



Legislative Bulletin

February 17, 2017

This week the General Assembly held hearings on multiple budget areas as it continued to plow through the budget bill. So far, House committees have not taken out the language creating state centralized collection of municipal business filings and revenue, the elimination of the "throwback" rule or the means testing proposal for the LGF, but we have been in talks with members about specific proposals to do just that. We are optimistic at this point that we are making good progress. Throughout this week's bulletin, you'll see examples of our interactions with the members and how we have gotten our members' message across.

We still need members to contact their legislators to discuss these proposals that will affect municipal revenues and Home rule authorities. We have provided a template for letters [HERE](#) and Resolutions [HERE](#) that can serve as a basis for these communications. These documents are also available on our website.

OBM RELEASES "CAPACITY-BASED" DISTRIBUTION FORMULA

On Monday, the Ohio Office of Budget and Management (OBM) announced the release of their simulations for proposed redistribution of a portion of the Local Government Fund (LGF). We included an overview of this proposal in previous bulletins. Generally, the administration is proposing to means-test a portion of the LGF based on a local jurisdiction's capacity to raise tax revenue locally. The simulated tables can be found here:

Explanation of Proposed LGF Reforms: http://www.obm.ohio.gov/Budget/operating/doc/fy-18-19/lgf/Steps_used_to_derive_LGF_capacity-driven_distributions_13-Feb-2017.pdf

Distributions for Cities: http://www.obm.ohio.gov/Budget/operating/doc/fy-18-19/lgf/City_LGF_simulation_table_10-Feb-2017.pdf

Distributions for Villages with Income Taxes: http://www.obm.ohio.gov/Budget/operating/doc/fy-18-19/lgf/Villages_with_income_tax_LGF_simulation_table_13-Feb-2017.pdf

Distributions for Villages with NO Income Taxes: http://www.obm.ohio.gov/Budget/operating/doc/fy-18-19/lgf/Villages_without_income_tax_LGF_simulation_table_13-Feb-2017.pdf.

OML staff has been having extensive conversations with members of the Ohio House and Senate concerning challenges the Governor's LGF proposal would place upon those communities that will have state aid redirected away from their budgets, based on the factors that determine the capacity based measurements. We continue to talk about alternative approaches to support municipalities that have been adversely affected by the cuts to the LGF, the repeal of Ohio's Estate Tax and the accelerated phase-out of the Tangible Personnel Property Tax in 2011, that does not include a scheme that creates financial "winners and losers."

SANDUSKY TO HOST 2017 STATE-OF-THE-STATE ADDRESS

On Monday, Governor Kasich requested that the General Assembly authorize him to hold the annual State of the State Address in Sandusky, Ohio this year. This continues his trend of holding these addresses around the state. He requested to hold the speech at the Erie County community at the State Theatre, at 7pm on April 4th, 2017. The speech will be available at www.ohiochannel.org. As part of the events related to the Governor's bi-annual address, members of the legislature will accompany the Governor and members of his cabinet to Sandusky where committee hearings will be held and other legislative activity will move out of Columbus and to the Roller Coaster Capital of the World.

LEAGUE HOSTS FIRST MUNICIPAL POLICY STUDY GROUP BREAKFAST

On Wednesday morning the League hosted over two dozen legislators, lobbyists, and other capital square parties for the first Municipal Policy Study Group breakfast. The inaugural meeting was held at the Sheraton Hotel across the street from the Ohio Statehouse. Our goal in forming this roundtable opportunity is to give interested parties an opportunity to openly discuss issues that are related to municipal law and policy in Ohio and especially create a forum where legislators with municipal experience can come together to share ideas and other legislative initiatives. We wanted this to be a true participatory study group, and not just an opportunity for the League to reiterate our own talking points.

At the meeting, Dr. Greg Browning reviewed the issues included in the recently completed Strategic Framework report followed by a discussion of the Governor's proposed budget, especially the municipal income tax centralized collection, the throwback tax provisions, and the new LGF formula. The discussion was largely driven by the attendees and we are very happy with the results. We also received multiple requests for follow-up information from multiple members of the General Assembly. Due to the success of this first breakfast, we plan on doing this on a roughly quarterly basis going forward and greatly appreciate the attendance and participation of those that were able to join us. We have posted a picture of the meeting on our Facebook page.

