municipalities that millions of dollars in money that was supposed to be collected and remitted by these municipalities for sales and use tax on natural gas sales. The cities would have had to impose extraordinary taxes to meet this demand. The bill intends to prevent that. The bill also addresses a tax abatement needed by the Youngstown Metropolitan Housing Authority for errors made in accounting. The bill has already passed the House unanimously.

Fourth, and lastly, the Senate had no testimony but took amendments during a sixth hearing on SB 235 which would exempt from property tax the increased value of property on which industrial or commercial development is planned until construction of new commercial or industrial facilities at the property commences. The amendment caps the freeze period in the bill at 10 years. There are two primary concerns the League has regarding this bill. First, is the local control issue and the non-preemption of existing local ordinances. Secondly, we are concerned with the impact the legislation would have on current economic development opportunities.

The Senate Insurance Committee held a hearing, took amendments, and passed HB 207 which would allow a state fund employer to have a workers' compensation claim that is likely to be subrogated by a third party paid from the surplus fund account in the state insurance fund rather than charged to the employer's experience. The bill was introduced by Representative Rob McColley (R-Napolean) and Mike Henne (R-Clayton). The first amendment eliminates the 500 employee minimum on self-insurance. The second would have a claim charged to the BWC's surplus fund if it is not paid within 180 days. The league continues to support the bill.

## **LEAGUE PROPOSING WORKERS COMPENSATION WORKING GROUP TO BE FORMED**

With all the activity in the workers compensation area lately, the OML will be forming a working group of municipal professionals who have expertise in the workers compensation and risk management area and a desire to be involved in helping the League and its members influence policy in this area. It is imperative that public management exercise a strong voice in this area as legislators continue to address difficulties in the current system.

At the beginning, this working group will merely be an email list that will receive and respond to specialized communications about state activity in the workers compensation area in particular. Subscribers may be called upon to talk to engage in technical discussions, communicate with legislators, write letters, give testimony, and apply to serve on various committees.

Please forward this request to any in-house or private parties who would be well-suited for this communication list. Please send a request to [jbrown@omloho.org](mailto:jbrown@omloho.org) to be placed on this list or call (614) 284-4394 for more information.

### **COMMITTEE SCHEDULE FOR NEXT WEEK**

Below is the committee schedule for next week. If there are any changes, we will post those to our website Monday morning.

Have a safe weekend~

### **PRELIMINARY COMMITTEE SCHEDULE FOR THE WEEK OF MAY 1, 2016**

#### **Tuesday May 3, 2016**

HOUSE FINANCE Rep. Smith: 614-466-1366  
Tue., May. 3, 2016, 1:00 PM, Hearing Room 313

SB310 CAPITAL APPROPRIATIONS (OELSLAGER S) To make capital appropriations and changes to the law governing capital projects for the biennium ending June 30, 2018.  
Second Hearing, All Testimony, POSSIBLE VOTE

SB315 TRANSPORTATION APPROPRIATIONS (MANNING G) To make supplemental appropriations related to transportation for the biennium beginning July 1, 2015, and ending June 30, 2017, and to declare an emergency.  
First Hearing, Sponsor Testimony, PENDING REFERRAL

HOUSE ENERGY AND NATURAL RESOURCES Rep. Landis: 614-466-8035  
Tue., May. 3, 2016, 1:30 PM, Hearing Room 017

HB512 WATER SYSTEM TESTING-MBR (GINTER T) To establish requirements governing lead and copper testing for community and non-transient non-community water systems.  
Second Hearing, Proponent & Opponent Testimony

HOUSE LOCAL GOVERNMENT Rep. Anielski: 614-644-6041  
Tue., May. 3, 2016, 2:00 PM, Hearing Room 018

BODY CAMERAS-POLICIES (BOYCE K, GROSSMAN C) To require law enforcement agencies that use body cameras to adopt written policies for operation of the cameras and to require agencies to make the adopted policies available to the public.

Fourth Hearing, All Testimony

**Wednesday, May 4, 2016**

SENATE CIVIL JUSTICE

Sen. Bacon: 614-466-8064

Wed., May. 4, 2016, 9:00 AM, Senate Finance Hearing Room

PREGNANCY REASONABLE ACCOMMODATION ACT (JONES S, CAFARO C) To enact SB301 the "Pregnancy Reasonable Accommodation Act" to generally require employers to make reasonable accommodations for employees who are pregnant or breastfeeding.

Second Hearing, Proponent Testimony

HOUSE HEALTH AND AGING

Rep. Gonzales: 614-466-4847

Wed., May. 4, 2016, 9:30 AM, Hearing Room 116

HB520 PUBLIC RETIREMENT SYSTEMS (SCHURING K, RAMOS D) To revise the law governing the state's public retirement systems.

First Hearing, Sponsor Testimony

SENATE WAYS AND MEANS

Sen. Peterson: 614-466-8156

Wed., May. 4, 2016, 9:30 AM, South Hearing Room

JOINT ECONOMIC DEVELOPMENT DISTRICTS (SCHURING K) To revise the law governing the creation and operation of joint economic development districts (JEDDs) and enterprise zones.

Second Hearing, Proponent Testimony

HB390 NATURAL GAS-TAX EXEMPTION (SCHAFFER T, RETHERFORD W) To exempt the sale of natural gas by a municipal gas company from the sales and use tax.

Second Hearing, Proponent Testimony

LOCAL TAX-FISCAL REVISIONS (GREEN D) To extend the deadline for filing an application for the homestead exemption or 2 1/2% property tax rollback to the end of the tax year, to require that auditors certify Local Government Fund allocations to subdivisions by regular or electronic, rather than certified mail, and to repeal laws requiring county auditors to issue permits for traveling shows, issue licenses for new merchandise public auctions, certify the

annual state tax interest rate to local courts, and provide certain certifications related to the repealed personal property tax.

Fourth Hearing, All Testimony, AMENDMENTS/POSSIBLE VOTE

**Thursday, May 5, 2016**

MUNICIPAL INCOME TAX NET OPERATING LOSS REVIEW COMMITTEE Tax Commissioner Joe Testa:

Thurs., May 5, 2016, 9:30 AM Ohio Statehouse Room 114

614- 466-2166

**PLEASE CHECK OUR WEBSITE MONDAY FOR THE FINAL COMMITTEE SCHEDULE**



**April 22, 2016**

This week, the Ohio legislature continued a busy schedule of hearings and floor sessions. Most regular committees met and both chambers held session on Wednesday. Much of the chatter this week centered around getting the capital budget, introduced last week, passed relatively quickly. Many members are attempting to get their bills heard and passed before the summer break. The new Marijuana Special Committee has been a source of conversation, as they attempt to pass something to pre-empt the ballot initiatives that have recently been approved for circulation by the Secretary of State.

## **OHIO'S HISTORICAL PRESERVATION TAX CREDIT ON THE AGENDA FOR NEXT WEEK'S TAX POLICY STUDY COMMISSION MEETING**

The 2020 Tax Policy Study Commission will be meeting on Thursday, April 28th, 2016 in the Senate South Hearing Room at 10:00am. The main topic of discussion will be the Ohio Historic Preservation Tax Credit Program, and what the future of the program will look like. Part of the discussion will revolve around the proposal to convert this tax credit into a grant program, which the league has serious concerns with. We encourage municipal officials to consider attending the hearing to communicate with legislators what the program has meant to your communities and the importance that the tax credit program continue as a tool for redevelopment and economic development.

The 2020 Tax Commission was created in House Bill 64 (the state's budget bill) and exists to determine how to maximize Ohio's competitiveness by the year 2020, how to transition Ohio's personal income tax to a flat tax of 3.5% or 3.75% beginning in tax year 2018, how to make the tax credit authorized in section 149.311 of the Revised Code more efficient and effective, including converting it to a refundable tax credit or grant program, and how to reform Ohio's severance tax in a way that maximizes competitiveness and enhances the general welfare of the state. The Commission also plans to review and evaluate every credit against a tax levied by the state and authorized in the Revised Code.

There are seven members who serve on the Ohio 2020 Tax Policy Study Commission. Three members of are from the House of Representatives, including: Co-Chair Jeff McClain (R-Upper Sandusky), Representative Kirk Schuring (R-Canton) and Representative Jack Cera (D-Bellarie). The Committee has three members from the Senate: Co-Chair Bob Peterson (R-Washington Court House), Senator Scott Oelslager (R-Canton), and Senator Charleta Tavares (D-Columbus). Finally, the Governor has one appointee, who is the Director of the Office of Budget Management, Tim Keen.

The League's staff will be in attendance and monitoring closely. We will be sure to report on the activities and decisions of this committee.

## **CAPITAL APPROPRIATIONS BILL RECEIVES HEARING**

You may recall that last week Senator Scott Oelslager (R-Canton) introduced the Capital Appropriations bill, Senate Bill 310. This bill allots about \$2.6 billion of state money for various projects requested around the state. The bill passed the Senate by a 32-1 vote. The bill will now go to the House of Representatives for review. The bill remains on a fast-track and we anticipate seeing the bill pass the House next week. Specific information on the breakdown of capital appropriations can be found here: <http://obm.ohio.gov/>

## **EXPEDITED FORECLOSURE BILL RECEIVES COMMITTEE AMENDMENTS**

The House Financial Institutions and House and Urban Development Committee continues to hold hearings on HB 462, which would create an expedited foreclosure process for situations where nobody disputes that a property is abandoned and/or vacant. The third hearing of the bill was Wednesday. The League continues to promote ideas that help our communities deal with vacant and abandoned properties. We have engaged in several interested parties meetings with bill sponsor Representative Jonathan Dever (R-Cincinnati) over this issue.

This week, several interested parties coalesced around a number of proposed amendments. The League was part of the discussions but was not a signatory to the proposal. The proposal culminated in a number of amendments discussed below. We commend Representative Dever for his work in hearing, reviewing, and adopting many of these suggested amendments.

The League continues to keep tabs on this bill to ensure that our momentum on this bill continues. We continue to advocate for legislation that will help municipalities address vacant and abandoned properties in an efficient manner.

The amendments added this week provide the following:

- Preserves existing law in regard to the statute of limitations;
- Updates sections identifying the fact patterns that could be used to establish that a home was abandoned or vacant;
- Specifies that judges must direct a government official to make an inspection visit to ensure a home is vacant;
- Caps the cost for that inspection at \$50;
- Prohibits financial institutions from lying to homeowners regarding foreclosure processes;
- Allows municipalities to encourage a prompt sale of qualifying properties;
- Requires the submission of a property buyer's name, address, phone number, email address for those involved in online sales. Telephone numbers would be exempt from the public record, and;
- Clarifies that the bill doesn't deal with land banks and local ordinances.

We will keep updating you on the ongoing process related to this bill. Representative Dever and the other interested parties have worked hard for nearly two years to get this bill to this point and we are very optimistic at this point. The bill is similar to House Bill 134, which mostly addresses the same issues.

## **MUNICIPAL BOND TAX EXEMPTION RESOLUTION MOVING THROUGH SENATE**

The League scored a significant win this week when the Senate Ways and Means Committee unanimously passed House Continuing Resolution 7, which urges Congress to preserve the tax-exempt status of municipal bonds. The League's Director of Communication Josh Brown, who was instrumental in bringing the issue to the Ohio legislature, testified on Wednesday on behalf of the OML and a coalition of local government entities that support the resolution. A link to the league testimony can be found [HERE](#). Also, Toby Ritner from the Counsel of Development Finance Agencies testified at the request of the OML about the importance of this tax exemption.

The Ohio House passed this resolution earlier this year, making it the first state chamber in the country to pass such a resolution, after many local governments have passed it. It was suggested in response to proposed legislation from the U.S. Congress and the executive branch which would eliminate the exemption either wholly or partially. The bill will now go to the Senate floor. If passed, Ohio will have the first General Assembly in the country to pass such a resolution.

### **DOWNTOWN REDEVELOPMENT BILL SENT TO GOVERNOR**

In other news, the Governor will soon have an opportunity to sign a bill that will be good for municipalities. The Ohio House unanimously concurred with Senate amendments to Representative Kirk Schuring's (R-Canton) HB 233. The bill will authorize municipal corporations to create downtown redevelopment districts and innovation districts for the purposes of promoting the rehabilitation of historic buildings, creating jobs, encouraging economic development in commercial and mixed-use areas, and supporting grants and loans to technology-oriented and other businesses. The OML was very involved in promoting this legislation and is very thankful to all the parties that helped get this bill to the Governor. Rep. Schuring was particularly gracious in working with us on the bill.

### **LEGISLATIVE HEARINGS CONTINUE ON MUNICIPAL-RELATED BILLS**

The Senate Ways and Means Committee held a fifth hearing this week on SB 235 introduced by Sens. Bill Coley (R-Cincinnati) and Bill Beagle (R-Tipp City) which would exempt from property tax the increased value of property on which industrial or commercial development is planned until construction of new commercial or industrial facilities at the property commences. The bill was originally scheduled for a committee vote but the decision was made to not vote on the bill until concerns that have been raised by the league, in coordination with other local government organizations, are addressed as to potential unintended consequences that are concerning, if the bill were to continue in its current form. No witnesses appeared at the hearing and we expect the committee to continue to work diligently on the proposal.

Testimony was offered in the Ohio House Finance Committee about two bills that the League is tracking. First, the Committee held a second hearing and heard testimony about the success of former state sales tax holidays for retailers. SB 264 offered by Senator Bacon (R-Minerva) would continue the practice. The Department of Tax is expected to release analysis of the impact of the tax holiday in the coming weeks. The tax holiday was originally a one-time event. Currently, SB 264 would extend the proposal to a pilot program.

Next, the Committee passed HB 130 after a third hearing which would create the Data-Ohio program. The bill was introduced by Representative Mike Duffey (R-Worthington). The bill would create a board to review ongoing data opportunities and create a hub for data to be voluntarily distributed to the state government in a standardized format. Rep. Duffey and the League worked extensively on this bill together, coming to an agreed-upon resolution. Because of the insistence of the OML, the bill is completely voluntary for local governments and the OML will be able to make appointments to the proposed Board. The bill originally had about \$25 million in funding available for participation. That has been removed. This is unrelated to the State Treasurers online checkbook and the Department of Administrative Services plans to start making local government data available.

The Ohio House Local Government Committee heard testimony on three bills related to municipalities. First, HB 378 received a fourth hearing. The bill would authorize law enforcement officers of township police districts and joint police districts, and township constables, serving specified small populations to make arrests for motor vehicle-related violations committed on an interstate highway in the same manner as township law enforcement officers serving larger populations. The bill was introduced by Representatives Steve Hambley (R-Brunswick) and Jeffery Rezabek (R-Mason).

Secondly, the Committee held a third hearing and heard testimony on HB 407 which would require law enforcement agencies that use body cameras to adopt written policies for operation of the cameras and to require agencies to make the adopted policies available to the public. The bill was introduced by Representatives Cheryl Grossman (R-Grove City) and Kevin Boyce (R-Columbus).

Finally, the Committee held a third hearing on HB 462 which would establish a joint police district, to modify the membership of a joint police district governing body, to expand the offense of solicitation to also apply to a person who agrees with another to engage with the other person in sexual activity for hire, to provide that the "prescription exemption" from the drug possession offenses does not apply to a person who uses more of the drug than the maximum prescribed amount per day or the maximum amount to be used within the prescription timeline or who administers or takes the drug in a manner not prescribed by the prescribing health professional, and to provide immunity from civil liability to a peace officer who administers naloxone to a person who is apparently experiencing an opioid-related overdose. No witnesses appeared for the bill and the hearing was open to all testimony. The bill was introduced by Representative Christina Hagan (R-Mansfield) and Robert Sprague (R-Findlay).

The Ohio Senate Government Oversight and Reform Committee held its first hearing, sponsor only on SB 270 which would update laws related to pawnbrokers. Generally, the bill clarifies some language, harmonizes the law with certain legal precedents, and institutes a 1% increase in fees. To offset the modest fee increases, the bill would add another month to the collateral-based loan period. The league will be tracking this legislation closely to ensure that current municipal regulatory authorities are preserved and that Home Rule provisions are not unintentionally affected.

Lastly, the Ohio House passed HB 277 this week a bill introduced by Representative Andrew Brenner (R-Powell). The bill would limit authorization of a county, township, or municipality to impose a 9-1-1 system levy to only the portion of the subdivision that would be served by the 9-1-1 system. The bill will now go to the Senate.

## **TWO BILLS OF MUNICIPAL INTEREST INTRODUCED IN OHIO HOUSE**

In the House of Representatives, two bills were introduced that will effect municipalities this week. Ohio's employers may have yet another requirement to watch out for as Representative Jonathan Dever (R-Cincinnati) introduced House Bill 527 which would change what employers can ask for in the job selection process. The bill forbids employers from requesting an applicant's social security number, date of birth, or driver's license number during before making an offer of employment. HB 527 creates a list of exceptions including: to obtain criminal records, credit history, driving record, internal record searches, and to provide government entities with necessary information. HB 527 requires employers to maintain a policy regarding record retention. The bill will now be assigned to a committee for review.

Secondly, the League continues to pursue revenue sources for local transportation needs. Representative Margaret Ann Ruhl (R-Mount Vernon) introduced House Bill 528 that would permit municipalities to levy a \$15 tax on license plates for purposes of transportation spending. The money would be split between the county and township. We will alert our members to what committee this bill is assigned to and what hearing schedule is established. The League is very appreciative of Representative Ruhl's efforts to work with the OML and other partners to help deal with the need for infrastructure resources.

## **LEAGUE PROPOSING WORKERS COMPENSATION WORKING GROUP BE FORMED**

With all the activity in the workers compensation area lately, the OML will be forming a working group of municipal professionals who have expertise in the workers compensation and risk management area and a desire to be involved in helping the League and its members influence policy in this area. It is imperative that public management exercise a strong voice in this area as legislators continue to address difficulties in the current system.

At the beginning, this working group will merely be an email list that will receive and respond to specialized communications about state activity in the workers compensation area in particular. Subscribers may be called upon to talk to engage in technical discussions, communicate with legislators, write letters, give testimony, and apply to serve on various committees.

Please forward this request to any in-house or private parties who would be well-suited for this communication list. Please send a request to [jbrown@omloho.org](mailto:jbrown@omloho.org) to be placed on this list or call (614) 284-4394 for more information.

