



Legislative Bulletin

September 8, 2017

As the weather turns chilly, the Ohio State Legislature prepares to come back from summer recess. The OML attended the hearings on several pertinent bills in the few committee hearings that were held this week. Our meetings with legislators are resuming as more members are coming back to Columbus, and we will keep our members apprised as legislation affecting municipalities is introduced and makes its way through the legislative process.

SENATE COMMITTEES HOLD HEARINGS ON BILLS AFFECTING MUNICIPALITIES

Both chambers of the legislature will officially return from summer recess next week. In anticipation of session resuming, a few committees held hearings this past week.

Senate Ways and Means Committee held its first hearing on HB 69. Rep. Cupp (R - Lima) offered sponsor testimony on his bill, which would mandate that a municipality reimburse a township if they share a TIF in which the municipality does not have fire or EMS service, resulting in the township providing fire and EMS services to the TIF. When asked how many TIFs would be impacted by this bill, Rep. Cupp replied that while he did not have an exact count, the number of TIFs where the township provides sole fire and EMS services is not substantial. He further clarified this legislation would only apply to TIFs created after the passage of the bill. Rep. Hackett (R- London) expressed concern that this mandate would prevent the formation of future TIFs. Rep. Cupp said that while not much could be done if people didn't want to work together, the bill allows the township and municipality to negotiate the terms of this particular mandated reimbursement.

Senate Finance Committee held hearings on three pieces of legislation that would impact municipalities. The first was a first hearing on HB 54, sponsored by Rep. Blessing (R- Colerain) and Rep. Gaverone (R - Bowling Green). HB 54 would create a bond bank under the administration of the State Treasurer's office to make loans to qualifying local government for permanent improvements. It is modeled after a similar program for local governments to buy bonds for water and sewer projects. Local governments could participate at their discretion.

Sen. Skindell (D - Lakewood) raised several questions about the bill. He noted most other states' bond banks were separate authorities and asked if the bond rating authority would be separate from the state, and whether the state would provide its own dollars to the bond bank in order to provide the state's "full faith and credit" behind it. He also wanted to know if the state was the fallback if a local authority defaulted. The authors of the bill were willing to consider adding those provisions to the bill. Sen Skindell then wanted to know if the state was the fallback if a local authority defaulted: the authors were again unsure. Sen. Sykes (D - Akron) wanted to know how the bill differs from other means of borrowing money available to municipalities. The bill's authors said they would look into it.

A first hearing for SB 112, sponsored by Senate Minority Leader Sen. Schiavoni (D - Boardman). The bill would establish a green infrastructure fund and would appropriate \$10 million from the Ohio Public Utilities Commission and the Ohio Environmental Protection Agency for projects such as dam removal. Sen. Lehner (R - Kettering) wanted to know the estimated cost of total dam repair across the state. While he did not have specific numbers, Sen. Schiavoni referred to one dam removal that cost \$2.8 million. He said that while the proposed \$10 million wouldn't cover the costs for the hundreds of dams across the state in need of repair, it

would be a start. Sen Lehner asked if the bill could ensure the \$10 million would not be used to simply patch up dams, resulting in more work and more cost down the road. Sen. Schiavoni said he would look into it. Sen. Tavares (D - Columbus) asked if the \$10 million could be used to leverage other funds. Sen. Schiavoni replied that the money would open the door for local governments to leverage other sources of funding (like federal dollars and support from local businesses) that would normally require the entity to provide matching funds.

Sen. Schiavoni then offered sponsor testimony on SJR 4, which would allow state bonds for water and sewer for local governments. If the resolution is approved, the legislature would have the authority to authorize up to \$100 million each year for 10 years for water and sewer capital improvement projects. These funds would serve as another tool in the toolbox for municipalities, allowing underfunded projects to move forward towards their much-needed completion. Sen. Schiavoni said he'd worked with local governments who had passed similar resolutions, clean water advocates, and organizations around the state on this resolution. As with the Senator's previous bill, the resolution would allow local governments to leverage other sources of funding.

REPORTS RELEASED REGARDING LEGACY CITIES, JOBS

The Greater Ohio Policy Center, in collaboration with the Lincoln Institute for Land Policy, released a report last week detailing the challenges and opportunities for revitalization facing America's smaller legacy cities. The report is an important resource in the continuing conversation with legislators regarding the key role legacy cities' revitalization plays in Ohio's future. Ohio cities featured in the report include Akron, Dayton, Hamilton, Lima and Youngstown. You can read the full report [HERE](#).

Another report of municipal interest was released last week by the U.S. Bureau of Labor Statistics, detailing the national unemployment rate and employment in major industries, including farming, manufacturing and construction. You can read a summary of the report [HERE](#).

EPA REQUESTS STAKEHOLDER FEEDBACK, RELEASES REPORT

The Ohio EPA is in an early stakeholder outreach phase regarding the five-year review of the implementation of water quality standards rule for Total Maximum Daily Loads (TMDLs) in Ohio Administrative Code (OAC) Chapter 3745-2. The rule, OAC 3745-2-12, covers the procedures for developing TMDLs for waters listed as impaired on Ohio's 303(d) list (list of waters that do not meet Ohio's water quality standards as required by Section 303(d) of the Clean Water Act).

Minor updates to style are being considered along with revisions necessary to be consistent with requirements for TMDLs in House Bill 49 of the 132nd General Assembly, signed by Governor Kasich on June 30, 2017. In addition, HB49 specifically requires the EPA to adopt rules that establish both of the following items. At this time, the EPA is requesting feedback on how these two items should be addressed in the draft rule:

- Procedures for providing notice to stakeholders.
- Criteria for determining significant public interest in TMDL development.

Stakeholder outreach is an opportunity to shape the direction of rules before staff begin drafting rule language. By sharing your comments early in the process, the EPA can consider different concepts and ensure their rule development takes into account the effects the rules will have. Additionally, there will be other opportunities to comment on specific rule language later in the rulemaking process.

You can locate the TMDL fact sheet [HERE](#). You can also sign up for future TMDL notifications [HERE](#).

In addition, the EPA has released their Big Darby Creek Watershed Biological and Water Quality Report for stakeholder comment. The public comment period for the report ends on September 29. You can read the EPA's press release and find the actual report [HERE](#).