LEAGUE EXECUTIVE DIRECTOR SCARRETT TESTIFIES AT HOUSE STATE AND LOCAL GOVERNMENT COMMITTEE

On February 14, League Executive Director Kent Scarrett testified before the Ohio House State and Local Government Committee, Chaired by Representative Marlene Anielski, a former Mayor of Walton Hills, Ohio. The Director's testimony focused on introducing new members to the League and providing updates and important information for experienced members. The Director discussed the role and mission of the League, many basic facts about municipalities, and our new Legislative Policy Statement and the Strategic Framework report. A copy of his testimony is available [HERE](#).

BUDGET HEARINGS CONTINUE

Budget hearings continued this week, as members from various committees heard testimony from multiple agencies and organizations. Below, we provide an overview of some of the testimony that affected municipalities.

The County Engineers Association offered testimony on the Transportation Budget. Testimony was given by Delaware County Engineer and Association President Chris Bauserman. Bauserman testified that County Engineers are unable to keep up with the costs of maintaining roads and bridges throughout the state. He discussed multiple options for raising revenue, some of which the League has been part of. He suggested the vehicle registration permissive tax/license plate fee could be increased. Additionally, he suggested the state could reduce the percentage of the Ohio Public Works Commission State Capital Improvement Program set aside from 15 to 10%, or one of three possible "efficiency" plans: bridge inspection modifications; assignment of all civil forfeitures from county weight enforcements to road and bridge maintenance; or moving motor fuel tax collection to the 'rack.'

Also, on the Transportation Budget, the Committee heard testimony about the proposal to tax Compressed Natural Gas (CNG) at \$.28 per gallon. Industry experts made multiple arguments, testifying that: the industry is already taxed twice, once at the wholesale level and another at the retail level; CNG is less than 1% of the market so little revenue will be raised; the state and industry have not had time to adequately study the impact of imposing this tax; that Ohio is rich in natural gas and would benefit from developing a robust CNG industry; current contracts (including contracts maintained by some cities and villages) could be undermined by the tax because they are based on current rates; and that other states are taxing CNG at a lower level.

Finally, the Committee heard testimony about public transit. The League has advocated for increased investment in public transit, especially considering the tremendous loss of dollars the industry will experience from the Medicaid sales tax loss. The Committee heard testimony first from Jason Warner Manager of Government Affairs at the Greater Ohio Policy Center. He testified that the state needs to do more to support public transit. He suggested that the state could offer an additional \$17 million annually for transit-related capital investments. The Committee also heard testimony on this same subject from Akshai Singh of the Brookings Institution. Nathan Alley of the Ohio Chapter of the Sierra Club testified that the state should "reallocate no less than 10% of transportation budget away from new roadway construction and toward public transportation and complete streets that are accessible for people regardless of age or ability and regardless of whether they are walking, riding a bike, bus or train, or are driving."

On Corrections, Director Gary Mohr spoke at length about the Department's desire to see a "paradigm shift" in financing of this area, where funds would be reallocated to community settings for low-level, non-violent offenders. He said the funds should largely focus on increasing GED attainment. He believes that educational attainment is the single biggest predictor for successful reentry to lower recidivism. Ohio's prison population has not lowered as much as other states, despite efforts by the administration to modernize and reform Ohio's criminal justice system. In this budget the administration will continue the increase in community corrections funding to 71% over 2011 levels. Also, community treatment pilot projects will be substantially expanded into eight counties: Clinton, Ross, Medina, Lucas, Williams, Defiance, Henry, and Fulton.

In addition, various committees heard testimony from the Liquor Control Commission, the Ohio State Racing Commission, the Ohio Sea Grant Program, the Embalmers and Funeral Directors Board, Sanitarian Registration Board, and the Commission on Hispanic and Latino Affairs.

EPA LEAD AND COPPER MAPPING

Last month, many of our members received letters from the Ohio Environmental Protection Agency (EPA) regarding requirements in HB 512 (effective Sept. 9, 2016) mandating community and nontransient, noncommunity public water systems identify and map areas of their distribution system that are known or are likely to contain lead services lines, piping, solder or fixtures. (A copy of the guidelines can be found [HERE](#)) The deadline for the mapping submissions is March 9, 2017.