### **COMMITTEE SCHEDULE FOR NEXT WEEK**

The following is the committee schedule released, so far, for next week. If there are changes or additions, we will be sure to post those to our website Monday.

Have a safe and enjoyable weekend!~

### **PRELIMINARY COMMITTEE SCHEDULE FOR THE WEEK OF APRIL 24, 2016**

#### **Tuesday, April 26, 2016**

SENATE AGRICULTURE

Sen. Hite: 614-466-8150

Tue., Apr. 26, 2016, 9:00 AM, South Hearing Room

HB178 LIQUOR PERMIT-FARMERS MARKETS (MANNING N) To establish the F-10 liquor permit to authorize certain A-2 permit holders to sell Ohio wines at farmers markets.

Second Hearing, All Testimony

HB187 FIRST RESPONDERS-INJURED ANIMALS (GINTER T) To authorize a first responder, emergency medical technician-basic, emergency medical technician-intermediate, emergency medical technician-paramedic, or volunteer firefighter to stabilize an injured animal in an emergency.

Second Hearing, All Testimony

VICIOUS DOG LAW (BEAGLE B) To revise provisions of the Dogs Law governing nuisance, SB151 dangerous, and vicious dogs, to revise enforcement of that Law, and to establish a notification process regarding complaints of certain violations of that Law.

Third Hearing, All Testimony

HOUSE WAYS AND MEANS

Rep. McClain: 614-644-6265

Tue., Apr. 26, 2016, 9:30 AM, Hearing Room 121

HB473 UTILITY SERVICE TAX-LEVY (AMSTUTZ R) To require voter approval before a county may levy a new utilities services tax, to allow small businesses to count employees of related or affiliated entities towards satisfying the employment criteria of the business investment tax credit, to permit a bad debt refund for cigarette and tobacco product excise taxes paid when a purchaser fails to pay a dealer for the cigarettes or tobacco products and the unpaid amount is charged off as uncollectible by the dealer.

First Hearing, Sponsor Testimony

HOUSE FINANCE

Rep. Smith: 614-466-1366

Tue., Apr. 26, 2016, 10:00 AM, Hearing Room 313

SB310 CAPITAL APPROPRIATIONS (OELSLAGER S) To make capital appropriations and changes to the law governing capital projects for the biennium ending June 30, 2018.

First Hearing, Sponsor Testimony, PENDING REFERRAL

SENATE INSURANCE

Sen. Hottinger: 614-466-5838

Tue., Apr. 26, 2016, 10:30 AM, South Hearing Room

HB207 WORKERS' COMPENSATION-SURPLUS FUND (HENNE M, MCCOLLEY R) To allow a state fund employer to have a workers' compensation claim that is likely to be subrogated by a third party paid from the surplus fund account in the state insurance fund rather than charged to the employer's experience.

Fourth Hearing, All Testimony, AMENDMENTS/POSSIBLE VOTE

HOUSE FINANCIAL INSTITUTIONS, HOUSING AND URBAN DEVELOPMENT

Rep. Terhar: 614-466-8258

Tue., Apr. 26, 2016, 2:15 PM, Hearing Room 113

HB463 MORTGAGE FORECLOSURE-ABANDONED PROPERTY (DEVER J) To establish expedited actions to foreclose mortgages on vacant and abandoned residential properties, to permit private selling officers to conduct judicial and execution sales of real property, to state the intent of the General Assembly regarding mortgage foreclosure actions, to revise the Commercial

Paper Law relating to mortgages and lost instruments, and to make other changes relative to foreclosure actions.

Third Hearing, All Testimony, AMENDMENTS

HOUSE SELECT COMMITTEE ON MEDICAL MARIJUANA Rep. Kirk Schuring: 614-752-2438  
Tue., Apr. 26, 2016, 3:00 PM, Hearing Room 313

HB523 MEDICAL MARIJUANA (HUFFMAN S) To authorize the use of marijuana for medical purposes and to establish the Medical Marijuana Control Program.

Fourth Hearing, All Testimony

SENATE FINANCE

Sen. Oelslager: 614-466-0626

Tue., Apr. 26, 2016, 3:00 PM, Senate Finance Hearing Room

SB267 GASEOUS FUEL VEHICLE-CONVERSION PROGRAM (SEITZ B, PETERSON B) To create the Gaseous Fuel Vehicle Conversion Program.

First Hearing, Sponsor Testimony

**Wednesday, April 27, 2016**

SENATE GOVERNMENT OVERSIGHT AND REFORM Sen. Coley: 614-466-8072

Wed., Apr. 27, 2016, 8:45 AM, Senate Finance Hearing Room

SB303 AGENCY RULE MAKING REFORM-LEGISLATIVE REVIEW (UECKER J) To reform agency rule-making and legislative review thereof.

Second Hearing, Proponent Testimony

SB293 MBR-NATURAL RESOURCES (BALDERSON T) To revise specified laws relating to natural resources.

Second Hearing, Proponent & Opponent Testimony

SENATE WAYS AND MEANS

Sen. Peterson: 614-466-8156

Wed., Apr. 27, 2016, 9:30 AM, South Hearing Room

HB182 JOINT ECONOMIC DEVELOPMENT DISTRICTS (SCHURING K) To revise the law governing the creation and operation of joint economic development districts (JEDDs) and enterprise zones.

First Hearing, Sponsor Testimony

HB390 NATURAL GAS-TAX EXEMPTION (SCHAFFER T, RETHERFORD W) To exempt the sale of natural gas by a municipal gas company from the sales and use tax.  
First Hearing, Sponsor Testimony

SB235 INCREASED VALUE-PROPERTY TAX (BEAGLE B, COLEY W) To exempt from property tax the increased value of property on which industrial or commercial development is planned until construction of new commercial or industrial facilities at the property commences.  
Sixth Hearing, All Testimony, AMENDMENTS/POSSIBLE VOTE

HB166 LOCAL TAX-FISCAL REVISIONS (GREEN D) To extend the deadline for filing an application for the homestead exemption or 2 1/2% property tax rollback to the end of the tax year, to require that auditors certify Local Government Fund allocations to subdivisions by regular or electronic, rather than certified mail, and to repeal laws requiring county auditors to issue permits for traveling shows, issue licenses for new merchandise public auctions, certify the annual state tax interest rate to local courts, and provide certain certifications related to the repealed personal property tax.  
Third Hearing, All Testimony, AMENDMENTS

SB246 CAUV COMPUTATION-CAPITALIZATION RATE (HITE C) To require that the computation of the capitalization rate for the purposes of determining CAUV of agricultural land be computed using a method that excludes appreciation and equity buildup.  
Fourth Hearing, All Testimony

HOUSE FINANCIAL INSTITUTIONS, HOUSING AND URBAN DEVELOPMENT

Rep. Terhar: 614-466-8258

Wed., Apr. 27, 2016, 11:00 AM, Hearing Room 113

HB435 REVENUE OBLIGATIONS-LOANS (MCCLAIN J) To authorize the Treasurer of State to issue revenue obligations of the state for the purpose of making loans to qualifying public entities for their acquisition of permanent improvements through the Treasurer of State's purchase of public obligations of those qualifying entities.  
Fourth Hearing, All Testimony, POSSIBLE VOTE

HB463 MORTGAGE FORECLOSURE-ABANDONED PROPERTY (DEVER J) To establish expedited actions to foreclose mortgages on vacant and abandoned residential properties, to permit private selling officers to conduct judicial and execution sales of real property, to state the intent of the General Assembly regarding mortgage foreclosure actions, to revise the Commercial Paper Law relating to mortgages and lost instruments, and to make other changes relative to foreclosure actions.  
Fourth Hearing, All Testimony, POSSIBLE VOTE

SENATE CIVIL JUSTICE

Sen. Bacon: 614-466-8064

Wed., Apr. 27, 2016, 2:30 PM, Senate Finance Hearing Room

HB387 MUNICIPAL COURTS-SMALL CLAIMS (TERHAR L, DEVER J) To raise the maximum allowable limit of the monetary jurisdiction of small claims divisions of municipal courts.  
First Hearing, Sponsor Testimony

HOUSE SELECT COMMITTEE ON MEDICAL MARIJUANA Rep. Kirk Schuring: 614-752-2438  
Wed., Apr. 27, 2016, 3:00 PM, Hearing Room 313

HB523 MEDICAL MARIJUANA (HUFFMAN S) To authorize the use of marijuana for medical purposes and to establish the Medical Marijuana Control Program.  
Fifth Hearing, All Testimony

**Thursday, April 28, 2016**

HOUSE SELECT COMMITTEE ON MEDICAL MARIJUANA Rep. Kirk Schuring: 614-752-2438  
Thu., Apr. 28, 2016, 11:00 AM, Hearing Room 313

**Thursday, April 28, 2016**

HOUSE SELECT COMMITTEE ON MEDICAL MARIJUANA Rep. Kirk Schuring: 614-752-2438  
Thu., Apr. 28, 2016, 11:00 AM, Hearing Room 313

HB523 MEDICAL MARIJUANA (HUFFMAN S) To authorize the use of marijuana for medical purposes and to establish the Medical Marijuana Control Program.

2020 TAX POLICY STUDY COMMISSION

Sen. Bob Peterson: 614- 466-8156

Thu., Apr. 28, 2016, 10:00 AM, Senate South Hearing Room

**PLEASE CHECK OUR WEBSITE MONDAY FOR A FINAL COMMITTEE SCHEDULE**

**April 15, 2016**

It was an extremely busy week at the statehouse this week as members introduced and passed major pieces of legislation while holding hearings on multiple other bills. Below are the highlights of legislation that the League is involved with. If you would like additional information on any of these proposals, please contact the League's legislative staff by phone or email.

## **CAPITAL APPROPRIATIONS BILL UNVEILED**

Senator Scott Oelslager (R-Canton) introduced the Capital Appropriations bill, Senate Bill 310, on Wednesday. This is a bill that allots state money for various projects requested around the state. Proposals were due last month.

Highlights of the bill include:

- \$650 million for K-12 buildings through the Ohio School Facilities
- \$100 million for health and human services facilities
- \$160 million for "community projects," including \$5.8 million alone in Mahoning Valley, which the speaker said was the most in some time for that region.
- \$500 million will go to local infrastructure projects through the Public Works Commission, including \$100 million to support Clean Ohio program which funds preservation of green space, farmland, open spaces, and expanded recreational opportunities
- \$275 million for the maintenance of Ohio's dams, parks, trails, waterways, and wildlife
- \$160 million for economic development and cultural projects of local and regional importance.

The bill received an informal hearing on Wednesday. Senate President Keith Faber (R-Celina) and Speaker Cliff Rosenberger (R-Clarksville) made the announcements regarding this bill this week saying that the bill should be voted on relatively quickly.

Specific information on the breakdown of capital appropriations can be found <http://obm.ohio.gov/>

## **MEDICAL MARIJUANA BILL INTRODUCED**

A proposal to legalize medical marijuana in Ohio was introduced in the House this week, House Bill 523. It was introduced by Rep. Matt Huffman (R-Tipp City). Rep. Huffman is a physician. It will move through a special select committee. House leaders stated that the goal is to have the bill passed into law by June. Meanwhile, the Ohio Ballot Board approved a second proposed medical marijuana initiative constitutional amendment this week. This initiative has been put forward by Grassroots Ohio, which can now begin collecting the 300,000 signatures needed.

This bill could have an effect on local governments both as employers and with regards to the ability to deal with the dispensaries. The OML is monitoring the bill to ensure local control.

Members of the House Select Committee on Medical Marijuana which will hear the medical marijuana proposal include the following: Reps. Kirk Schuring (R-Canton), chair; Steve Huffman (R-Tipp City), vice chair; Tim Brown (R-Bowling Green); Marlene Anielski (R-Walton Hills), Ryan Smith (R-Gallipolis); Lou Terhar (R-Cincinnati); Dan Ramos (D-Lorain), ranking minority member; Nicholas Celebrezze (D-Parma); and Christie Bryant Kuhns (D-Cincinnati).

Committee Chair Schuring indicated that the bill will lay out a framework for the Committee to take expert testimony regarding medical marijuana. The bill would give the commission the ability to develop rules regarding the cultivation, manufacture and dispensing of the drug. Physicians who are licensed under the State Medical Board would have the ability to recommend medical marijuana to patients, he said, and they would also have to report to the state every 90 days on the type of patients they recommended it to and for what conditions. The proposal would not allow patients to grow their own marijuana.

The House and Senate both began looking at the issue this year, with Sens. Dave Burke (R-Marysville) and Kenny Yuko (D-Richmond Hts.) holding a listening tour in three cities.

Another proposal has been issued by the group called Ohioans for Medical Marijuana, backed by the Washington-based Marijuana Policy Project. That issue has been certified as one amendment by the Ballot Board and the group is in the process of collecting the more than 300,000 valid signatures necessary to be on the ballot in November.

### **HOUSE COMMITTEE SET TO FAST-TRACK FORECLOSURE BILL**

The League has been involved with discussion to deal with the difficulties in the foreclosure process for several years. Our main goal has been to make it simpler and faster for municipalities to deal with blighted and vacant properties.

There are now two bills introduced from the fruits of that labor: House Bill 134 and House Bill 463. Both bills are very similar but HB 463 offers far more details about the suggested new process. Both bills received hearings this week. HB 134 has already passed the House and is at the Senate.

HB 463 is sponsored by Rep. Dever who said that he anticipates amendments. Meanwhile, the Chair of the House Financial Institutions, Housing & Urban Development Committee Rep. Louis Terhar (R-Cincinnati) said that he wants the Committee to make quick work of the bill.

The bill addresses the following items:

- Expedited foreclosure process for abandoned properties
- Modifications to the judicial sale process include:
  - An official public sale website for Sheriffs
  - Private selling officer provisions
  - Several other modifications to the sale process
- Provisions to prevent owner harm to property
- Attorney General database
- Responsibilities for the Clerk of Common Pleas
- Statute of Limitations
- Enforcement of Lost Instruments
- Tax certificate foreclosure sales
- Auctioneer requirements

## **SENATE BILL 27 (FIREFIGHTER CANCER PRESUMPTION) PASSED**

On Tuesday the Senate Insurance Committee passed and on Wednesday the Ohio Senate passed Senate Bill 27 by a vote of 32-1, which would create a presumption that it is work-related whenever firefighters get certain cancers. The OML had testified in opposition to this bill for multiple reasons, including a lack of supporting evidence for the specific cancer types listed in the bill. The OML had offered specific recommendations that could have remedied the problems with the bill.

We are not entirely sure what to expect in the House at this time. Currently, there is no Chair of the House Insurance Committee and the Vice-Chair is out on maternity leave. We have discussed the bill with House staff and asked to be apprised of when and who will fill those roles so that we can immediately begin discussions about the issue.

### **ADDITIONAL COMMITTEE ACTIVITY**

#### **SB 235 - Property Tax Exemptions**

The Senate Ways and Means Committee held hearings on SB 235 which would exempt from property tax the increased value of property on which industrial or commercial development is planned until construction of new commercial or industrial facilities at the property commences. Local government representatives including the OML, Ohio Township Association, the Central Ohio Regional Planning Commission, and County Commissioners and Auditors Associations, expressed multiple concerns.

#### **HB 166 - Tax Changes**

The Senate Ways and Means Committee held hearings on HB 166 which does many things, including require that auditors certify Local Government Fund allocations to subdivisions by regular or electronic, rather than certified mail. It would also remove the requirement that statements submitted by people contracting with local governments certifying whether they owe delinquent tangible personal property taxes in the county be incorporated into a contract if no delinquent tax is owed.

#### **HCR 7 - Municipal Bond Tax Exemption**

The Senate Ways and Means Committee also heard testimony on House Continuing Resolution 7, which urges Congress to preserve the tax-exempt status of municipal bonds. The Ohio House became the first state chamber in the country to pass such a resolution, after many local governments have passed it. This bill was suggested by the League's Josh Brown. It was suggested in response to proposed legislation from the U.S. Congress and the executive branch which would eliminate the exemption either wholly or partially.

#### **SB 236 - Civil Asset Forfeiture**

The Senate Government Oversight and Reform Committee held hearings on SB 236 which would eliminate civil asset forfeiture proceedings and modify the law governing civil asset forfeitures. John Gilchrist of the Ohio Association of Chiefs of Police testified in opposition to the bill based on the economic incentives the bill would produce for criminals. He said asset forfeiture should be done in a fair, non-abusive way that doesn't involve any arbitrary taking of a person's property. He also complained that the bill was punitive toward local law enforcement agencies. John Murphy of the Ohio Prosecuting Attorneys Association and several county prosecutors also testified in opposition.

**Tuesday, April 19, 2016**

HOUSE WAYS AND MEANS Rep. McClain: 614-644-6265

Tue., Apr. 19, 2016, 9:30 AM, TBA

SB264 SALES TAX HOLIDAY (BACON K) To provide for a three-day sales tax "holiday" in August 2016 during which sales of back-to-school clothing and school supplies are exempt from sales and use taxes.

First Hearing, No Testimony, RE-REFERRAL

SENATE FINANCE

Sen. Oelslager: 614-466-0626

Tue., Apr. 19, 2016, 11:00 AM, Senate Finance Hearing Room

SB310 CAPITAL APPROPRIATIONS (OELSLAGER S) To make capital appropriations and changes to the law governing capital projects for the biennium ending June 30, 2018.

Second Hearing, All Testimony, AMENDMENTS/POSSIBLE VOTE

HOUSE GOVERNMENT ACCOUNTABILITY AND OVERSIGHT

Rep. Brown: 614-466-8104

Tue., Apr. 19, 2016, 1:30 PM, Hearing Room 114

HB398 CAUV COMPUTATION (HILL B) To require that the computation of the capitalization rate for the purposes of determining CAUV of agricultural land be computed using a method that excludes appreciation and equity buildup.

First Hearing, Sponsor Testimony

HOUSE JUDICIARY

Rep. Butler, Jr.: 614-644-6008

Tue., Apr. 19, 2016, 3:30 PM, Hearing Room 116

HB497 OPIOID THERAPY-OFFENDERS (BRENNER A, HUFFMAN S) To establish a statewide pilot program for the provision of long-acting opioid antagonist therapy for offenders confined in a state or local correctional facility or a community residential facility under a sentence imposed for a felony opioid-related offense or a sentence of at least 30 days for a misdemeanor opioid-related offense who will be released on supervised release, and to specify that the therapy is to be provided during both their confinement and their supervised release.

First Hearing, Sponsor Testimony

**Wednesday, April 20, 2016**

SENATE GOVERNMENT OVERSIGHT AND REFORM	Sen. Coley: 614-466-8072
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Wed., Apr. 20, 2016, 8:45 AM, South Hearing Room
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SB303	AGENCY RULE MAKING REFORM-LEGISLATIVE REVIEW (UECKER J) To reform agency rule-making and legislative review thereof.
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First Hearing, Sponsor Testimony
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SB270	PAWNBROKERS (EKLUND J) To make changes to the law relating to pawnbrokers.
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First Hearing, Sponsor Testimony
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SB293	MBR-NATURAL RESOURCES (BALDERSON T) To revise specified laws relating to natural resources.
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First Hearing, Sponsor Testimony
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HOUSE FINANCIAL INSTITUTIONS, HOUSING AND URBAN DEVELOPMENT
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Rep. Terhar: 614-466-8258
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Wed., Apr. 20, 2016, 9:00 AM, Hearing Room 313
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HB463	MORTGAGE FORECLOSURE-ABANDONED PROPERTY (DEVER J) To establish expedited actions to foreclose mortgages on vacant and abandoned residential properties, to permit private selling officers to conduct judicial and execution sales of real property, to state the intent of the General Assembly regarding mortgage foreclosure actions, to revise the Commercial Paper Law relating to mortgages and lost instruments, and to make other changes relative to foreclosure actions.
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Second Hearing, Proponent Testimony, AMENDMENTS
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HOUSE LOCAL GOVERNMENT
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Rep. Anielski: 614-644-6041
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Wed., Apr. 20, 2016, 9:00 AM, Hearing Room 018
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HB407	BODY CAMERAS-POLICIES (BOYCE K, GROSSMAN C) To require law enforcement agencies that use body cameras to adopt written policies for operation of the cameras and to require agencies to make the adopted policies available to the public.
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Third Hearing, Opponent/Interested Party Testimony
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HB462	JOINT POLICE DISTRICT-SOLICITATION (HAGAN C, SPRAGUE R) To authorize specified political subdivisions to establish a joint police district, to expand the offense of solicitation to also apply to a person who agrees with another to engage with the other person in sexual activity for hire, to provide that the "prescription exemption" from the drug possession offenses does not apply to a person who uses more of the drug than the maximum prescribed amount.
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Third Hearing, Opponent/Interested Party Testimony
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HOUSE FINANCE	Rep. Smith: 614-466-1366
Wed., Apr. 20, 2016, 10:00 AM, Hearing Room 313	
HB130	PUBLIC RECORDS-DATA BOARD (HAGAN C, DUFFEY M) To create the DataOhio Board, to specify requirements for posting public records online, to require the Auditor of State to adopt rules regarding a uniform accounting system for public offices, to establish an online catalog of public data at data.Ohio.gov, to establish the Local Government Information Exchange Grant Program, and to make an appropriation.
	Third Hearing, All Testimony, AMENDMENTS/POSSIBLE VOTE

SENATE CIVIL JUSTICE	Sen. Bacon: 614-466-8064
Wed., Apr. 20, 2016, 2:30 PM, Senate Finance Hearing Room	
SB301	PREGNANCY REASONABLE ACCOMMODATION ACT (JONES S, CAFARO C) To enact the "Pregnancy Reasonable Accommodation Act" to generally require employers to make reasonable accommodations for employees who are pregnant or breastfeeding.
	First Hearing, Sponsor Testimony

**PLEASE CHECK OUR WEBSITE MONDAY FOR A FINAL COMMITTEE SCHEDULE**

**April 8, 2016**

## **MARIETTA BECOMES STATE CAPITAL AGAIN AS OHIO LEGISLATORS CONVENE FOR JOINT SESSION TO RECEIVE GOVERNOR'S STATE UPDATE**

Legislative work was relatively slow this week, largely because Governor Kasich, members of his administrative cabinet and a large majority of Ohio legislators converged on Marietta Wednesday to participate in state committee hearings and receive the Governor's final State of the State address. Governor Kasich's speech was sprinkled with parts of his presidential stump speech with much of the speech touted Ohio as a success story that overcame the recession that was lingering when he took office.

In the nearly hour long speech, the Governor offered little remarks about local government policy or issues related directly to Ohio's municipalities. The Governor did offer a few new policy proposals, including his request of lawmakers to accelerate tax cuts scheduled to become effective next year, and a plea for legislative leaders to move forward with stalled congressional redistricting revisions.

Legislators on both sides of the political spectrum praised the hard work by Marietta's officials to organize the day's activities for legislators and the commitment to ensure that the event was a success. It was truly a great day for Marietta to showcase their community and for legislators to be reminded of the important role cities and villages play in the vitality of the state.

## **BILL INTRODUCED TO SUPPORT COMMUNITIES IN FISCAL DISTRESS**

Last week, Representatives Kent Smith (D-Euclid) and Kristin Boggs (D-Columbus) introduced House Bill 508, a bill which would make supplemental appropriations to the Auditor of State for purposes of distributing these funds to 31 Ohio political subdivisions currently classified by the Auditor of State as being in fiscal caution, watch, or emergency. The list of municipalities and townships include:

### **Fiscal Emergency**

Manchester Village  
Manchester Township  
Trimble Village  
St. Clair Township  
Clarksville Village  
City of Galion  
Tiro Village  
City of East Cleveland  
City of Maple Heights  
Patterson Village  
City of Wellston  
Smithfield Village  
West Mansfield Village  
Green Camp Village  
Leipsic Village  
Bloom Township

City of Massillon  
City of Niles  
Newcomerstown Village  
Edgerton Village  
Portage Village

**Fiscal Watch**

City of Norwood  
City of Portsmouth

**Fiscal Caution**

Bloomingsburg Village  
Madison Township  
Franklin Township  
City of Chillicothe  
Rarden Township  
Rush Township  
Newtown Township  
Liberty Township

Specifically, HB 508 would transfer revenue deposited in the state's rainy day fund, which holds over \$2 billion, and shift a portion over to the communities identified as being in the greatest fiscal distress.

The league will keep our members aware of future activity for the legislation and when there are opportunities to participate in the committee process.

**LEAGUE TESTIFIES ON FIREFIGHTER CANCER PRESUMPTION BILL VOTE DELAYED**

On Tuesday, the league testified before the Senate Insurance committee in opposition to SB 27, the legislation introduced by Sen. Tom Patton (R-Cleveland) which would create a presumption that whenever a firefighter gets certain cancers, that cancer would be presumed to have been work-related. Testifying along with OML Director of Communications Josh Brown was Kristopher Kachline, an attorney that specializes in firefighter cancer cases in Pennsylvania, which passed a similar law in 2011.

Although the bill was scheduled for a vote, the committee chairman explained to committee members that the delay was made at the request of other members of the Senator who would appreciate more time before moving the bill, to consider new information presented on the proposal.

A copy of the OML testimony presented to committee members Tuesday can be found [HERE](#).

The OML has offered areas of compromise to the current version of the bill to improve the legislation and address concerns raised by our members. The league has pledged to work with Senators and interested party members to discuss future amendments. The bill is scheduled for another hearing when the committee meets next Tuesday, April 12 in the South Hearing Room of the Senate Annex building at 10:30 a.m. when the bill may receive more amendments and is scheduled for a possible vote.

**DOWNTOWN REDEVELOPMENT BILL MOVES OUT OF SENATE COMMITTEE**

Tuesday April, 5 the Senate Ways and Means Committee took testimony on Rep. Kirk Schuring's HB 233, legislation which would authorize municipal corporations to create downtown redevelopment districts and

innovation districts for the purposes of promoting the rehabilitation of historic buildings, creating jobs, encouraging economic development in commercial and mixed-use areas, and supporting grants and loans to technology-oriented and other businesses.

The committee favorably reported the bill after adopting two amendments. One is a technical change recommended by attorneys that clarifies language in the most recent state operating budget bill, HB 64, pertaining to the definition of construction projects. The second amendment adopted provides a charitable use property tax exemption.

The league had previously testified in support of the legislation in both the House and Senate and we appreciate the Senate's attention to this important tool for Ohio's cities and villages.

### **BILL TO ADDRESS DISSOLUTION OF VILLAGES INTRODUCED**

This week, Representative Gary Scherer (R-Ashville) introduced House Bill 509 which would allow electors of a village to petition the board of elections, as an alternative to the legislative authority, for the dissolution of the village and would provide for the timely transfer of village property and services with the assistance of the Auditor of State. The proposal introduced would also require the Auditor of State to perform and complete an audit or agreed-upon procedures before transferring any cash balances to a township following a village dissolution, and would modify the deadline to file a county charter petition with the board of county commissioners.

The OML has been involved in discussions with the sponsor during drafting of the bill and we appreciate the time that has been afforded us to present issues related to the topic. The main purpose of the bill is to fill in the gaps in the village dissolution process. In the past, the courts have overseen the process with little statutory guidance. We will continue to monitor and report to our members any activity related to the bill.

### **CAPITAL BILL TO BE INTRODUCED NEXT WEEK**

The Ohio Senate Finance Committee announced this week that it will hold hearings on the Capital Appropriations bill. The bill has not been introduced yet. Currently, not much is known about what the bill will look like but the capital bill traditionally addresses priorities identified by the General Assembly related to infrastructure and capital improvement projects statewide. We will give our members more information on projects included in the bill when the proposal is introduced.

### **LEGISLATION IMPACTING LOCAL DEVELOPMENT RECEIVES HEARING IN SENATE**

The Senate Ways and Means committee held a third hearing this week on SB 235, legislation introduced by Sens. Bill Coley (R-Cincinnati) and Bill Beagle (R-Tipp City) which would exempt from property tax the increased value of property on which industrial or commercial development is planned until construction of new commercial or industrial facilities at the property commences. A substitute bill was accepted by the Senate Ways & Means Committee Tuesday essentially increasing the amount of time an eligible property could have its property value frozen. SB 235 is aimed at freezing a property's value while a developer proceeds with construction or infrastructure improvements and gains no revenue from the property as the project proceeds.

The substitute version furthermore modifies the language to state that the property would revert back to its market value as soon as a certificate of occupancy is issued. The as-introduced version had set that reversion to take place during the vertical construction stage. It also cleared up some ambiguity in the original bill because a certificate of occupancy is something that's a definite trigger.

In addition to the TIF issue, a principal concern is that the bill would remove authority from local governments, which can currently create community reinvestment areas and enterprise zones for economic development.

During the hearing, the committee received mixed views on the legislation. A key concern is whether the bill would impair existing Tax Increment Financing projects or strip authority from local political subdivisions. Sen. Beagle said neither of those are the bill's intent and he will work to address those concerns moving forward in what he anticipates will be an amendment.

- Andrea Ashley of Associated General Contractors of Ohio spoke in favor of the sub bill.
- Brad Cole of the County Commissioners Association of Ohio, disagreed. He said the majority of input the CCAO has received from economic development professionals has been negative toward the bill.
- Lindsey Gardiner of the Greater Ohio Policy Center offered interested party testimony, saying the group supports the overall goal of the legislation, but the GOPC expressed several concerns.

The league has serious reservations about the legislation and are communicating those concerns with members of the Senate. We will be sure to keep our members aware of developments related to this issue.

## **STATE AUDITOR FRAUD TRACKING PROGRAM HOLDS MEETINGS STATEWIDE**

At the request of the Auditor of State, we are passing along this information about a program local officials have expressed an interest in.

More than 70 public officials and employees were trained recently on how to prevent fraud or detect it as soon as possible as part of a series of seminars provided by State Auditor Dave Yost's office. Tuesday's program, held in Perrysburg, was the first of seven seminars being held across the state. The next session will be held in Marietta on Thursday and is expected to draw as many people if not more.

The two-hour training sessions feature presentations by members of the auditor's Public Integrity Assurance Team who focus on spotting the warning signs of fraud, the different schemes people use to defraud - including payroll padding and check tampering - and how to use the best practices and controls to prevent fraud from occurring. The interactive program is designed to give local government officials the tools and knowledge to avoid falling victim to fraud.

"We get complaints almost every week from people alleging fraud in Ohio's governments," Yost said, explaining why he initiated the training program. "Too often, fraud is discovered and reported after the damage is done. We need to help our good-government watchdogs sniff out fraud early, and this training should help them."

Yost insisted the training be held throughout the state to make it easy for local government officials to attend, and that there not be a charge to eliminate any economic obstacles for cash-strapped communities.

Yost said he wants to help local officials put in place the proper controls to protect their offices and the tax dollars entrusted to them.

Each of the remaining scheduled training sessions is eligible for two hours of Fiscal Integrity Act continuing education and CLE credit.

The remaining seminars include:

- \* Tuesday, April 12: Canfield (5 - 7 p.m.)
- \* Wednesday, April 13: Parma (2 - 4 p.m.)
- \* Tuesday, April 19: Wyoming (2:30 - 4:30 p.m.)
- \* Wednesday, April 20: Piqua (5 - 7 p.m.)
- \* Wednesday, April 27: Powell (5 - 7 p.m.)

Visit [www.ohioauditor.gov/trainings/registration](http://www.ohioauditor.gov/trainings/registration) or call 614-466-2813 to register for the training nearest you.

### **REED VS GILBERT, U.S. SUPREME COURT MANDATES CHANGES TO LOCAL SIGN REGULATIONS**

The United States Supreme Court has mandated municipalities make changes to their sign regulations. On June 18, 2015, the U.S. Supreme Court ruled cities and villages generally cannot limit roadside signs based on content. In a unanimous decision, the Court held the town of Gilbert, Az. violated the 1st Amendment by giving church worship signs inferior treatment compared to political signs.

Gilbert's sign code identified various categories of signs based on the type of information they conveyed, then subjected each category to different restrictions. The Good News Community Church had no permanent building and posted temporary signs in public R/W on Saturday morning and removed the signs on Sunday afternoon. The Church was twice cited for violation of the Gilbert Sign Ordinance because the Church sign exceeded the time limit for displaying its temporary directional sign and because it failed to include the date of the event on the signs. Gilbert treated Ideological and Political signs more favorably than Temporary Directional Signs in terms of size and time in which the sign could be up.

The United States Supreme Court held the first crucial step in the content-neutral analysis is determining whether the law is content neutral on its face. A law that is content based on its face is subject to strict scrutiny regardless of the government's benign motive, content-neutral justification or lack of animus toward the ideas contained in the regulated speech. Thus, an innocuous justification cannot transform a facially content-based law into one that is content neutral. A court must evaluate each question-whether a law is content based on its face and whether the purpose and justification for the law are content-based-before concluding that a law is content neutral. The Supreme Court concluded: This decision will not prevent governments from enacting effective sign laws. The Town has ample content-based options available to resolve problems with safety, and esthetics, including regulating size, building materials, lighting, moving parts, and portability. The Town may be able to forbid postings on public property, so long as it does so in an evenhanded, content-neutral manner.

The Ohio Municipal Attorneys Association is drafting a model sign ordinance that meets the new Supreme Court standard. This model sign ordinance will be ready by July according to Garry Hunter, General

Counsel for the Ohio Municipal Attorneys Association. Each municipality will need to adapt the model sign ordinance to meet their individual sign regulations.

### **OHIO SENATE PRESIDENT ANNOUNCES CHANGES TO COMMITTEE APPOINTMENTS**

Senate President Keith Faber (R-Celina) Monday named Sen. Frank LaRose (R-Copley) chair of the Senate Transportation, Commerce and Labor Committee, replacing Sen. Gayle Manning (R-North Ridgeville), who becomes vice chair. In addition, Sen. Joe Uecker (R-Loveland) replaces LaRose as chair of the Senate State and Local Government Committee. Also, Sen. Tom Patton (R-Strongsville) was named chair of the Senate Finance Committee's Corrections Subcommittee, replacing Uecker.

The following summarizes all of the changes which were announced Monday afternoon:

Senate Agriculture - Remove Manning, Uecker as vice chair; appoint Hackett vice chair.

Senate Civil Justice - Appoint Hackett.

Senate Criminal Justice - Remove Obhof; appoint Hughes vice chair and Hackett.

Senate Education - Remove Widener; appoint LaRose.

Senate Finance - Remove LaRose; appoint Hite.

Finance Education Subcommittee - Remove Widener; appoint Gardner.

Finance Corrections Subcommittee - Remove Uecker as chair; appoint Patton chair.

Finance Workforce Subcommittee - Remove Widener; appoint Hackett.

Senate Government Oversight and Reform - Remove Widener; appoint Peterson.

Senate Insurance - Remove Manning; appoint Hackett, Peterson.

Senate Medicaid - Remove Widener; appoint Uecker.

Senate Rules and Reference - Appoint Obhof vice chair, Peterson.

Senate State and Local Government - Remove LaRose as chair, Peterson; appoint Uecker chair, Hackett.

Senate Transportation, Commerce and Labor - Remove Manning as chair; appoint LaRose chair, Manning vice chair.

Senate Ways and Means - Remove Hite, Obhof, Widener; appoint Balderson, LaRose, Hackett.

### **COMMITTEE SCHEDULE FOR NEXT WEEK**

Below is the committee schedule for next week. If there are any changes, we will post those to our website Monday morning.