Several of our members contacted OML citing that the unreasonableness of such a close deadline, as well as the cost-prohibitive nature of such a mandate. OML reached out to EPA and received a detailed concern-and-response outline, answering multiple specific questions from specific municipalities in one document. OML encourages our members to read through the document, provided [HERE](#). If you have further questions or concerns, we encourage you to reach out to either us or the EPA directly for answers.

CALL FOR 2017 TWO DAYS IN MAY AWARD NOMINATIONS

The Ohio Attorney General's TWO DAYS IN MAY Awards recognize the outstanding services of individuals and/or organizations empowering victims of crime in Ohio. Individuals and/or programs of any public or private nonprofit organization, whose mission is to assist, protect, or empower victims of crime, are eligible for consideration. Awards will be presented at the Attorney General's Awards Luncheon at the 2017 Two Days in May Conference on Victim Assistance on May 16, 2017.

A new award debuts at this year's conference: the Special Courage Award. This award will be presented to an individual who has demonstrated strength, resiliency and perseverance in serving crime victims. Nominations are also being accepted for the Promising Practice Award and the Robert Denton Special Achievement Award.

Nominations and Deadlines

Please complete the nomination form in its entirety. All entries must be received by the Attorney General's Office by March 10, 2017. Each nomination must be signed and dated by the nominator. You may submit more than one nomination, but each nomination must be submitted using a separate nomination form. The nomination form may be duplicated.

This year's conference will be held May 15 -16 at the Greater Columbus Convention Center. Registration begins March 6 through May 5, 2017. This year's fee is \$85 and payable by credit card or check.

For more information on the 2017 TWO DAYS IN MAY Awards, visit www.OhioAttorneyGeneral.gov/TDIM, or contact:

Venica Miller, Conference Director

Phone 614-644-1234

venica.miller@ohioattorneygeneral.gov

**STATE TRANSPORTATION INNOVATION COUNCIL (STIC) INCENTIVE PROGRAM WEBINAR,
FEBRUARY 28TH, 2017 - 1:00 PM**

Are you a local public agency (LPA) or ODOT Office/District? Interested in applying for up to a \$100,000 grant to try out your innovative idea? We have a webinar for you!

Ohio's State Transportation Innovation Council (STIC) is accepting applications through March 15th for incentive funding (up to \$100,00 with an 80/20 split) to try out new, innovative ideas for local and state transportation projects. Learn what types of innovations can be approved for funding and what won't or doesn't qualify for funding. Also learn how innovations will be reviewed based on the type of agency submitting it - innovations for local agencies can and definitely are different than innovations for ODOT!

The webinar will be delivered by Adam Johnson, PE, Federal Highway Ohio Division Office and co-chair of Ohio's STIC.

How to Register: Please complete the registration information on the form at the link below. You will receive an email confirming your registration upon submission of the form. Also, please include any questions you would like to submit ahead of time for the presenter to answer during the webinar.

https://ODOT.formstack.com/forms/stic_incentive_webinar_enrollment_form

NON-BUDGET MUNICIPAL-RELATED BILLS RECEIVING HEARINGS THIS WEEK

There were hearings on three bills that we identified as being important to municipalities this week. First, is HB 34, introduced by Representatives Hambley (R-Brunswick) and Scott Ryan (R-Newark) which would authorize certain state agencies, local governments, and other boards, commissions, and officers to deliver certain notices by ordinary mail and electronically instead of by certified mail. The pair gave sponsor testimony on the bill. They testified that the bill would create an efficiency for local governments by allowing them to serve official notices electronically.

Second, is SB 33, introduced by Sen. John Eklund (R-Munson Township) which would allow disclosure of information from the law enforcement automated data system (LEADS) to a defendant in a traffic or criminal case. Senator Eklund said the bill "makes it clear that a defendant has a right to see and have a copy of his or her traffic and criminal record [from the law enforcement automated data system (LEADS)] during a traffic or criminal case . . . Criminal Rule 16(B)(2) ... requires the prosecution provide the defendant 'a copy of the defendant's prior criminal record.' However, I have been made aware that a number of prosecutors feel that if they provide of such records to defendants they may be violating statutes related to the LEADS. In order to properly represent a defendant it is necessary for defense counsel to have all the information so that a defense or plea can be appropriately pursued. Otherwise ludicrous situations occur ... such as a person ... being told he is not allowed to see the 'secret' records which purportedly establish (culpability) ... In addition, it is not unheard of for such records to contain errors." The League would appreciate feedback on this bill, as we have had inquiries from municipal prosecutors who are concerned about the effect the bill will have.