Have a safe weekend~

### **PRELIMINARY COMMITTEE SCHEDULE FOR THE WEEK OF APRIL 10, 2016**

**Tuesday, April 12, 2016**

**HOUSE LOCAL GOVERNMENT**

Rep. Anielski: 614-644-6041

Tue., Apr. 12, 2016, 9:00 AM, Hearing Room 018

**HB302** ANNEXED TERRITORY-LEVY (HENNE M) To provide that, beginning five years after a type-II annexation is approved, the annexed territory is subject to a fire, police, or EMS tax levy only if the levy is imposed by the subdivision that provides the fire, police, or EMS service to the territory.  
Third Hearing, Opponent Testimony

**HB413** TOWNSHIP LAWS (BRINKMAN T) To add to the purposes for which a board of township trustees may go into executive session, to permit a township to charge for recycling services, to reduce the population threshold for a township to adopt a limited home rule form of government, to make other changes to the township laws.  
Fourth Hearing, All Testimony, AMENDMENTS/POSSIBLE VOTE

**HB462** JOINT POLICE DISTRICT-SOLICITATION (HAGAN C, SPRAGUE R) To authorize specified political subdivisions to establish a joint police district, to expand the offense of solicitation to also apply to a person who agrees with another to engage with the other person in sexual activity for hire, to provide that the "prescription exemption" from the drug possession offenses does not apply to a person who uses more of the drug than the maximum prescribed amount.  
Second Hearing, Proponent Testimony

**SENATE INSURANCE**

Sen. Hottinger: 614-466-5838

Tue., Apr. 12, 2016, 10:30 AM, South Hearing Room

**HB207** WORKERS' COMPENSATION-SURPLUS FUND (HENNE M, MCCOLLEY R) To allow a state fund employer to have a workers' compensation claim that is likely to be subrogated by a third party paid from the surplus fund account in the state insurance fund rather than charged to the employer's experience.  
Third Hearing, Opponent Testimony

**SB27** WORKERS' COMPENSATION-FIREFIGHTER CANCER (PATTON T) To provide that a firefighter who is disabled as a result of specified types of cancer is presumed for purposes of the laws governing workers' compensation and the Ohio Police and Fire Pension Fund to have incurred the cancer while performing official duties as a firefighter.  
Fifth Hearing, All Testimony, AMENDMENTS/POSSIBLE VOTE

**SENATE AGRICULTURE**

Sen. Hite: 614-466-8150

Tue., Apr. 12, 2016, 11:15 AM, North Hearing Room

**HB178** LIQUOR PERMIT-FARMERS MARKETS (MANNING N) To establish the F-10 liquor permit to authorize certain A-2 permit holders to sell Ohio wines at farmers markets.

First Hearing, Sponsor Testimony, AMENDMENTS

**HB37** BEER-LIQUOR MARKET PERMIT (STINZIANO M, DUFFEY M) To allow a person to possess beer or intoxicating liquor on the premises of a market if the beer or intoxicating liquor has been purchased from a D liquor permit holder that is located in the market.

Third Hearing, All Testimony, AMENDMENTS

**HOUSE FINANCE**

Rep. Smith: 614-466-1366

Tue., Apr. 12, 2016, 1:00 PM, Hearing Room 313

**SB264** SALES TAX HOLIDAY (BACON K) To provide for a three-day sales tax "holiday" in August 2016 during which sales of back-to-school clothing and school supplies are exempt from sales and use taxes.

First Hearing, Sponsor Testimony

**HB130** PUBLIC RECORDS-DATA BOARD (HAGAN C, DUFFEY M) To create the DataOhio Board, to specify requirements for posting public records online, to require the Auditor of State to adopt rules regarding a uniform accounting system for public offices, to establish an online catalog of public data at data.Ohio.gov, to establish the Local Government Information Exchange Grant Program, and to make an appropriation.

Second Hearing, Proponent Testimony, AMENDMENTS

**SENATE ENERGY AND NATURAL RESOURCES** Sen. Balderson: 614-466-8076

Tue., Apr. 12, 2016, 4:00 PM, North Hearing Room

**SB269** PUBLIC WATER SYSTEM-LEAD CONTAMINATION (SCHIAVONI J) To require a public water system to provide notice of lead contamination not later than thirty days after becoming aware that lead contamination may effect the system's drinking water.

First Hearing, Sponsor Testimony

**SB118** MUNICIPAL AUTHORITY-HOUSEHOLD SEWAGE TREATMENT (EKLUND J) To authorize a board of county commissioners or municipal legislative authority to elect to withdraw the county or municipal corporation from the application.

Second Hearing, Proponent Testimony

**SB185** SPECIAL IMPROVEMENT DISTRICTS (SEITZ B) To revise the law governing special improvement districts created for the purpose of developing and implementing plans for special energy improvement projects.

Fourth Hearing, All Testimony, POSSIBLE VOTE

**Wednesday, April 13, 2016**

**SENATE HEALTH AND HUMAN SERVICES** Sen. Jones: 614-466-9737

Wed., Apr. 13, 2016, 9:00 AM, North Hearing Room

**SB114** MICROCYSTIN LEVELS-PUBLIC WATER (SKINDELL M) To establish requirements and procedures pertaining to levels of microcystin in public water systems.

First Hearing, Sponsor Testimony

**HOUSE FINANCIAL INSTITUTIONS, HOUSING AND URBAN DEVELOPMENT**

Rep. Terhar: 614-466-8258

Wed., Apr. 13, 2016, 9:30 AM, Hearing Room 113

**HB463** MORTGAGE FORECLOSURE-ABANDONED PROPERTY (DEVER J) To establish expedited actions to foreclose mortgages on vacant and abandoned residential properties, to permit private selling officers to conduct judicial and execution sales of real property, to state the intent of the General Assembly regarding mortgage foreclosure actions, to revise the Commercial Paper Law relating to mortgages and lost instruments, and to make other changes relative to foreclosure actions.

First Hearing, Sponsor Testimony

**HOUSE HEALTH AND AGING**

Rep. Gonzales: 614-466-4847

Wed., Apr. 13, 2016, 9:30 AM, Hearing Room 116

**HB261** STATE TRAUMA BOARD (GROSSMAN C, HUFFMAN S) To establish the State Trauma Board in the Ohio Department of Health, to require that facilities that provide trauma care be designated by the Board as level I, II, or III trauma centers, and to provide that the amendment by this act to section 101.82 of the Revised Code terminates on December 31, 2016.

Sixth Hearing, All Testimony, SUBSTITUTE BILL/POSSIBLE VOTE

**SENATE WAYS AND MEANS**

Sen. Peterson: 614-466-8156

Wed., Apr. 13, 2016, 9:30 AM, South Hearing Room

**HB166** LOCAL TAX-FISCAL REVISIONS (GREEN D) To extend the deadline for filing an application for the homestead exemption or 2 1/2% property tax rollback to the end of the tax year, to require that auditors certify Local Government Fund allocations to subdivisions by regular or electronic, rather than certified mail, and to repeal laws requiring county auditors to issue permits for traveling shows, issue licenses for new merchandise public auctions, certify the

annual state tax interest rate to local courts, and provide certain certifications related to the repealed personal property tax.

First Hearing, Sponsor Testimony

**HCR7** TAX EXEMPT MUNICIPAL BONDS (SPRAGUE R) To urge the President and the Congress of the United States to preserve the tax-exempt status of municipal bonds.

First Hearing, Sponsor Testimony

**SB246** CAUV COMPUTATION-CAPITALIZATION RATE (HITE C) To require that the computation of the capitalization rate for the purposes of determining CAUV of agricultural land be computed using a method that excludes appreciation and equity buildup.

Second Hearing, Proponent Testimony, PENDING REFERRAL

**SB235** INDUSRTIAL/COMMERCIAL DEVELOPMENT Tax exempt until construction begins.

Fourth Hearing, Proponent, Opponent, Interested Party, Possible Amendments/Possible Vote

**SB288** INCOME TAX-PASS THROUGH ENTITIES (EKLUND J) To revise the law governing how taxes on income from pass-through entities is to be reported and paid by the entities and their investors.

Second Hearing, Proponent Testimony, PENDING REFERRAL

**PLEASE CHECK OUR WEBSITE MONDAY FOR A FINAL COMMITTEE SCHEDULE**



**April 1, 2016**

## **OHIO LEGISLATURE RETURNS TO STATEHOUSE NEXT WEEK**

The General Assembly has exhausted their final week of spring break recess and is scheduled to return to a more active legislative calendar next week with committee hearings and session votes. Part of the focus returning legislators will be dedicated to will be to review and amend where necessary recently introduced bills that are considered mid biennial review (MBR's) which we have seen in previous off budget years. One of those bills is about to be introduced next week by Rep. Tim Ginter (R-Salem) which is proposed to strengthen prevention measures against unsafe levels of lead in drinking water. The OEPA has been heavily involved in crafting the legislation and has provided a fact sheet including several proposals, such as expediting public notice of lead contamination and providing new financial assistance to communities and schools to identify and prevent lead contamination. You can view the fact sheet [HERE](#)

Other important features of the bill include: Creating funding sources for public and private schools to identify sources of lead in drinking water from outdated, lead-based fixtures; Funding long-term initiatives such as infrastructure improvements, water plant upgrades, or replacement of lead service lines that pose public risk; Reducing the use of lead in new construction by lowering the definition of "lead free" from 8% to 0.25%; Tighten community water testing requirements; Requiring corrosion control studies whenever a community alters its water source, makes substantial renovations, repairs its water system or treatment plant, or experiences another comparable event, and; Extending waste water loan terms from 20 to 30 years and provide 45-year extended-term loans to larger communities.

We will be sure to notify our members when the bill has been officially introduced and assigned a bill number in addition to keeping you aware of the bill's progression and opportunities to testify on behalf of your community.

## **SENATE MAKES APPOINTMENTS TO HB5 NET OPERATING LOSS FISCAL IMPACT REVIEW COMMITTEE**

On February 19, the Ohio Senate met for a procedural, non-voting session, as is the regular procedure when the legislature is on a recess and there are housekeeping issues to address. One of those housekeeping measures included the official Senate appointments made by the Ohio Senate President Faber to the Net Operating Loss Fiscal Impact Review Committee, which was one of the important provisions contained within HB5, the municipal income tax reform bill passed in late 2014 and instituted January 1st. The appointments from the Senate are to include one republican and one democrat senator and three representatives from municipalities, one with a current NOL policy and two municipal representatives from communities with no NOL ordinance language.

The appointees made are: Senators Bob Peterson (R-Washington Courthouse) and Capri Cafaro (D-Boardman); Mayor Jeff Hazel of Celina, OH (5 year carry forward) and City Manager Joe Stefanov of New Albany, (no NOL). The fifth and final appointment has not been made yet.

The Governor has one appointment to make, who will serve as the bodies chair, to complete the committee.

The Speaker of the House made the following appointments last fall which includes two members of the House from different parties and three representatives from the taxpayer perspective. Those appointments made last year include: Representatives Kirk Schuring (R-Canton) and Jack Cera (D-Mingo); Bret Dixon, J. Matthew Yuskewich and Mark Bainbridge, representing municipal income taxpayers.

The Committee's purpose is to evaluate and quantify the potential fiscal impact to municipalities of the NOL carry forward provisions contained in HB 5.

We will be sure to keep our members aware of future activity from the committee.

## **CAPITAL IMPROVEMENTS LEGISLATION INTRODUCED**

Representatives John Rogers (D-Mentor-on-the Lake) and Denise Driehaus (D-Cincinnati) recently introduced a bill that would help local governments with much needed capital improvements projects. HB 492 proposes to leverage \$1 billion from the Budget Stabilization Fund or Rainy Day Fund to provide low-interest loans and grants to local governments to help address the critical, statewide need for infrastructure maintenance projects and improvements.

While unveiling their legislative proposal, Representatives Rogers and Driehaus cited the Report Card for America's Infrastructure, published by the American Society of Engineers, which found over 2,200 of Ohio's bridges are "structurally deficient," while 361 high-hazard dams need repaired and 15 percent of the state's public roads are in "poor condition." In addition, the group also calculated that over \$30 billion will be needed over the next 20 years to keep Ohio's drinking water safe and address the safe disposal of waste water.

"HB 492 is a fiscally responsible approach to provide local communities with much-needed relief from infrastructure deterioration by setting aside funding for critical community redevelopment projects," Rogers said in a statement. "This program would immediately generate economic growth, while simultaneously addressing critical needs in communities across Ohio without requiring any new taxes or unnecessary spending."

We will keep our members aware of future committee hearings on the bill and opportunities for our members to share with legislators how a program like this could affect your municipality.

## **FIREFIGHTER CANCER BILL SCHEDULED FOR POSSIBLE VOTE**

This Tuesday, April 5 at 10:30 in the South Hearing Room of the Senate Annex building the Senate Insurance committee will hold a fifth hearing on SB 27, the bill that would create a presumption that when a firefighter gets certain types of cancers, that it was work related and therefore compensable under the Workers Compensation system.

The League continues to meet with the proponents of the legislation and other interested parties including the bill sponsor, to address the league's concerns and present alternative approaches. League staff will be presenting testimony about this bill during Tuesday's hearing, to again share with committee members concerns our members have with the bill and to offer common sense recommendations on how the legislation can be improved. We are hopeful to reach a compromise before the vote on Tuesday.

If any of our municipal officials would be interested in attending the hearing to provide your perspectives or to be present for the information provided, we would welcome your attendance and would be more than happy to help answer any questions you may have before the hearing.

## **WORKERS COMPENSATION SUBROGATION BILL SLATED FOR HEARING**

Also on Tuesday in the Senate Insurance Committee, proponent testimony will be received on HB 207, legislation which would allow a state fund employer to have a workers' compensation claim that is likely to be subrogated by a third party paid from the surplus fund account in the state insurance fund rather than charged to the employer's experience. This is the second hearing for the bill.

## **OML TRANSITION IN LEADERSHIP UNDERWAY**

As our members are aware, the league has been going through a transition in leadership recently with the retirement of Susan Cave as the Executive Director and the succession of Kent Scarrett, past OML Director of Communications to become the next director. With these changes, other legislative staff positions have changed as well. Those changes include the appointment of Edward Albright as the OML Deputy Director who will continue to lead our legislative policy division and the elevation of Josh Brown, current Legislative Advocate to the position of Director of Communications. The league will be filling Josh's position on the legislative team soon and fortunately, the office staff of OML are all staying on board which will ensure a smooth transition as we begin a new approach to the way the league operates.

The staff is hopeful that our members will see a renewed level of involvement by the league not only at the Ohio Statehouse but also through the level of services provided to our municipal members with a greater emphasis on a higher degree of awareness of issues and how they impact our communities and ways our local leaders can become more involved in the mission and successes to come from the league.

Below is the list of committee hearings for the coming week.

Have a safe weekend



**March 4, 2016**

## **LEGISLATURE TAKES SHORT BREAK FROM ACTIVITY**

The Ohio legislature is taking a short break from their regular schedule of committee hearings and voting sessions for the next several weeks. Legislators have returned back to their home districts to either complete any primary election obligations they may be working through, catching-up on legislative duties postponed until their legislative calendar allowed for greater flexibility in scheduling or to reconnect with other responsibilities closer to home. The Ohio House and Senate are not expected to return to Capitol Square until the first of April. Because of this break in activity, the league will not be producing a legislative bulletin on our weekly schedule.

If anything of legislative relevance does occur in the following weeks including new announcements from state agencies, we will be sure to report that activity to our members but we anticipate a relatively quiet month of March at the Ohio Statehouse.

## **STATE ANNOUNCES ABANDONED GAS STATION CLEAN UP GRANT**

The Ohio Development Services Agency announced this week that their agency is now accepting applications for the newly create Abandoned Gas Station Cleanup Grant Program.

The Abandoned Gas Station Cleanup Grant provides funding to assess and clean up BUSTR Class C sites (underground storage tanks with documented petroleum releases). Local government entities who own the eligible property or who have an agreement with the landowner may apply. The applicant and property owner cannot have contributed to the prior release of petroleum or other hazardous substance on the site. Eligible activities include up to \$100,000 for assessment and up to \$500,000 for cleanup. Other eligible activities include costs to empty or remove underground storage tanks, abatement of asbestos, lead or other contamination, demolition and site clearance.

Fast Track and Competitive Grant Applications will now be accepted. Fast Track applications will be accepted on an on-going basis, and the first round of Competitive applications will be accepted through April 1, 2016. A total of \$3.5 million will be available in this round of funding for competitive grants.

More information for the online application and program guidelines can be found at [www.development.ohio.gov/cs/cs\\_agsc.htm](http://www.development.ohio.gov/cs/cs_agsc.htm).

If you have any additional questions about the program, please contact April Kasun at (614) 466-4007 or [April.Kasun@development.ohio.gov](mailto:April.Kasun@development.ohio.gov).

Have a safe and enjoyable weekend~



# Ohio Municipal League

*Our Cities and Villages ★ Bringing Ohio to Life*

## SPECIAL BULLETIN

### **OHIO MUNICIPAL LEAGUE BOARD OF TRUSTEES ANNOUNCES KENT M. SCARRETT AS NEW EXECUTIVE DIRECTOR**

#### PRESS RELEASE

March 3, 2016

Following a special meeting of the Ohio Municipal League (OML) Board of Trustees, the announcement was made that Kent M. Scarrett has been selected to succeed Susan Cave as the organization's Executive Director. Scarrett will become the fourth director in the history of the statewide organization and will assume the leadership position March 31, 2016.

The Board engaged in an extensive search for several months and selected Scarrett from among a list of applicants from within and outside of Ohio. After twenty-two years of serving as the league's Executive Director, Cave announced her intent to retire October of last year. Scarrett is the OML's current Director of Communications and one of the organization's state lobbyists, whose primary focus has been on issues related to state and municipal tax policies, economic development strategies and greater synergy with the Ohio legislature.

Scarrett has been with the OML since 1996. He is best known in recent years for his work as the lead lobbyist on House Bill 5, the municipal income tax reform bill passed by the Ohio legislature in late 2014, which brought significant changes to the administration of Ohio's municipal income tax system. Among Ohio's municipalities, Scarrett is widely known for improving coordination efforts with regional municipal official organizations, authoring the OML's weekly legislative bulletins and other legislative advocacy materials for Ohio local government officials as well as keeping members of the Ohio General Assembly apprised of the successes, challenges and future goals of Ohio's cities and villages.

Before joining the league, Scarrett came from the office of former Governor George V. Voinovich where he was on the Governor's legislative advocacy team as a legislative liaison. On behalf of the Governor he coordinated legislative advocacy strategies and

exercised oversight of state agency legislative liaisons to ensure consistency and coordination. From 1991 to 1995, Scarrett learned the fundamentals of administration and legislative work as a Legislative Aide for State Senators Steven O. Williams and Majority Whip Nancy Chiles Dix. Scarrett is also a frequent lecturer on city politics.

Born and raised in Newark, Scarrett is a graduate of The Ohio State University with a degree in Political Science. He and his wife Dawn reside in Pickerington with their three children.

The OML is a statewide association that provides multiple services to well over 750 cities and villages throughout Ohio. The OML, its affiliates, and its members represent the collective interest of Ohio cities and villages before the Ohio General Assembly and the state's elected and administrative offices, for the purpose of forming a productive partnership between state and municipal government, especially on economic development, infrastructure, taxation, and environmental issues.

Scarrett said, "This is a critical time for Ohio's cities and villages and the future sustainability of everything Ohioans expect from their municipal governments. I am honored to have the confidence of the OML Board of Trustees and the support of members from across the state, which I have had the privilege to work with over the last two decades," he said. "The OML Board and our member communities have tasked me with a critical mission to help state leaders and our municipal officials, from every corner of the state, work in greater coordination so that communities can become more stable and remain attractive hosts for businesses to be successful in and residents to realize the true potential of our great state."

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February 29, 2016

## OML TESTIFIES ON SENATE BILL 27

The Ohio Municipal League (OML) testified Tuesday in the Ohio Senate Insurance Committee in opposition to Senate Bill (SB) 27, stressing that no firefighter is being denied nor should ever be denied healthcare treatment for cancer. SB 27 provides that a firefighter who is disabled as a result of certain types of cancer is presumed for purposes of the laws governing Worker's Compensation and the Ohio Police and Fire Pension Fund to have incurred the disease while performing official duties as a firefighter.

Our testimony goes into more detail as to why the OML took an opposition position. The OML's opponent testimony is attached [HERE](#). We have been disappointed in some of the media coverage of this issue. Consequently, on Tuesday, OML issued a press release clarifying our position [HERE](#).

The question regarding SB 27 is not whether firefighters will get treatment, but rather how will it be paid for and who will pay for it. The proponents are turning a technical funding issue into a humanitarian issue. We all believe in the humanitarian cause and will work to help.

## BILLS PASSED BY THE GENERAL ASSEMBLY LAST WEEK RELEVANT TO MUNICIPALITIES

HB215 COCKFIGHTING-BEARBAITING PENALTY - To prohibit and establish an increased penalty for knowingly engaging in activities associated with cockfighting, bearbaiting, or pitting an animal against another.

PASSED BY HOUSE; Vote 85-7 (Sears, B Bishoff, H)

HB390 NATURAL GAS-TAX EXEMPTION - To exempt the sale of natural gas by a municipal gas company from the sales and use tax.

PASSED BY HOUSE; Vote 91-0 (Schaffer, T Retherford, W)

## OTHER BILLS PASSED BY THE GENERAL ASSEMBLY LAST WEEK:

HB240 (Huffman-T. Johnson), which reforms coroners' laws. The bill passed 89-0.

HB387 (Terhar-Dever), which raises the maximum monetary limit for taking a claim to small claims court. The bill passed 89-0.

SB181 (Obhof-Schiavoni), which makes changes to limited liability company (LLC) laws. The bill passed 90-0.

HB415 (Schuring), which creates a business linked deposit program and allows credit unions to participate. The bill passed 79-11.

SB182 (Balderson-Peterson), which names a number of highways in the state. The bill passed 88-0.

HB 290 (Sprague) which permits a physician to treat a terminally ill patient with a drug that is not approved by the United States Food and Drug Administration and permit a drug manufacturer to provide such a drug to the patient or physician. The bill passed 96-1.

SB 264 (BACON K) Which provides for a three-day sales tax "holiday" in August 2016 during which sales of back-to-school clothing and school supplies are exempt from sales and use taxes.

Introduced:

HB475 MOTION PICTURE-TAX CREDIT (Rep. Kirk Schuring) To authorize motion picture companies to transfer the authority to claim refundable motion picture tax credits to other persons, to adjust how the credit is calculated, to increase the total amount of credits that may be awarded per year, to remove the limit on the maximum credit amount that may be awarded to a motion picture, and to create a job training program for resident film crew members.

### **SHORT TERM SCHEDULE**

House Speaker Cliff Rosenberger (R-Clarksville) said after session that the House will not meet again until the first week of April. The Senate is not scheduled to meet until after that time as well.



February 19, 2016

## **PROPOSAL TO EXPAND BWC FIREFIGHTER CANCER EXPOSURES SCHEDULED FOR HEARING**

The Senate Insurance committee has announced that a third hearing will be held on SB 27, Sen. Tom Patton's bill which will expand current BWC allowable coverage's by providing that a firefighter who is disabled as a result of specified types of cancer is presumed for purposes of the laws governing workers' compensation and the Ohio Police and Fire Pension Fund to have incurred the cancer while performing official duties as a firefighter.

The hearing is scheduled for Tuesday, February 23rd at 10:30 A.M. in the Statehouse/Senate Annex Building, South Hearing Room.

The bill is similar to HB 292, legislation the league, along with the Ohio Township Association, has previously expressed our opposition with. To be clear, the league supports all safety force personnel, and as the employer, our members strive to make working conditions safe for our forces. Municipal legislative boards, by and large, share the same goals of our fire departments, to protect their citizens and their property from harm. The issue with the legislation is, if enacted, will put an additional financial strain on municipal budgets that employ firefighters, at a time when revenue cuts and shifts in revenue sharing agreements with the state and its local partners continue to create fiscal challenges for cities and villages.

The league would like to encourage any municipal officials who may be concerned with the consequences the expanded coverage's would have to their current BWC rates, to join us in the Senate Insurance committee next week to share those concerns with the committee members hearing the bill.

## **BILL TO ALTER CURRENT TIF STRUCTURE RECEIVES OPPONENT MUNICIPAL TESTIMONY**

HB12, legislation that is a reintroduction of a proposal that stalled in the previous General Assembly received a third hearing this week in the House Ways and Means committee. The bill, introduced by Rep. Jim Butler and Tony Burkley, would establish a procedure by which political subdivisions proposing a tax increment financing (TIF) incentive district would be required to notify the owner of each parcel within the proposed incentive district before creating the district, and to permit such owners, under specific conditions, to exclude their parcels from the TIF by submitting a written response.

The league would like to thank the city of Delaware's legal representative, Mr. Darren Shulman for attending the hearing and providing the committee with points of concern that have identified with the current language. Specifically, Mr. Shulman shared with the committee concerns related to the ease to which a property owner can withdraw from a proposed TIF and how that late notification, which will not include information or examples of why the parcel should not be included in a proposed TIF area, can jeopardize the effectiveness of the total improvement district plan.

We expect the House Ways and Means committee to continue holding hearings on the proposal. We would encourage any of our municipal members who may have concerns with the bill and the future usefulness of the current TIF program to share those views with their state elected officials and to consider presenting your views through testimony to the House committee.

## **LEAGUE TESTIFIES IN SUPPORT OF DOWNTOWN REDEVELOPMENT LEGISLATION**

On Wednesday, the Senate Ways and Means committee held a third hearing on Rep. Schuring's bill to establish a procedure by which municipal corporations may designate Downtown Redevelopment Districts (DRDs), in conjunction with the Ohio Historical Preservation Tax Credit program. The league was happy to present proponent testimony to the Senate Ways and Means committee members and urging Senators to support the passage of the bill. A copy of the league's testimony can be found on our website [www.omloho.org](http://www.omloho.org).

As our members may remember from previous bulletins covering this issue, the DRD program is designed to allow municipalities to harness the value and functionality of their historical infrastructure assets for the purposes of rehabilitating historic buildings, creating jobs, and encouraging economic development in commercial and mixed-use commercial and residential areas. In addition to implementing the new DRDs, the bill also allows for the creation of an Innovation District within a DRD designed to attract and facilitate growth of technology-oriented businesses.

## **LEGISLATION TO ESTABLISH BOND BANKS RECEIVES HEARING**

Rep. Jeff McClain introduced legislation recently that is designed to benefit local governments by lowering borrowing costs through economies of scale, reduced administrative burden, and more efficient capital market access. The bill Rep. McClain has proposed, HB 435, would specifically authorize the Treasurer of State to issue revenue obligations of the state for the purpose of making loans to qualifying public entities for their acquisition of permanent improvements through the Treasurer of State's purchase of public obligations of those qualifying entities. The bill received a second hearing in the House Financial Institutions, Housing and Urban Development committee on Wednesday.

The bill would create a state bond bank administered by the state treasurer's office which would be able to issue loans to qualified local governments. The proposed fund will be designed to support permanent improvement projects among local governments.

As explained by the bill sponsor and witnesses who provided proponent testimony, the bond bank can potentially provide significant cost savings to local government issuers through reduced interest rates and reduced costs of issuance through economies of scale. In addition to those savings, the bond bank can benefit local governments by handling or assisting with post issuance compliance matters.

The program would anticipate the availability of state-payment intercept provisions, which would reduce interest costs without obligating the state, and would rely on the staff of the Debt Management Department.

We will be tracking this legislation closely and would encourage any local official to contact their state representative or senator and share their views about this bill with them.

## **HOUSE PASSES RESOLUTION URGING PRESERVATION OF TAX-EXEMPT STATUS OF MUNICIPAL BONDS**

The OML is proud to announce a recent legislative accomplishment with the passage of HCR 7. The resolution expresses opposition to any push that eliminates or limits the federal tax exemption on interest earned on municipal bonds, which are critical for local governments to raise the funds needed to finance infrastructure projects.

"We want to protect Ohio cities, counties, and schools from a federal tax grab that would raise their debt interest cost," said Representative Robert Sprague, who sponsored the resolution.

This comes in response to occasional attempts by the president and Congress to either tax or alter the federal exemption of interest earned on the bonds. At a time when building and improving infrastructure is required to meet federal mandates and support economic development, HCR 7 aims to preserve a financing tool that excludes interest on state and local obligations from federal gross income.

The Resolution now moves on to the Ohio Senate for their consideration.

### **PRELIMINARY COMMITTEE SCHEDULE FOR THE WEEK OF FEBRUARY 21, 2016**

#### **Tuesday, February 23, 2016**

HOUSE LOCAL GOVERNMENT      Chr. Anielski, M., 644-6041

Tue., Feb. 23, 2016, 9:00 AM, Room 18

HB 455 BOARDING SCHOOL ZONE (Patterson, J., Roegner, K.) To authorize a municipal corporation or township to establish a boarding school zone and a special speed limit within that zone.

First Hearing-Sponsor

HB 407 BODY CAMERAS (Boyce, K., Grossman, C.) To require law enforcement agencies that use body cameras to adopt written policies for operation of the cameras and to require agencies to make the adopted policies available to the public.

Second Hearing-Proponent

HB 361 COMMUNITY EVENT FUNDING (Brenner, A.) To authorize boards of township trustees and boards of park commissioners to expend funds for the public purpose of presenting community events in their parks and at other recreational facilities.

Third Hearing-All testimony-Possible amendments & vote

HB 375 SNOW REMOVAL (Brown, T., Arndt, S.) To authorize townships to require the removal of snow and ice from sidewalks abutting property and to impose a fine for failure to do so

Third Hearing-Opponent & interested party

HB 333 BIDDING THRESHOLDS (Schaffer, T., Hambley, S.) To increase the monetary thresholds above which competitive bidding is required for township road construction, repair, or maintenance contracts, and to increase the monetary thresholds above which a force account assessment is required for a township road construction, repair, or maintenance project  
Third Hearing-Opponent & interested party

HB 378 TRAFFIC ARRESTS (Hambley, S., Rezabek, J.) To authorize law enforcement officers of township police districts and joint police districts, and township constables, serving specified small populations to make arrests for motor vehicle-related violations committed on an interstate highway in the same manner as township law enforcement officers serving larger populations.  
Third Hearing-Opponent & interested party

HB 413 EXECUTIVE SESSION (Brinkman, T.) To add to the purposes for which a board of township trustees may go into executive session, to permit a township to charge for recycling services, to reduce the population threshold for a township to adopt a limited home rule form of government, to authorize a township to purchase, lease, or provide underwater rescue and recovery equipment for fire and rescue purposes, to authorize boards of township trustees to pay for group life insurance for any employee, to make other changes to the township laws, to allow taxing units to use the proceeds of a fire, police, or emergency services tax levy to pay costs related to the service for which the tax is levied, and to expand the public infrastructure improvements townships, municipal corporations, and counties may pay for using money from their public improvement tax increment equivalent funds.  
Third Hearing-Opponent & interested party

HB 462 POLICE DISTRICT (Hagan, C., Sprague, R.) To establish a joint police district, to modify the membership of a joint police district governing body, to expand the offense of solicitation to also apply to a person who agrees with another to engage with the other person in sexual activity for hire, to provide that the "prescription exemption" from the drug possession offenses does not apply to a person who uses more of the drug than the maximum prescribed amount per day or the maximum amount to be used within the prescription timeline or who administers or takes the drug in a manner not prescribed by the prescribing health professional, and to provide immunity from civil liability to a peace officer who administers naloxone to a person who is apparently experiencing an opioid-related overdose.  
First Hearing-Sponsor

SENATE WAYS AND MEANS

Sen. Peterson: 614-466-8156

Tue., Feb. 23, 2016, 9:00 AM, South Hearing Room

HB9 TAX EXPENDITURE REVIEW COMMITTEE (BOOSE T) To create a Tax Expenditure Review Committee for the purpose of periodically reviewing existing and proposed tax expenditures.  
Third Hearing, All Testimony

SALES TAX HOLIDAY-PERMANENT (BACON K) To provide for a permanent three-day sales tax "holiday" each August during which sales of back-to-school clothing and school supplies are exempt from sales and use taxes.

Second Hearing, All Testimony, AMENDMENTS/POSSIBLE VOTE

REDEVELOPMENT DISTRICTS (SCHURING K) To authorize municipal corporations to create downtown redevelopment districts and innovation districts for the purposes of promoting the rehabilitation of historic buildings, creating jobs, encouraging economic development in commercial and mixed-use areas, and supporting grants and loans to technology-oriented and other businesses.

Third Hearing, All Testimony, AMENDMENTS/POSSIBLE VOTE

HOUSE GOVERNMENT ACCOUNTABILITY AND OVERSIGHT Rep. Brown: 614-466-8104  
Tue., Feb. 23, 2016, 1:30 PM, Hearing Room 114

COUNTY HUMANE SOCIETIES (HAMBLEY S) To require approval by the board of county commissioners, instead of the probate judge, of appointments of agents by county humane societies outside a municipal corporation, to specify that a county humane society is a political subdivision, to make its directors, agents, officers, and employees subject to the Ethics Law, and to increase the salaries paid to the agents.

Third Hearing, Opponent Testimony

Wednesday, February 24, 2016

HOUSE FINANCIAL INSTITUTIONS, HOUSING AND URBAN DEVELOPMENT

Rep. Terhar: 614-466-8258

Wed., Feb. 24, 2016, 10:00 AM, Hearing Room 122

REVENUE OBLIGATIONS-LOANS (MCCLAIN J) To authorize the Treasurer of State to issue revenue obligations of the state for the purpose of making loans to qualifying public entities for their acquisition of permanent improvements through the Treasurer of State's purchase of public obligations of those qualifying entities.

Third Hearing, All Testimony, AMENDMENTS/POSSIBLE VOTE

CHECK OUR WEBSITE MONDAY MORNING FOR THE FINAL COMMITTEE SCHEDULE

February 12, 2016

## **LEGISLATION ALTERING TAX INCREMENT FINANCING (TIF) STRUCTURE GETS ATTENTION IN HOUSE COMMITTEE**

This week the House Ways and Means committee held a second hearing on HB 12, legislation introduced by Rep. Jim Butler and Tony Burkley that would establish a procedure by which political subdivisions proposing a tax increment financing (TIF) incentive district are required to notify the owner of each parcel within the proposed incentive district before creating the district, and to permit such owners, under specific conditions, to exclude their parcels from the TIF by submitting a written response. The legislation was introduced last General Assembly as HB198, which cleared the House but received only one hearing by the Ohio Senate.

Rep. Butler said his bill would set procedures to allow property owners to opt out of Tax Increment Financing incentive districts proposed by local governments. This is obviously a concern of the league and our members as changes to lessen the effectiveness of the incentive districts takes away the effectiveness of the original structure and the purposes for which the program was initiated to address.

In general the legislation as currently drafted would:

- \* Specify that for a proposed Tax Increment Financing (TIF) district, a notice must be sent to all owners of real property in the proposed district and is to include a map of the proposed district with an "overlay" defined as a square or rectangular and not to exceed 300 acres;
- \* Allow a property owner located within a proposed TIF district, whose entire parcel is not within the overlay, to submit a written response asking that their property be excluded from the proposed district;
- \* Allow property owners who opt out of a TIF district to pay taxes instead of service payments.

The bill is scheduled for a third hearing for all testimony this coming Tuesday, February 12 in Statehouse Hearing Room #121 at 1:30 p.m. We encourage any of our members who are concerned about this proposed alteration to the current TIF structure to consider providing testimony to the committee members on February 12th, sharing your communities' issues with the bill.

## **SENATE WAYS AND MEANS COMMITTEE HEARING BILL SUPPORTING MUNICIPAL DOWNTOWN REVITALIZATION**

The Senate Ways and Means committee will be holding a third hearing on HB233, legislation introduced by Rep. Kirk Schuring, providing cities and villages greater opportunities to encourage economic development through redeveloping historical downtown properties. The hearing, scheduled for all testimony including proponent, opponent and interested parties, is set for Wednesday, February 17th at 9:30 A.M. in the South Hearing Room of the Statehouse/Senate Annex building.

As we have reported to our members in previous bulletins, Rep. Schuring's bill establishes a procedure by which municipal corporations may designate Downtown Redevelopment Districts (DRDs), in conjunction with the Ohio Historical Preservation Tax Credit program. The DRD program is designed to allow municipalities to harness the value and functionality of their historical infrastructure assets for the purposes of rehabilitating historic buildings, creating jobs, and encouraging economic development in

commercial and mixed-use commercial and residential areas. In addition to implementing the new DRDs, the bill also allows for the creation of an Innovation District within a DRD designed to attract and facilitate growth of technology-oriented businesses.

As proposed, the redevelopment district is similar to the current structure of a TIF, except DRD funds may be used for a broader range of purposes than TIF funds. Some of the ways DRD revenue can be used include:

- \* To finance grants and loans to owners of historic buildings and other property located within the district;
- \* To make contributions to special improvement districts (SIDs), community improvement corporations (CICs), or to a nonprofit corporation organized for the purpose of redeveloping historic buildings and districts;
- \* The use of TIF funds that exist in current law, to finance public infrastructure improvements to the extent authorized in the ordinance creating the district.

The league is supportive of the bill and is hopeful that such forward thinking proposals will give Ohio cities and villages the financial leverage and tools they need to harness the emerging synergy between historical assets and a communities' ability to affordably repurpose desirable space for economic development.