Third is SB 37, introduced by Sen. 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 village, city, and township chiefs of police. Senator Hite gave proponent testimony, saying that the bill is necessary because many police chiefs are unprepared for the task.

BILLS INTRODUCED THIS WEEK OF MUNICIPAL CONCERN

HB51

Faber (R-Celina)

DEPARTMENT REVIEW SCHEDULE - To 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, and to require that Auditor of State performance audits be scheduled to coincide with the periodic review.

Referred to State and Local Government Committee

HB53

Becker (R-Union Township)

PUBLIC EMPLOYEES-MEMBER DUES - To remove any requirement under the Public Employees Collective Bargaining Law that public employees join or pay dues to any employee organization, to prohibit public employers from requiring public employees to join or pay dues to any employee organization, to prohibit an employee organization from being required to represent public employees who are not members of the employee organization, and to make an appropriation.

Referred to Finance Committee

HB54

Blessing III, L (R-Colerain Township)

STATE REVENUE OBLIGATIONS - 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.

Introduced

HB56

Dever (R-Maderia) Gavarone (R-Bowling Green)

EXPUNGEMENT-HUMAN TRAFFICKING - To permit a person who is found not guilty or is the defendant in a dismissed case to apply for an expungement of the person's records in the case if the complaint, indictment, or finding of not guilty resulted from the applicant having been a victim of human trafficking, to permit a person convicted of certain prostitution-related offenses to apply for the expungement of any record of conviction of an offense, with certain exceptions, if the person's participation in the offense was a result of having been a victim of human trafficking, and to authorize intervention in lieu of conviction for persons charged with committing an offense while a victim of compelling prostitution.

Introduced

HB62

Patterson, J (D-Jefferson) Sheehy (D-Toledo)

WATER QUALITY IMPROVEMENT - To require the Director of Agriculture to adopt rules establishing the Ohio Water Quality Improvement Program, to exempt land enrolled in the Program from taxation, and to reimburse local taxing units for revenue lost due to that exemption.

Introduced

HB70

Merrin (R-Waterville)

FUEL TAX TRANSPARENCY - To enact the "Fuel Tax Transparency Act" requiring stickers to be placed on retail service station pumps displaying the rates of federal and state taxes applicable to gasoline and diesel fuel.

Introduced

COMMITTEE SCHEDULE

Tuesday, February 21, 2017

SENATE JUDICIARY

Tue., Feb. 21, 2017, 9:30 AM, North Hearing Room

Sen. Bacon: 614-466-8064

SB20 PERMANENTLY DISABLING CRIME SPECIFICATION (HACKETT R) To require an additional prison term of 3 to 8 years for an offender who is convicted of or pleads guilty to a felony offense of violence if the offender is convicted of or pleads guilty to a specification that the victim suffered permanent disabling harm.

Third Hearing, All Testimony, POSSIBLE VOTE

SB40 DEATH PENALTY SENTENCING (EKLUND J, WILLIAMS S) To provide that a person convicted of aggravated murder who shows that the person had a serious mental illness at the time of committing the offense cannot be sentenced to death for the offense and to provide a mechanism for resentencing to a life sentence a person previously sentenced to death who proves that the person had a serious mental illness at the time of committing the offense.

First Hearing, Sponsor Testimony

SB42 DRUG OFFENSE PENALTIES (EKLUND J) To expressly provide that drug offense penalties that refer to a particular type of drug also apply to a compound, mixture, preparation, or substance containing a detectable amount of that drug and to declare an emergency.

First Hearing, Sponsor Testimony

SB32 CRIMINAL TRIAL PROCESS (EKLUND J) To provide a prosecutor an additional fourteen days to commence a trial after a person charged with a felony has been discharged because the person has not been brought to trial within the required amount of time and to authorize the court to release the person from detention in connection with those charges pending trial.

Second Hearing, Proponent Testimony

SB33** LEADS DISCLOSURE (EKLUND J) To allow disclosure of information from the law enforcement automated data system (LEADS) to a defendant in a traffic or criminal case.