We encourage any of our members who may have an opinion on how the bill would be beneficial to the future growth plans of their community to consider joining us at the Senate Ways and Means committee hearing on February 17th, to lend your communities voice to the process.

### **OHIO HOUSE MOVES JEDD BILL TO OHIO SENATE**

On Wednesday, the Ohio House of representatives unanimously approved HB 182, legislation sponsored by Rep. Kirk Schuring which seeks to make changes to the current Joint Economic Development District (JEDD) law. The bill proposes numerous changes to the original 1995 JEDD development program, by allowing:

- \* In some circumstances, residents as JEDD electors who may be part of a JEDD through allowing the inclusion of mixed-use residential facilities to a district;
- \* Income of persons residing in JEDDs to be subject to the JEDD income tax;
- \* JEDD income tax be based on the income of persons employed or residing in the district and on the net profits of businesses operating in the district;
- \* The creation of a "Swiss cheese" effect by permitting a business that operated in an unincorporated part of a JEDD prior to the JEDD's creation be permitted to apply for exemption from the JEDD income tax;
- \* Investments in retail facilities in an enterprise zone to be exempt or partly exempt from property taxes, if approved by affected school boards;
- \* Decisions of the Director of Development Services to be appealed to county courts of common pleas regarding exemption for certain businesses and their employees from the JEDD income tax.

The bill has been sent to the Ohio Senate, where it will begin the committee process in that chamber. We will be tracking this legislation closely and alerting our members to future committee hearings on the proposal.

### **LOCAL GOVERNMENT EFFECTIVENESS SURVEY DEADLINE FEBRUARY 26th**

A few weeks ago, the league sent to our members a special bulletin that contained a survey that the league and the Ohio City/County Management Association have partnered together on, to gauge the perspectives

of our local municipal officials concerning the shifting attitudes of the constituencies that they serve towards the delivery of services, community development and other local government issues.

Although we have had a good response with completed surveys, we would like to ask those that have not completed the brief questionnaire to please take a few minutes and share your experiences and perceptions with us.

The link to the survey is: <https://www.surveymonkey.com/r/trustohio>. We would appreciate if surveys could be completed by Friday, February 26th.

The information provided by our "frontline" public officials will be very beneficial to both organizations and their members, as we all work to increase the effectiveness and efficiency of addressing resident issues and concerns, hopefully resulting in more effective delivery of services and overall consumer satisfaction. Thank you.

### **PRELIMINARY COMMITTEE SCHEDULE FOR THE WEEK FEBRUARY 14, 2016**

Below is the committee schedule for next week. If there are any changes to the schedule, we will have those posted to our website on Tuesday, as our offices are closed Monday in observance of President's Day.

Have a safe and *warm* weekend~

#### **Tuesday, February 16**

***HOUSE FINANCIAL INSTITUTIONS, HOUSING AND URBAN DEVELOPMENT*** Rep. Terhar:  
614-466-8258  
Tue., Feb. 16, 2016, 10:00 AM, Hearing Room 122

**HB435** REVENUE OBLIGATIONS-LOANS (MCCLAIN J) To authorize the Treasurer of State to issue revenue obligations of the state for the purpose of making loans to qualifying public entities for their acquisition of permanent improvements through the Treasurer of State's purchase of public obligations of those qualifying entities.  
Second Hearing, Proponent Testimony

***HOUSE LOCAL GOVERNMENT*** Rep. Anielski: 614-644-6041  
Tue., Feb. 16, 2016, 10:30 AM, Hearing Room 018

**HB407** BODY CAMERAS-POLICIES (BOYCE K, GROSSMAN C) To require law enforcement agencies that use body cameras to adopt written policies for operation of the cameras and to require agencies to make the adopted policies available to the public.  
First Hearing, Sponsor Testimony

**HB361** LOCAL BOARDS-COMMUNITY EVENTS (BRENNER A) To authorize boards of township trustees and boards of park commissioners to expend funds for the public purpose of presenting community events in their parks and at other recreational facilities.  
Second Hearing, Proponent Testimony

**HB277** 9-1-1 SYSTEM LEVY (BRENNER A) To authorize a county, township, or municipal corporation to impose a 9-1-1 system levy in only the portion of the subdivision that would be served by the 9-1-1 system.

Fourth Hearing, All Testimony, POSSIBLE VOTE

**HB335 MUNICIPAL TRAFFIC ORDINANCES-JURISDICTION (CRAIG H, GROSSMAN C)** To specify the jurisdiction of municipal and county courts over municipal traffic ordinances and to establish requirements governing fines, fees, or other charges for traffic violations and infractions imposed by a municipal corporation that does not have the authority to establish a mayor's court.

Fourth Hearing, All Testimony, POSSIBLE VOTE

**HB387 MUNICIPAL COURTS-SMALL CLAIMS (TERHAR L, DEVER J)** To raise the maximum allowable limit of the monetary jurisdiction of small claims divisions of municipal courts.

Third Hearing, All Testimony, POSSIBLE VOTE

**HB333 FORCE ACCOUNT LIMITS-TOWNSHIPS (SCHAFFER T, HAMBLEY S)** To increase the monetary thresholds above which competitive bidding is required for township road construction, repair, or maintenance contracts, and to increase the monetary thresholds above which a force account assessment is required for a township road construction, repair, or maintenance project.

Second Hearing, Proponent Testimony

**HB413 TOWNSHIP LAWS (BRINKMAN T)** To add to the purposes for which a board of township trustees may go into executive session, to permit a township to charge for recycling services, to reduce the population threshold for a township to adopt a limited home rule form of government, to make other changes to the township laws.

Second Hearing, Proponent Testimony

**HOUSE FINANCE** Rep. Smith: 614-466-1366

Tue., Feb. 16, 2016, 12:00 PM, Hearing Room 313

**HB305 UNIVERSITY OF AKRON-OPERS MEMBERS (SCHURING K)** To include new nonteaching employees of The University of Akron as members in the Public Employees Retirement System and to make an appropriation for the University's School Employees Retirement System employer surcharge payments.

Second Hearing, All Testimony, AMENDMENTS/POSSIBLE VOTE

**HOUSE WAYS AND MEANS** Rep. McClain: 614-644-6265

Tue., Feb. 16, 2016, 1:30 PM, Hearing Room 121

**HB12 TIF-INCENTIVE DISTRICTS (BUTLER, JR. J, BURKLEY T)** To establish a procedure by which political subdivisions proposing a tax increment financing (TIF) incentive district are required to provide notice to the record owner of each parcel within the proposed incentive district before creating the district.

Third Hearing, All Testimo

**Wednesday, February 17**

**SENATE WAYS AND MEANS** Sen. Peterson: 614-466-8156

9:30 A.M.; South Hearing Room

**HB 233**

**REDEVELOPMENT DISTRICTS (Schuring, K.)** To authorize municipal corporations to create downtown redevelopment districts and innovation districts for the purposes of promoting the rehabilitation of historic buildings, creating jobs, encouraging economic development in commercial and mixed-use areas, and supporting grants and loans to technology-oriented and other businesses. Am.

133.04, 133.06, 709.024, 709.19, 3317.021, 5501.311, 5709.12, 5709.82, 5709.83, 5709.831, 5709.832, 5709.85, 5709.91, 5709.911, 5709.913, and 5715.27 and to enact sections 1710.14, 1724.12, 5709.45, 5709.46, and 5709.47

**PLEASE CHECK OUR WEBSITE TUESDAY MORNING FOR A FINAL COMMITTEE SCHEDULE**



**February 5, 2016**

## **OHIO DEVELOPMENT SERVICES AGENCY ANNOUNCES APPLICATION DEADLINE FOR LOCAL GOVERNMENT SAFETY CAPITAL GRANT PROGRAM**

The Ohio General Assembly had a light schedule again this week with only a handful of committees meeting. The schedule for next week is shaping up to look much the same, as most legislators are back in their districts or locations outside of the state, campaigning towards the March primaries.

Although there is not much new to report on legislatively, there is news that came out of the Ohio Development Services Agency, as they announced this week that the guidelines and criteria have been established for the newly created Local Government Safety Capital Grant Program.

Applications to qualify for funding will be accepted by DSA beginning Tuesday, February 16th.

The Local Government Safety Capital Grant Program was created to provide communities with financial assistance for the purchasing or upgrading of vehicles, equipment, facilities or systems for police, fire or emergency medical services need to enhance public safety. Through the most recent state budget, the program was established and received an appropriation of \$10,000,000 for FY16 and \$10,000,000 for FY17. The fund will be administered by the Local Government Innovation Council, which oversees programs to promote shared services and local government efficiency.

The Council will award not more than \$100,000 in total grants to an individual political subdivision.

Municipal corporations, in addition to counties, townships, joint emergency medical services district, fire district, joint fire district, fire and ambulance district, joint police district, or joint ambulance district are all eligible to apply for the grant program. Other specifications of the program include:

- A political subdivision is not restricted to the number of grant applications it may file, either individually or jointly with one or more political subdivisions, however, a political subdivision shall not be awarded more than \$100,000 in total grants attributed to them.
- Applications submitted by a group of political subdivisions which, if awarded, will serve to consolidate emergency services or enhance cooperation between or among the applying jurisdictions to more efficiently deliver emergency services are encouraged.
- An application submitted by multiple political subdivisions may seek a level of funding which does not exceed the total amount of funding which may be collectively awarded to those political subdivisions individually, up to \$500,000.

For more information about this program, visit [www.development.ohio.gov/bs/bs\\_lgscgp.htm](http://www.development.ohio.gov/bs/bs_lgscgp.htm).

## COMMITTEE SCHEDULE FOR THE WEEK OF FEBRUARY 8TH

Below is the list of committee hearings for next week. The final schedule for the week will be on the league's website [www.omloho.org](http://www.omloho.org) Monday, which will include any additions or changes that may be announced over the weekend.

Have a safe and enjoyable weekend~

### PRELIMINARY COMMITTEE SCHEDULE FOR THE WEEK OF FEBRUARY 7, 2016

#### Tuesday, February 9, 2016

HOUSE INSURANCE Rep. Hackett: 614-466-1470  
Tue., Feb. 9, 2016, 10:00 AM, Hearing Room 121

SELF-INSURING EMPLOYERS (HENNE M, RETHERFORD W) To modify the requirements for an employer to become a self-insuring employer for purposes of the Workers' Compensation Law, to transfer authority over the workers' compensation self-insurance program to the Superintendent of Insurance, and to allow certain employers and groups of employers to obtain workers' compensation coverage from a private workers' compensation insurer.  
HB205  
Third Hearing, Proponent Testimony

HOUSE FINANCE Rep. Smith: 614-466-1366  
Tue., Feb. 9, 2016, 11:00 AM, Hearing Room 313

SB260 CAPITAL REAPPROPRIATIONS (COLEY W) To make capital reappropriations for the biennium ending June 30, 2018.  
Second Hearing, All Testimony, AMENDMENTS/POSSIBLE VOTE

UNIVERSITY OF AKRON-OPERS MEMBERS (SCHURING K) To include new nonteaching employees of The University of Akron as members in the Public Employees Retirement System and to make an appropriation for the University's School Employees Retirement System employer surcharge payments.  
HB305  
First Hearing, Sponsor Testimony

HOUSE FINANCIAL INSTITUTIONS, HOUSING AND URBAN DEVELOPMENT Rep. Terhar: 614-466-8258  
Tue., Feb. 9, 2016, 1:00 PM, Hearing Room 116

HB435 REVENUE OBLIGATIONS-LOANS (MCCLAIN J) To authorize the Treasurer of State to issue revenue obligations of the state for the purpose of making loans to qualifying public entities for their acquisition of permanent improvements through the Treasurer of State's purchase of public obligations of those qualifying entities.

First Hearing, Sponsor Testimony

HOUSE WAYS AND MEANS

Rep. McClain: 614-644-6265

Tue., Feb. 9, 2016, 1:30 PM, Hearing Room 121

HB12 TIF-INCENTIVE DISTRICTS (BUTLER, JR. J, BURKLEY T) To establish a procedure by which political subdivisions proposing a tax increment financing (TIF) incentive district are required to provide notice to the record owner of each parcel within the proposed incentive district before creating the district.

Second Hearing, Proponent Testimony

SENATE FINANCE

Sen. Oelslager: 614-466-0626

Tue., Feb. 9, 2016, 1:30 PM, Senate Finance Hearing Room

SJR3 FUND SEWER-WATER CAPITAL IMPROVEMENTS (SCHIAVONI J) Proposing to enact Section 2t of Article VIII of the Constitution of the State of Ohio to permit the issuance of general obligation bonds to fund sewer and water capital improvements.

First Hearing, Sponsor Testimony

**Wednesday, February 10, 2016**

HOUSE STATE GOVERNMENT

Rep. Maag: 614-644-6023

Wed., Feb. 10, 2016, 2:30 PM, Hearing Room 121

SB152 GEOGRAPHIC EMPLOYMENT REQUIREMENTS (UECKER J) To prohibit a public authority from requiring a contractor to employ a certain percentage of individuals from the geographic area.

Fourth Hearing, All Testimony, POSSIBLE VOTE

**PLEASE CHECK OUR WEBSITE MONDAY FOR CHANGES TO THE COMMITTEE SCHEDULE**

January 29, 2016

## **HOUSE COMMITTEE MOVES BILL STOPPING TAX EXPANSION TO MUNICIPAL GAS CUSTOMERS**

HB 390, legislation the league supports and has been following closely, exempting municipal gas departments from collecting and remitting sales tax on the natural gas services was passed unanimously out of the House Ways and Means committee this week. The bill, introduced by Reps. Tim Schaffer and Wes Retherford, would protect current commercial and residential municipal gas customers in six municipalities across the state from having their gas rates increased through the new requirement mandating the state's sales tax to be applied to gas services. The bill would also protect taxpayers by preventing the Ohio Department of Taxation from enforcing their new requirement that these municipalities must go after their customers to collect back sales tax revenue from the previous three years on their services. Municipal gas customers already pay an excise tax for the use of the gas services they require now, but this new directive announced at the end of last year by the Ohio Department of Taxation would saddle these rate payers with the additional state tax, if the legislation is not enacted.

We anticipate members of the House of Representatives will receive the bill on the floor sometime next month, where we hope it will be favorably received and then sent to the Ohio Senate, where the committee process will begin in that Chamber.

## **PUBLIC OFFICIALS INVITED TO ATTEND "MEDICAL MARIJUANA LISTENING TOUR"**

On the heels of the defeat last year of Issue 3, the statewide ballot initiative to legalize the use of recreational and medical marijuana, members of the Ohio General Assembly have been considering the results of voter opinions expressed on the subject particularly concerning the availability of marijuana for medical purposes. After considering the shifting views expressed by voters on the subject, legislators have begun to examine a path legislatively to make marijuana accessible to those who may benefit medically from its use. Last week in an effort to begin the legislative process on this sometimes controversial issue, Senators David Burke and Kenny Yoko have initiated a "Medical Marijuana Listening Tour". The inaugural session, set for this Saturday, Jan. 30 will be held on the campus of Cleveland State University. The events are scheduled to last the full day, and will follow a format similar to budget hearings, with witnesses limited to five minutes of testimony. Below is a letter from the two Senators announcing the tour and inviting local officials to the upcoming public forums.



**To: Local Elected Officials**  
**From: Senator Dave Burke**  
**Senator Kenny Yoko**

**Date: January 27, 2016**

Last November, Ohio voted down Issue 3, which included sweeping changes to Ohio's Constitution regarding state marijuana laws. That issue was soundly defeated, but the question of whether that defeat was because of the language of the proposed amendment or concerns about marijuana itself remains in the minds of many Ohioans today.

Over the coming weeks we will travel the State to talk with our friends and neighbors, as well as local leaders and professionals, to gauge their thoughts on the use of medicinal marijuana in Ohio. Our Listening Tour will host a series of town halls in Cleveland, Cincinnati, Toledo, and potentially other communities to allow members of the public to share their views. We would like to extend an open invitation to our local elected officials to join us in the audience to hear from fellow Ohioans, or even share their own testimony if they wish. If you are interested in testifying or have any questions please contact Senator Burke's office at (614) 466-8049 or burke@ohiosenate.gov or Senator Yuko's office at (614) 466-4583 oryuko@ohiosenate.gov. Please see the list of scheduled town halls below.

**Cleveland**

Cleveland State University  
Gerald H. Gordon Conference Pavilion, Wolstein Center.  
Saturday, January 30th  
10:00am

**Cincinnati**

University of Cincinnati  
Kresge Auditorium, Medical Science Building  
Thursday, February 4th  
11:00am

**Toledo**

University of Toledo  
Scott Park Campus Auditorium  
Thursday, February 11th  
11:00am

**NEW BILL INTRODUCTIONS AND COMMITTEE SCHEDULE**

Below is a list of bills recently introduced in the Ohio House and Senate, followed by the committee schedule for next week. If there are any changes to the committee schedule, those will be posted to our website Monday.