Second Hearing, Proponent Testimony

Wednesday, February 22, 2017

HOUSE FINANCE PRIMARY AND SECONDARY EDUCATION SUBCOMMITTEE

Wed., Feb. 22, 2017, 9:00 AM, Hearing Room 116

Rep. Cupp: 614-466-9624

Testimony from the following:

- Legislative Service Commission presentation on school funding
- Casino Control Commission
- Commission on Service and Volunteerism
- Lottery Commission
- Joint Education Oversight Committee

HB49** OPERATING BUDGET (SMITH R) Creates FY 2018-2019 main operating budget.

First Hearing, Invited Testimony

SENATE TRANSPORTATION, COMMERCE AND WORKFORCE

Wed., Feb. 22, 2017, 10:15 AM, South Hearing Room

Sen. LaRose: 614-466-4823

Governor's Appointments:

- Capri Cafaro to the Ohio Turnpike and Infrastructure Commission.
- Joseph Denk Jr. to the Board of Building Standards.
- Earl Dohner to the Ohio Board of Motor Vehicle Repair.
- Eric Richter to the Ohio Rail Development Commission.
- Frederick Treuhaft to the Bureau of Workers' Compensation Board of Directors.

SB6** OHIO BRIDGE PARTNERSHIP PROGRAM (HOAGLAND F) To extend the Ohio Bridge Partnership Program through the end of fiscal year 2019 and to require the Director of Transportation to submit a report to the Governor, Senate, and House of Representatives recommending ways to continue to fund the program.

First Hearing, Sponsor Testimony



Legislative Bulletin

February 10, 2017

BUDGET HEARING UPDATES

This week, the General Assembly continued budget proceedings while the League continued to meet with the Assembly's members. The governor's proposed budget was introduced as House Bill 49, so we have the actual language of the proposals now and are combing through all of the details with more information and specifics to be released soon. Also, hearings were held on the transportation, Medicaid, and education portions of the budget this week.

In our discussions, we continue to focus on subtracting or amending budget provisions related to the centralized collection of the municipal income tax and getting adequate funding from the Local Government Fund. Below are links our members can use to access the budget language being proposed by the administration including the LGF proposal and the municipal tax language.

- House Bill 49: Budget Legislation (LGF formula on page 210; for the "capacity index" language see page 2843-2850) [HERE](#)
- Municipal Tax Centralized Collection [HERE](#)
- Throwback repeal [HERE](#)
- Budget in Brief (LGF discussed on page 2): <http://www.lsc.ohio.gov/fiscal/budgetinbrief132/budgetinbrief-hb49-in.pdf>
- Budget in Detail (LGF Discussed on Page 69): <http://www.lsc.ohio.gov/fiscal/bid132/budgetindetail-hb49-in.pdf>

The league strongly encourages our members to contact their members of the Ohio General Assembly and communicate any concerns there may be for these significant proposals. We are providing our members a template [HERE](#) for their consideration when drafting concerns to be included in a Resolution and a template [HERE](#) for letters members may want to use when communicating with their members of the Ohio House and Senate. These documents are also be available on our website. We would greatly appreciate receiving copies of any correspondence, either Resolutions or letters, from our members to members of the legislature, so that we can help support the outreach occurring by our municipal officials.

Meanwhile, a number of bills were introduced that affect municipalities. We continue to receive a great reception to our strategic framework document and there are many members who are interested in working with the League on the priorities of Ohio's cities and villages. We are very thankful to members who have chosen to discuss our concerns with us. We feel like testimony on budget provisions that affect us has gone well, as many members have expressed the same concerns we have in Committee (discussed in more detail below).

**TAX COMMISSIONER TESTIFIES ABOUT
CENTRALIZED MUNICIPAL TAX COLLECTION**

Yesterday, on Thursday, February 9th, the House Finance Committee heard testimony from Tax Commissioner Joe Testa on the taxation changes in Governor Kasich's budget proposal. The most pertinent matters to municipalities were, of course, the issues of centralized collection through the Ohio Business Gateway and the Department of Taxation for net profit business filings, as well as the elimination of the "throwback" rule.

During his testimony, Testa claimed that centralized collection of net profit business filings would make municipalities more competitive for job growth and investment while saving businesses time and compliance costs in municipal filings. He did not mention the affect centralized collection would have on municipalities, how the State intends to oversee the

accuracy of 4,000 individual businesses while also assessing audits and returns, and how quarterly distributions would disrupt the cash flow and service provisions of the 600 municipalities with an income tax.

Several members of the legislature, however, were interested in those points. Rep. Mike Duffey (R-Worthington) cited the increase in municipal income taxes across the state in recent years, linking it to the attempts at uniformity made in HB 5. Those attempts left municipalities with a revenue loss that local governments were forced to make up with local income tax increases. With this budget proposal, he noted, ODT would charge a 1% administration fee - a fee many self-collecting municipalities (including Worthington) do not charge. Since 70% of filers across the state file in self-collecting municipalities and are not charged this fee, how would this filing fee not result in a net income tax increase by passing on the cost to municipalities?

Commissioner Testa responded by saying that all self-collecting municipalities had to expend some revenue in income tax collection, while admitting ODT had no access to those local records and were forced to use the rates charged by third-party administrators to estimate costs. But the crux of the matter, said Testa, was not the consequences municipalities would suffer. "Our focus is business," he said. "I'm trying to help business." He cited the "nightmare" business claim to face in filing in multiple municipalities and that decreased complexity in tax filings would help municipalities, though he did not expand on how.

Rep. Duffey then pointed out that currently, OBG allows net profit business filings on a permissive basis and asked why it would be necessary to make filing through OBG mandatory. Commissioner Testa admitted OBG was currently not used very much due to the fact that it is not user friendly and is difficult and cumbersome. He spoke to current upgrades being made to OBG and said he felt confident OBG will become viable. He did not speak to why OBG needed to be upgraded and also made mandatory for net profit business filings.

Rep. Alicia Reece (D-Cincinnati) then followed by asking what guarantee municipalities had that once the money came to Columbus, it would be returned to the municipalities. She cited that this was a concern due to the state's track record of cutting local government funding. Testa responded by citing the state's track record of collecting and redistributing the sales tax to the counties and the school district income tax to the school districts - concluding his response by reiterating that this is a "pro-business move".

Rep. Michael O'Brien (D-Warren) reminded the committee that cuts to the LGF, accompanied by the loss of the estate tax, had hurt cities financially - particularly in regards to paying for safety personnel, which makes up roughly 50% of a given municipality's total budget. He cited the example of his hometown, Warren - a self-collecting municipality - which charges less than one percent in administration fees. Rep. O'Brien remarked that he'd never, while living in Warren his whole life - in addition to serving in its city council and as its mayor - heard a business complain about net profit filings.

Testa's response was the Department of Tax had no access to the internal record of municipalities to determine the cost for filing net profits. He then cited the "hundreds" of complaints he'd heard from companies regarding the filing in individual municipalities. What he failed to mention, however, was that a business can currently elect to file their net profit filings through the OBG. If there are complaints about the net filing process, then the solution already exists in statute.

Concerning other tax proposals of the administration, the Commissioner was asked a barrage of questions about whether the administration's tax plan would actually accomplish the stated goals of increasing job growth and favoring economic development. Testa was also questioned about the ODT's interpretations of multiple provisions of sales taxes, given that the ODT is attempting to collect taxes that members feel the law does not allow.

MORE HOUSE BUDGET HEARINGS

The Ohio House Finance Subcommittee on Transportation held hearings this week, taking testimony from Ohio Department of Transportation Director Jerry Wray and Director of Public Safety John Born. Both mostly reiterated their testimony before the full Finance Committee from last week. Director Wray elaborated on the proposed changes to the gas tax, which will raise an additional \$50 million without raising the actual tax itself.

Wray said, "What they are changing is where the tax is collected. Rather than [Ohio Department of Taxation] collecting from hundreds of taxpayers at the retail level, they will be collecting from less than 100 taxpayers at the wholesale level. The belief that we have is that there are holes in the system and there's sort of some leakage of the tax, and by collecting at

the terminal, there will be no leakage. We'll get all the tax that is due the state of Ohio, but there is no increase in taxes. It's just a matter of tightening the system."

Wray was also questioned at length about funding of public transportation. As we reported last week, the budget increases state funds for public transit, but the overall amount going from all funds may decrease.

Wray also commented on the Brent Spence Bridge, saying essentially that Ohio has done all that it can do to rebuild the bridge, that they are "kind of back at the beginning" on the project, and that the administration is working with the government in Kentucky to get the project moving.

On Wednesday, the Finance Committee also heard testimony about the state Medicaid budget from Greg Moody the Director of the Governor's Office of Health Transformation and Barbara Sears the Director of the Ohio Department of Medicaid. On Tuesday they heard testimony from the Superintendent of the Ohio Department of Education Paolo DeMaria and the Chancellor of the Ohio Board of Regents John Carey on the education portions of the budget.