Have a safe and enjoyable weekend.~

**New House Bill Introductions:**

HB 403

CAPITAL IMPROVEMENTS (Dovilla, M.) Relative to the financing of capital improvement projects in this state by another state or a political subdivision of another state. Am. 9.58, 9.581, 9.582, 9.583, and 9.584

HB 404

SALES TAX REFUNDS (Schaffer, T.) To allow vendors to deduct or apply for a refund of sales tax remitted for bad debts on private label credit cards used to make purchases from the vendor. Am. 5739.121

HB 405

IMPORTUNING (Schaffer, T., Smith, K.) To amend the penalties for the offense of importuning. Am. 2907.07

HB 406

ROAD NAMING (Burkley, T.) To designate a portion of U.S. route 127 in Paulding County as the "U.S. Navy Petty Officer 2nd Class Randall Smith Memorial Highway." Am. 5534.012

HB 407

BODY CAMERAS (Boyce, K., Grossman, C.) To require law enforcement agencies that use body cameras to adopt written policies for operation of the cameras and to require agencies to make the adopted policies available to the public. Am. 2935.034

HB 408

REPRODUCTIVE CARE (Howse, S., Lepore-Hagan, M.) To criminalize impeding access to reproductive health care and to create a cause of action for harassment or intimidation of one or more employees of a health care facility. Am. 2307.48, 2307.481, 2307.482, and 2919.20

HB 409

TAX EXEMPTION (Green, D.) To exempt from property taxation any retail store operated by a nonprofit housing organization that sells donated items suitable for residential housing purposes. Am. 5709.12

HB 410

TRUANCY (Rezabek, J., Hayes, B.) With regard to habitual and chronic truancy and compulsory school attendance. Am. 2151.011, 2151.022, 2151.18, 2151.27, 2151.311, 2151.35, 2151.354, 2152.02, 2152.021, 2152.19, 2152.26, 2919.24, 3313.534, 3313.66, 3314.03, 3321.041, 3321.13, 3321.16, 3321.19, 3321.191, 3321.38, 3326.11, 3328.24, and 4510.32 and to enact section 3313.668

HB 411

AWARENESS DAY (Pelanda, D.) To designate September 26 as "Diffuse Intrinsic Pontine Glioma Awareness Day." En. 5.256

HB 412

LOCAL GOVERNMENT PAYMENTS (Anielski, M., Schuring, K.) To require certain payments made to local governments in which racetracks are located to be made proportionally. Am. 233.10 of H.B. 64 of the 131st General Assembly and Section 9 of H.B. 386 of the 129th General Assembly

HB 413

EXECUTIVE SESSION (Brinkman, T.) To add to the purposes for which a board of township trustees may go into executive session, to permit a township to charge for recycling services, to reduce the population threshold for a township to adopt a limited home rule form of government, to authorize a township to purchase, lease, or provide underwater rescue and recovery equipment for fire and rescue purposes, to authorize boards of township trustees to pay for group life insurance for any employee, to make other changes to the township laws, to allow taxing units to use the proceeds of a fire, police, or emergency services tax levy to pay costs related to the service for which the tax is levied, and to expand the public infrastructure improvements townships, municipal corporations, and counties may pay for using money from their public improvement tax increment equivalent funds. Am. 121.22, 504.01, 505.27, 505.29, 505.31, 505.37, 505.39, 505.40, 505.602, 5705.19, and 5709.40 and to repeal section 5571.11

HB 414

LICENSE PLATE (Hackett, B., LaTourette, S.) To create the "Pancreatic Cancer Awareness" license plate. Am. 4501.21 and to enact section 4503.495

HB 415

LINKED DEPOSITS (Schuring, K.) To create the business linked deposit program, to permit credit unions to participate in that program, to permit credit unions to participate in the agricultural linked deposit program, and to make other changes to the linked deposit law. Am. 135.143, 135.18, 135.63, 135.71, 1733.04, and 1733.24 and to enact sections 135.77, 135.771, 135.772, 135.773, and 135.774

HB 416

SELF INSURANCE (Schuring, K.) To enable state colleges and universities to establish joint self-insurance pools. Am. 149.431 and 3345.202 and to enact section 3345.203

HB 417

FETAL REMAINS (McColley, R., Koehler, K.) Regarding final disposition of fetal remains from abortions. Am. 3701.341 and to enact sections 3728.01, 3728.02, 3728.03, 3728.04, 3728.05, 3728.08, 3728.09, 3728.10, 3728.11, 3728.12, 3728.14, and 3728.99

HB 418

SENIOR HOUSING (Barnes, J.) To enact the "Senior Housing Relief Act" to prohibit the sale of delinquent property tax certificates for homesteads owned for at least 20 years by a person aged 65 or older. En. 5721.31

HB 419

FETAL REMAINS (Sears, B., Ginter, T.) Regarding the disposition of fetal remains from abortions. Am. 3701.341 and to enact section 3701.3411

HB 420

STATE ASSESSMENTS (Roegner, K.) To prohibit the Department of Education from including students who "opt-out" of state assessments in calculations of certain grades in the state report card and to declare an emergency. Am. 3302.01 and 3302.03

HB 421

DRUG INJECTIONS (LaTourette, S.) To authorize a pharmacist to administer by injection certain prescribed drugs. Am. 4729.01 and to enact sections 4729.45, 4730.412, and 4731.057

HB 422

OIL GAS LAW (O'Brien, S., Patterson, J.) To require recording and notification of assignments of leases for real property for the placing of an injection well, to revise the procedures and requirements governing the application for and issuance of a permit for a well to inject brine and other waste substances from oil and gas operations, to establish an additional fee on the injection of those substances, to require a person conducting brine or other waste substances operations prior to January 1, 2014, to obtain a permit or order to do so, to establish requirements governing ground water monitoring related to that injection, and to make other revisions in the Oil and Gas Law. Am. 317.08, 1509.02, 1509.021, 1509.22, 1509.222, 1509.223, 1509.33, and 1509.99, to enact sections 1509.023, 1509.228, 1509.229, and 5301.091, and to repeal section 1509.227

HB 423

MILITARY RECORDS (Perales, R.) To specify that an order for active military service or other documentation regarding the call to order of an individual in the Armed Forces of the United States or the Ohio organized militia is not a public record. Am. 149.43

HB 424

MILITARY RECORDS (Antani, N.) To specify that military records provided by an officer or employee of a township or municipal corporation to the township or municipal corporation for personnel matters are not public records.

HB 425

RELIGIOUS EXPRESSION (Hayes, B.) Regarding student religious expression. Am. 3313.601, 3314.03, 3326.11, and 3328.24 and to enact sections 3320.01, 3320.02, and 3320.03

HB 426

JOB PLACEMENT (Antani, N.) To require the State Board of Career Colleges and Schools to report and post job placement information. Am. 3332.031 and to enact section 3333.0414

HB 427

CRIMINAL RECORDS (Antani, N.) To require the Attorney General to select a qualified third party to receive court notices of sealed or expunged criminal records and to require identified data repositories and web sites that receive those notices from the qualified third party to remove those records from their databases. Am. 2953.32, 2953.37, 2953.38, and 2953.53 and to enact sections 109.38 and 109.381

HB 428

LICENSE PLATE (Antani, N.) To create the "National Aviation Hall of Fame" license plate. Am. 4501.21 and to enact section 4503.577

HB 429

AUTO TECHNICIANS (Antani, N., Reineke, B.) Regarding employers of automotive technicians and motor vehicle technicians participating in the Incumbent Workforce Training Voucher Program. Am. 257.30 of Am. Sub. H.B. 64 of the 131st General Assembly

HB 430

ROAD NAMING (Sprague, R.) To designate a portion of U.S. Route 30 in Hancock County as the "Congressman Michael G. Oxley Memorial Highway." Am. 5534.55

HB 431

AWARENESS DAY (Sheehy, M., Patterson, J.) To designate February 17th as "Annie Glenn Communication Disorders Awareness Day." Am. 5.289

HB 432

ESTATE LAW (Rezabek, J.) To revise the law governing decedent's estates by making changes in the Ohio Trust Code, the Probate Law, the Uniform Principal and Income Act, the Transfers to Minors Act, and the Uniform Simultaneous Death Act. Am. 2101.16, 2105.02, 2105.14, 2105.31, 2105.32, 2105.33, 2105.34, 2105.35, 2105.36, 2105.37, 2107.07, 2107.10, 2109.62, 2111.131, 2113.86, 5801.10, 5803.02, 5804.02, 5808.16, 5812.32, 5812.46, 5812.51, 5814.01, 5814.02, 5814.03, 5814.04, 5814.05, 5814.06, 5814.07, 5814.08, and 5815.23; to amend, for the purpose of adopting new section numbers as indicated in parentheses, sections 2105.39 (2105.38) and 5814.09 (5814.10); to enact new sections 2105.39 and 5814.09 and sections 2105.40, 2127.012, and 5802.04; and to repeal section 2105.38

HB 433

ROAD NAMING (Grossman, C.) To designate a portion of State Route 62 in Franklin County as the "Lance Cpl. Eric J. Bernholtz Memorial Highway." Am. 5534.17

HB 434

AWARENESS MONTH (Baker, N.) To designate March as "Fibromuscular Dysplasia Awareness Month." Am. 5.232

HB 435

STATE FINANCING (McClain, J.) To authorize the Treasurer of State to issue revenue obligations of the state for the purpose of making loans to qualifying public entities for their acquisition of permanent improvements through the Treasurer of State's purchase of public obligations of those qualifying entities. Am. 158.01, 158.02, 158.03, 158.04, 158.05, 158.06, 158.07, 158.08, 158.09, 158.10, and 158.11

HB 436

DUI SENTENCES (Cupp, R., Rogers, J.) To authorize a judge that grants limited driving privileges to a second-time OVI offender to order the termination of the mandatory immobilization order. Am. 4510.13

HB 437

POLICE INVESTIGATIONS (Boyd, J., Kuhns, C.) To require every law enforcement agency to adopt a written policy that requires an investigation into a death resulting from the actions of a law enforcement officer employed by the law enforcement agency and to require the investigation to be conducted by at least two law enforcement officers who are not employed by a law enforcement agency that employs any law enforcement officer involved in the officer-involved death. En. 2901.51.

HB 438

WEEK DESIGNATION (Patterson, J.) To designate the week prior to the week of Thanksgiving Day as "Ohio Public Education Appreciation Week." En. 5.235.

### **Senate Bills Recently Introduced:**

SB 250

COMMUNITY SCHOOLS (Schiavoni, J.) To prohibit community schools from using state moneys to pay for advertising, recruiting, or promotional materials. En. 3314.088

SB 251

DRONES (Skindell, M., Seitz, B.) To regulate the use of drones for gathering evidence and information by law enforcement officers in Ohio. Am. 2933.67, 2933.68, 2933.69, and 2933.70

SB 252

CARDIAC ARREST (Hite, C., Patton, T.) With regard to sudden cardiac arrest in youth athletic activities.

SB 253

ROAD NAMING (Obhof, L.) To designate a portion of I-71 in Richland County as the "Lt. Col. Albert L. Allen, Jr. Memorial Highway." En. 5534.29

SB 254

FETAL REMAINS (Uecker, J.) Regarding final disposition of fetal remains from abortions. Am. 3701.341 and to enact sections 3728.01, 3728.02, 3728.03, 3728.04, 3728.05, 3728.08, 3728.09, 3728.10, 3728.11, 3728.12, 3728.14, and 3728.99

SB 255

BEER REFRIGERATORS (Burke, D.) To allow any manufacturer of beer to provide not more than two branded refrigerated coolers to a liquor permit holder that sells beer for off-premises consumption if certain criteria apply. Am. 4301.242

SB 256

PROFILING TRAINING (Williams, S., Tavares, C.) To require the Ohio Peace Officer Training Commission to develop a course to train peace officers in performing their duties without biased policing or status-based profiling and require that peace officer basic training programs include the new training program; to prohibit law enforcement officers and officials from engaging in biased policing or status-based profiling with respect to motorists, bicyclists, and pedestrians; to generally require law enforcement agencies to maintain a policy designed to eliminate biased policing and status-based profiling and to cease existing practices that permit, perpetuate, or encourage biased policing or status-based profiling; to require each law enforcement agency to develop and provide annually to its officers and to officers who engage in biased policing or status-based profiling an educational training program on how to perform law enforcement duties without engaging in biased policing or status-based profiling; to require a law enforcement agency to collect and report to the Attorney General specified information when an officer causes the stop, delay, or questioning of a motor vehicle or bicycle operator or pedestrian, or institutes a search, inventory, or inspection of a motor vehicle, bicycle, or pedestrian; to require the Attorney General to determine and report disparities in stopping and searching that cause a disproportionately adverse effect on particular minority groups; to require any law enforcement agency that the Attorney General determines engages in biased policing or status-based profiling to take immediate remedial action; to provide a civil cause of action for an individual who is a victim of biased policing or status-based profiling; and to permit the Attorney General to seek injunctive relief against a law enforcement agency served by an officer who commits biased policing or status-based profiling. Am. 109.73, 109.77, 109.79, 109.80, and 5503.05 and to enact sections 109.748 and 2933.84

SB 257

REAL PROPERTY (Seitz, B., Skindell, M.) To create a presumption of validity of recorded real property instruments, reduce the time period for curing certain defects related to those instruments, and provide constructive notice for those instruments. Am. 5301.07

SB 258

POLICE INVESTIGATIONS (Williams, S., Tavares, C.) To establish the duties and authority of the Attorney General to investigate and prosecute cases relating to the death of a person caused by a peace officer. En. 109.021.

SB 259

ROAD NAMING (Hite, C.) To designate a portion of U.S. Route 30 in Hancock County as the "Congressman Michael G. Oxley Memorial Highway." Am. 5534.55

SB 260

CAPITAL RE-APPROPRIATIONS (Coley, B.) To make capital re-appropriations for the biennium ending June 30, 2018.

SB 261

ROAD NAMING (Bacon, K.) To designate a portion of Interstate 270 within Franklin County as the "Lance Corporal Ryan E. Miller Memorial Highway." Am. 5534.15

SB 262

CHILD SUPPORT (Jones, S.) To make changes to the laws governing child support. Am. 3119.01, 3119.02, 3119.021, 3119.04, 3119.05, 3119.06, 3119.22, 3119.23, 3119.24, 3119.29, 3119.30, 3119.302, 3119.31, 3119.32, 3119.61, 3119.63, 3119.76, 3119.79, 3119.89, 3121.36, and 3123.14 and to enact new sections 3119.022 and 3119.023 and sections 3119.051 and 3119.231, and to repeal sections 3119.022, 3119.023, and 3119.024

SB 263

NEGOTIATED PLEAS (Hughes, J.) To authorize a court, upon request of the prosecution, to cancel a negotiated plea in a felony or first degree misdemeanor case if the offender does not provide information, cooperate with law enforcement, or perform another function or activity when required as a condition of the underlying agreement. Am. 2929.45

SB 264

TAX HOLIDAY (Bacon, K.) To provide for a permanent three-day sales tax "holiday" each August during which sales of back-to-school clothing and school supplies are exempt from sales and use taxes. Am. 5739.02 and 5739.05

SB 265

CASINO OPERATORS (Seitz, B.) To specify that the criminal penalty related to casino operators and employees participating in casino gaming applies at their casino facility or an affiliated casino facility. Am. 3772.99

SB 266

ELECTED OFFICE VACANCIES (Oelslager, S.) To clarify the circumstances under which a political party may appoint a person to fill a vacancy in certain county elective offices. Am. 305.02

### **COMMITTEE SCHEDULE FOR THE WEEK OF FEBRUARY 1, 2016**

**Tuesday, February 2, 2016**

HOUSE FINANCE

Rep. Smith: 614-466-1366

Tue., Feb. 2, 2016, 11:00 AM, Hearing Room 313

SB260 CAPITAL REAPPROPRIATIONS (COLEY W) To make capital reappropriations for the biennium ending June 30, 2018.

First Hearing, Sponsor/Proponent Testimony, PENDING REFERRAL

**PLEASE CHECK OUR WEBSITE MONDAY FOR CHANGES TO THE COMMITTEE SCHEDULE**

January 22, 2016

## HOUSE AND SENATE COMMITTEES HOLD HEARINGS ON MUNICIPAL BILLS

This week the Ohio General Assembly held a relatively light committee and voting session schedule. Included in the list of bills addressed this week were two specifically municipal related proposals. HB 390 a bill to exempt municipal gas departments from collecting and remitting sales tax on the natural gas services, received a second, in the Ohio House Ways and Means Committee while HB 233, legislation that would authorizing municipal corporations to create downtown redevelopment districts and innovation districts for the purposes of promoting economic development through the rehabilitation of historic buildings, also received a second hearing in the Senate Ways and Means Committee.

As we have previously reported through our legislative bulletins, HB 390 introduced by Reps. Tim Schaffer and Wes Retherford, is in response to action taken by the Ohio Department of Taxation last September, when six municipalities received a letter indicating that staff at the department had discovered that the Ohio Revised Code does not specifically exempt sales tax being applied to natural gas sold by municipal gas companies and that these municipal residential and business gas consumers are now subject to Ohio's sales tax. In addition to this new, historic application of the sales tax to current gas customers, these municipalities must retroactively go back three years and charge those customers for the back state tax owed.

The league would like to thank the municipal officials from the cities of Hamilton and Lancaster, who testified before the House Ways and Means Committee in support of this corrective legislation, urging the committee members to support the bill and to protect their gas consumer's financial well being from this unwarranted tax maneuver by the state. The witnesses shared with the members present that if HB 390 is not enacted, economic progress for the affected communities will be impeded through higher operational costs to businesses and increased costs of living for their residents. Explaining that since these municipal gas companies operate on a not for profit basis, all costs are passed along directly to the consumers, of which rate payers in Hamilton would be facing a permanent 6.5% rate increase costing the average residential rate payer an additional \$106 annually to their bill.

Officials from Lancaster have determined their rates for gas would increase by 6.75% at a time when unfunded mandates imposed by the Ohio EPA have already significantly increased water rates being applied to commercial and residential users, further challenging their ability to recover economically from the previous recession. The witnesses all shared the same message to the House committee members that municipal utility providers are an essential tool for driving Ohio's continued economic development successes and that interference by new state policies or interpretations that impeded the ability of Ohio's cities and villages to deliver quality services at affordable rates is counter-productive to the state's continued economic recovery. Also testifying in support of the bill was the President of the Ohio Gas Association.

We are happy to report that HB 233, Rep. Kirk Schuring's bill designed to assist in redeveloping areas within Ohio's downtowns through preservation projects that qualify under the Ohio Historic Preservation Tax Credit program, was passed unanimously by the Ohio House last year and continues on the legislative path in the Senate Ways and Means Committee. The hearing held Wednesday was for proponents of the

bill and we appreciate the municipal officials who were able to attend and provide testimony in support of the legislation. Through their prepared testimony, the witnesses shared their enthusiasm for the proposal as the bill would offer new strategies to allow municipalities to continue to drive economic growth and innovation while recognizing the challenges cities and villages face in securing the necessary capital investment to reframe and redevelop business centric downtown corridors and to meet the opportunities in the developing innovation economy.

Like many communities, Shaker Heights most enduring assets are their historic building stock. Components included in HB 233 will give the financial leverage and tools municipalities need to harness the emerging synergy between a communities historical assets and the ability to affordably repurpose desirable dormant space for emerging opportunities for statewide economic development.

### **OHIO EPA TO HOST GRANT WRITING WORKSHOP**

The Ohio Environmental Protection Agency (Ohio EPA) has announced that businesses, municipalities, nonprofits and schools are invited to take part in a free workshop designed to help applicants identify funding sources and follow up with solid grant proposals. The workshop will take place from 9 a.m. to 3:30 p.m. on Thursday, Feb. 25, 2016, at the Campus Martius/Ohio River Museum, 601 Second St., Marietta.

Two back-to-back sessions will be offered.

Grant Writing 101 will cover finding the right funder and help attendees identify foundations, corporations and government grant programs.

Grant Writing 102 covers writing a "winning" proposal by avoiding common mistakes, developing realistic objectives and correctly identifying activities and budgets, the agency said. "As part of this workshop, participants will review successful and unsuccessful applications that went through the competitive review process.

We also will discuss the Ohio Environmental Education Fund (OEEF) and other opportunities it offers," Ohio EPA said.

To attend the workshop, register by email no later than close of business on Friday, Feb. 19, 2016, by sending a message to [Dennis.Clement@epa.ohio.gov](mailto:Dennis.Clement@epa.ohio.gov).

OEEF provides approximately \$1 million annually in grants for environmental education projects targeting pre-school through university students and teachers, the adult general public and the regulated community.

### **COMMITTEE SCHEDULE FOR WEEK OF JANUARY 25, 2016**

Below is the committee schedule that has been announced for next week. If there are changes made to the list, we will post those to our website Monday.

Have a safe and enjoyable weekend~

Tuesday, January 26, 2016

HOUSE LOCAL GOVERNMENT

Rep. Anielski: 614-644-6041

Tue., Jan. 26, 2016, 9:00 AM, Hearing Room 018

9-1-1 SYSTEM LEVY (BRENNER A) To authorize a county, township, or municipal corporation to  
HB277 impose a 9-1-1 system levy in only the portion of the subdivision that would be served by the 9-1-1 system.

Third Hearing, Opponent/Interested Party Testimony

MUNICIPAL COURTS-SMALL CLAIMS (TERHAR L, DEVER J) To raise the maximum allowable  
HB387 limit of the monetary jurisdiction of small claims divisions of municipal courts.

Second Hearing, Proponent Testimony

MUNICIPAL TRAFFIC ORDINANCES-JURISDICTION (CRAIG H, GROSSMAN C) To specify the  
HB335 jurisdiction of municipal and county courts over municipal traffic ordinances and to establish requirements governing fines, fees, or other charges for traffic violations and infractions imposed by a municipal corporation that does not have the authority to establish a mayor's court.

Third Hearing, Opponent/Interested Party Testimony

TOWNSHIP LAWS (BRINKMAN T) To add to the purposes for which a board of township trustees may  
HB413 go into executive session, to permit a township to charge for recycling services, to reduce the population threshold for a township to adopt a limited home rule form of government, to make other changes to the township laws.

First Hearing, Sponsor Testimony

HOUSE JUDICIARY

Rep. Butler, Jr.: 614-644-6008

Tue., Jan. 26, 2016, 3:30 PM, Hearing Room 116

PENSIONS-FEDERAL OFFENSES (DOVILLA M, ANIELSKI M) To add extortion and perjury and  
HB284 certain federal offenses to the offenses that may result in forfeiture or termination of public retirement system benefits.

Third Hearing, All Testimony, POSSIBLE VOTE

HOUSE ARMED SERVICES, VETERANS AFFAIRS AND PUBLIC SAFETY Rep. Johnson: 614-466-2124

Tue., Jan. 26, 2016, 4:00 PM, Hearing Room 017

OVI OFFENDERS-IGNITION INTERLOCK (SCHERER G) To authorize a court to grant unlimited  
HB388 driving privileges with an ignition interlock device to first-time OVI offenders, to expand the penalties related to ignition interlock device violations, to modify the law governing the installation and monitoring of ignition interlock devices, to extend the look back period for OVI and OVI-related offenses from six to ten years, and to modify the penalties for OVI offenses.

Second Hearing, Proponent Testimony

SB123 EMERGENCY PERSONNEL-REPORT TRAFFIC VIOLATION (HUGHES J) To allow emergency personnel in public safety vehicles to report traffic law violations under certain circumstances.  
Second Hearing, Proponent Testimony

PLEASE CHECK OUR WEBSITE MONDAY MORNING FOR AN UPDATED COMMITTEE SCHEDULE

[Join Our Mailing List Here](#)



Ohio Municipal League

*Our Cities and Villages ★ Bringing Ohio to Life*

## SPECIAL BULLETIN

### **LEAGUE REQUESTS MEMBER'S ASSISTANCE WITH SURVEY VIEWS**

In Central Ohio, a number of municipalities are seeing higher levels of citizen engagement in response to changes to services, community development and other issues related to local government. Additionally, as modes of engagement have evolved with advances in technology (i.e. social media, online engagement platforms), municipalities are also encountering challenges with robust online presences.

In response to this new trend, the OML and the Ohio City/County Management Association are working to conduct a broader investigation of whether local government officials across the state have witnessed this increased level of engagement (online and otherwise) and to develop strategies that could be used to improve citizen engagement, the response to those engagements by local government officials and to strengthen the sense of community. We are hoping to obtain opinions of chief elected officials and/or chief administrative officers.

We are asking for our member's assistance through participation in the survey below, to assist us in getting a better perspective on attitudes across the state and to consider new approaches that may be employed to address the shifting issues related to serving municipal constituents. We recognize that you may wish to remain anonymous, but if appropriate, please leave your email address so that we can follow-up if needed. If you would like a copy of the report, please indicate so at the end of the survey.

**We appreciate your assistance with this endeavor and request that you please complete the survey by Friday, February 26, 2016.**

Complete Survey [Here](#)

175 S. Third Street, Suite 510  
Columbus, Ohio 43215  
(614) 221-4349



## Legislative Bulletin

**January 15, 2016**

### **OHIO GENERAL ASSEMBLY ANNOUNCES SESSION CALENDARS THROUGH JUNE**

The Ohio General Assembly has released their session calendars for the first half of 2016, through June. Following the first half of the year, legislators will be on an abbreviated schedule at the Statehouse as they mostly recess to be back in their districts to campaign, in anticipation of the November General Election. The calendars reflect that the Ohio Senate has reserved 20 dates for voting sessions with five others listed on an "if needed" basis while the Ohio House is scheduled to meet in voting sessions 15 days with 9 "if needed". The combined six days the Ohio House and Senate have targeted for session dates in the month of March are all listed "if needed" while the following months of April and May has the legislature in session two to three days, every week. Of course with all things related to the Ohio General Assembly, the session calendars may change with dates being dropped or added as circumstances warrant.

### **OHIO DEVELOPMENT SERVICES AGENCY ANNOUNCES COMMUNITY IMPROVEMENT PROJECT GRANT RECIPIENTS**

Last week, the Ohio Developmental Services Agency (DSA) announced thirty-four communities across Ohio will receive grants through the Community Development Critical Infrastructure, Downtown Revitalization and Neighborhood Revitalization Competitive Set-Aside programs, to revitalize neighborhoods and downtown business districts. The grants are designed to improve streets, sidewalks, bridges, public facilities and infrastructure as well as rehabilitate buildings in a community's Central Business District. The Ohio Development Services Agency awarded grants totaling more than \$9 million.

Below is a list of the municipalities and counties who will receive the grant funding:

Ashtabula County received a \$240,000 Critical Infrastructure grant to assist the village of Rock Creek with sewer facility improvements. The project will replace 159 grinder pump, float, breaker, and post assemblies in the village. The county will purchase a 60KW portable generator to operate the wastewater treatment plant during power outages. The project will benefit 560 people.

City of Ashland (Ashland County) received a \$300,000 Downtown Revitalization grant to address code violations and make façade improvements at 25 properties in the Central Business District.

City of Findlay (Hancock County) received a \$300,000 Critical Infrastructure grant to improve the drainage in an alleyway in the business district. The project will install 650 feet of storm sewer and nine catch basins and repair 450 square feet of sidewalk and 60 feet of curb.

City of Marion (Marion County) received a \$300,000 Neighborhood Revitalization grant to improve the LODO neighborhood. The project will demolish one building, rebuild a retaining wall to stabilize a parking lot, and install 5,600 linear feet of sidewalk along West Church, Blaine and Garden Streets. The project will also renovate the brick surface of Holmes Street and replace 978 linear feet of curb, as well as replace the roof on the neighborhood recreation center. The project will benefit 500 neighborhood residents.

City of Niles (Trumbull County) received a \$224,000 Critical Infrastructure grant to improve storm sewers along Gypsy Lane. The project will install 2,410 linear feet of storm sewer and 35 catch basins. The project will benefit 64 people.

City of Piqua (Miami County) received a \$300,000 Critical Infrastructure grant to replace 1,256 residential and 65 commercial water meters on the southwest side of the city with new automated water meter readers. The project will benefit 3,065 people.

City of Wooster (Wayne County) received a \$300,000 Critical Infrastructure grant to replace four traffic signals and improve sidewalks and ADA ramps at four intersections along North Street. The project will benefit 24,495 people.

Coshocton County received a \$300,000 Critical Infrastructure grant to assist the city of Coshocton with storm sewer improvements. The project will install 960 linear feet of storm sewer line and replace 17 catch basins throughout the city. The project will benefit 11,275 people.

Darke County received a \$300,000 Neighborhood Revitalization grant to help the village of Gettysburg with infrastructure improvements. The project will improve 3,400 linear feet of road, 3,200 linear feet of sidewalk, eight curb cuts, and 3,200 linear feet of curb. The project will also install eight water valves, three fire hydrants, 1,800 linear feet of water line, 10 catch basins, 750 linear feet of storm sewer and relocate two utility poles. The project will benefit 547 people.

Erie County received a \$300,000 Neighborhood Revitalization grant to help the village of Vermilion-on-the-Lake complete infrastructure improvements. The project will demolish one structure, and install a fire hydrant, 580 linear feet of storm sewer, and four catch basins. It also will repave 5,829 linear feet of streets and purchase two pieces of park equipment. The project will benefit 940 people in the northern section of the village.

Fairfield County received a \$300,000 Neighborhood Revitalization grant to help the village of Baltimore with infrastructure improvements. The project will install 1,370 linear feet of storm sewer line along Johnson Street, including four manholes and 14 catch basins. Improvements also include 1,800 linear feet of sidewalks along the south side of East Market Street, a handicap ramp, 12 curb cuts, 1,350 linear feet of street improvements on Mill Street, 500 linear feet of sewer line and three manholes. The project will benefit 2,985 people.

Fayette County received a \$300,000 Downtown Revitalization grant to help the city of Washington Court House repair 25 building façades, and install 14 items of street furniture.

Hardin County received a \$300,000 Neighborhood Revitalization grant to help the city of Kenton improve 6,748 linear feet of road and install 159 street signs in the city's 4th Ward. The project will also install 1,100 linear feet of fencing, purchase equipment for a park and demolish three structures. The project will benefit 2,215 people.

Henry County received a \$300,000 Critical Infrastructure grant to assist the city of Napoleon with improvements along Dodd Street. The project will improve 1,345 linear feet of road, 2,770 linear feet of curb, 2,630 linear feet of sidewalk, three manholes, two catch basins, 1,566 linear feet of storm sewer, three fire hydrants, and 694 linear feet of sanitary sewer line. The project will benefit 148 people.

Highland County received a \$300,000 Critical Infrastructure grant to help the city of Hillsboro reconstruct South East Street. The project will install 11 catch basins, and repair 4,400 linear feet of sewer line and road. The project will benefit 250 people.

Lawrence County received a \$300,000 Critical Infrastructure grant to assist the city of Ironton reconstruct a flood wall and repair 400 linear feet of storm drainage pipe. The project will benefit 2,955 people.

Licking County received an \$186,800 Critical Infrastructure grant to help the city of Heath pave 1,515 linear feet of Green Valley Drive and install 3,030 linear feet of curb and gutter and 325 linear feet of sidewalk. The project will benefit 167 people.

Logan County received a \$300,000 Critical Infrastructure grant to assist the village of Lakeview improve drainage in Clayton alley and at the railroad storm sewer. The project will install 1,860 linear feet of storm sewer, 60 linear feet of board casting, one outlet headwall, seven manholes, 497 cubic yards of backfill, 40 cubic yards of pavement, 20 linear feet of curb, and 120 square feet of sidewalk. The project will benefit 1,000 people.

Lorain County received a \$300,000 Downtown Revitalization grant to help the city of Amherst make 48 façade improvements, improve internet access, and replace approximately 1,200 linear feet of fencing and 10,400 linear feet of walkway in the Central Business District. The project will also install a wireless audio system for public events, expand two parking lots, and renovate 30 park benches.

Madison County received a \$300,000 Neighborhood Revitalization grant to help the village of Mt. Sterling repave 700 linear feet of Clevenger Avenue and replace street signs throughout the village. The grant will also support improvements to Masson Park, demolish four blighted properties, build a new driveway to the Community Center and build a Veterans' Memorial at the village square.

Mercer County received a \$300,000 Critical Infrastructure grant to assist the village of Rockford with improvements along Oak Street. Improvements include 2,400 linear feet of roadway, 4,800 linear feet of sidewalk, and 5,000 linear feet of curb. The project also includes installing 16 curb cuts, five manholes, 20 catch basins, and 500 linear feet of storm sewer. The project will benefit 114 people.

Miami County received a \$250,000 Critical Infrastructure grant to assist the village of Potsdam with a flood and drainage project. The project will install 75 linear feet of 12-inch conduit, 2,000 feet of 18-inch conduit, 1,580 feet of 24-inch conduit, four catch basins, and one storm manhole. The project will benefit 220 people.

Morrow County received a \$66,000 Critical Infrastructure grant to install 2,300 linear feet of sidewalk along Gilead Street on the north side of the village of Cardington. The project will provide people with a safe walkway to the central part of the village. The project will benefit 226 people in the area.

Portage County received a \$300,000 Critical Infrastructure grant to help the city of Ravenna with water facility improvements, including storm sewers, street and sidewalk improvements. The project will install 1,419 linear feet of water line, four fire hydrants, 22 tap-ins, 433 linear feet of storm sewer line, seven catch basins, one manhole, 141 linear feet of sidewalk, 2,650 linear feet of concrete and gravel aprons, 1,383 linear feet of roadway, 13 streetlights, and 1,300 linear feet of curbs. The project will benefit 235 people.

Preble County received a \$300,000 Neighborhood Revitalization grant to provide infrastructure improvements in the village of West Elkton. The project will improve 3,600 linear feet of road, 1,725 linear feet of curb, one bridge, seven curb cuts, 1,450 linear feet of sidewalk, 1,165 linear feet of storm sewer, 1,000 linear feet of drainage ditch, and 15 catch basins. The project will also install one fire hydrant, five manholes, and make improvements to the park. The project will benefit 167 people.

Ross County received an \$86,200 Critical Infrastructure grant to replace the bridge over Walnut Creek on Spud Run Road in Harrison Township. The project will benefit 260 people.

Trumbull County received a \$300,000 Downtown Revitalization grant to revitalize the Central Business District in the city of Girard. The county will assist 57 private rehabilitation projects that include façade improvements and code violation corrections. The project also includes street resurfacing and sanitary sewer improvements.

Union County received a \$300,000 Critical Infrastructure grant to help the village of Richwood improve East Ottawa Street. The project will replace 1,800 linear feet of road, 3,600 linear feet of curb, 100 linear feet of storm sewer, 1,600 linear feet of waterline and 14,400 linear feet of sidewalk. The project will benefit 78 people. The county received another \$300,000 Critical Infrastructure grant to replace the bridge on County Road 55. The bridge spans the Big Darby Creek near Unionville Center. The project will benefit 257 people.

Van Wert County received a \$300,000 Critical Infrastructure grant to assist the village of Ohio City with infrastructure improvements. The project will improve 6,720 linear feet of storm sewer, 15 manholes, 25 catch basins and build a detention pond. The project will benefit 715 people.

Williams County received a \$300,000 Critical Infrastructure grant to assist the village of Montpelier with improvements on Main Street. The project will repair 1,500 linear feet of road, 160 linear feet of sidewalk, and install 26 curb cuts. The project will benefit 4,140 people.

### **WATER SUPPLY REVOLVING LOAN ACCOUNT (WSRLA) PROGRAM YEAR 2017 NOMINATION PERIOD**

Ohio EPA is pleased to inform interested Ohio public water systems that nomination forms and instructions for the Water Supply Revolving Loan Account's (WSRLA) upcoming program year 2017 (July 1, 2016 - June 30, 2017) are now available on our website at: <http://epa.ohio.gov/defa/ofa.aspx> and <http://epa.ohio.gov/ddagw/financialassistance.aspx#113402734-drinking-water-assistance-fund>. The WSRLA offers below-market rate loans to eligible public water systems to fund infrastructure improvements to eliminate public health threats and ensure compliance with federal and state drinking water laws and regulations.

To be considered for funding, all project nomination forms and required attachments must be submitted via email to [DWAF.mail@epa.ohio.gov](mailto:DWAF.mail@epa.ohio.gov) by March 1, 2016.

If you have any questions or need any assistance, please contact Monica Hogan or Kevin Spurbeck at (614) 644-2798 or at [DWAF.mail@epa.ohio.gov](mailto:DWAF.mail@epa.ohio.gov)

### **COMMITTEE SCHEDULE FOR WEEK OF JANUARY 18, 2016**

Below is the committee schedule that has been announced for next week. If there are changes made to the list, we will post those to our website Monday.

Tuesday, January 19, 2016

HOUSE INSURANCE

Rep. Hackett: 614-466-1470

Tue., Jan. 19, 2016, 11:00 AM, Hearing Room 121

HB394 TAXABLE WAGE-UNEMPLOYMENT (SEARS B) To temporarily change the taxable wage base under Ohio's Unemployment Compensation Law, to remove dependency classes for unemployment compensation benefit eligibility, to temporarily freeze automatic increases for weekly unemployment compensation benefit amounts.

Fifth Hearing, All Testimony, SUBSTITUTE BILL

Wednesday, January 20, 2016

HOUSE WAYS AND MEANS

Rep. McClain: 614-644-6265

Wed., Jan. 20, 2016, 1:00 PM, Hearing Room 017

HB390 NATURAL GAS-TAX EXEMPTION (SCHAFFER T, RETHERFORD W) To exempt the sale of natural gas by a municipal gas company from the sales and use tax.

Second Hearing, Proponent Testimony