OEPA PROPOSES "ASSET MANAGEMENT" REQUIREMENTS FOR PUBLIC WATER SYSTEMS

Last week, Senator Cliff Hite (R-Findlay) introduced Senate Bill 2 which would revise multiple laws relating to environmental protection. The bill has many provisions that may affect municipalities, however, we want to point out one provision in particular that deals with asset management. The bill requires all public water systems to demonstrate technical, managerial, and financial capability by implementing an asset management program by October 1, 2018.

As for enforcement measures, the bill authorizes the OEPA Director to take certain actions to improve and ensure the capability of a public water system that has failed to make the required demonstration. The bill requires the OEPA to offer several services to aide in the process.

The OEPA Director Craig W. Butler testified that these requirements are a "sound strategy for any business and critical for public water systems" and "a priority to ensure safe and reliable drinking water" because the OEPA "has found that water systems without asset management programs have endured significant problems with extended periods of water use restrictions or no water at all due to issues such as deferred maintenance, lack of management oversight, and no historical records of water lines or maps of service areas."

Chairman Troy Balderson (R-Zanesville) of the Senate Energy and Natural Resources Committee is setting an expedited hearing schedule for this bill, which is a reintroduction of water quality mid-biennium review (MBR) SB333 from the last General Assembly. The bill generally seeks to protect surface and drinking water in Lake Erie and other waterways.

The league will keep our members updated on the progress of the legislation.

ABANDONED GAS STATION CLEANUP GRANTS AVAILABLE

The Abandoned Gas Station Cleanup Grant program provides funding to assess and clean up BUSTR Class C sites (underground storage tanks with documented petroleum releases). Ohio Development Services Agency, in partnership with Ohio EPA and the Department of Commerce, Bureau of Underground Storage Tank Regulations (BUSTR), fund the grants as a resource to help clean up abandoned gas and service stations throughout Ohio.

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. The application period for Round 3 opened on Jan. 30. Application deadline: Feb. 28. Read more at: https://www.development.ohio.gov/cs/cs_agsc.htm

GREATER OHIO POLICY CENTER 2017 SUMMIT

Our friends at the Greater Ohio Policy Center have asked us to invite you to their 2017 Summit. The Summit is titled: "Investing in Ohio's Future: Maximizing Growth in our Cities and Regions" and will take place March 7th and 8th at The

Westin in downtown Columbus. This biennial convening will bring together experts, policymakers, and local leaders to explore best practices in financing and accelerating comprehensive and sustainable growth in communities throughout Ohio. The Summit is open to anyone interested in the development and redevelopment of Ohio's neighborhoods and metropolitan areas. More information and registration details are available on the GOPC website at: <http://www.greaterohio.org/events/2017-summit-investing-in-ohios-future>.

**AN INVITATION FROM OHIO ATTORNEY GENERAL MIKE DEWINE: STATEWIDE MEETING ON
DRUG EPIDEMIC**

Dear Colleague,

Ohio is experiencing the worst drug epidemic of my lifetime. In 2015, we lost eight Ohioans a day to accidental overdoses from heroin, fentanyl, prescription pills, and other illicit and pharmaceutical drugs. This is a 20.5 percent increase from 2014! Without your hard work and efforts to address this crisis, we would be experiencing an even greater loss.

A year ago, I held an emergency meeting to discuss methods being used to combat the drug problem. We shared many ideas. A lot of contacts were made and new partnerships were built. To continue our fight, I urge you to join me for a second statewide meeting of law enforcement, public safety officials, and others about the drug epidemic in our state. At this meeting, we will highlight programs that work and develop new ideas.

Here are a few of the topics that will be discussed:

- * How anti-drug coalitions are finding new and effective ways to collaborate with law enforcement, mental health providers, and hospitals to save lives;
- * How the state and local communities are working to establish a continuum of care that will assist individuals struggling with addiction from detox to recovery, and
- * How the criminal justice system is responding through law enforcement task forces, drug courts, and the prosecution of drug dealers.

Ideas in Motion - Fighting the Drug Epidemic in Ohio

When: Tuesday, February 14, 2017 -- Registration: 8 a.m. -- Meeting: 9 a.m. - 3:30 p.m.

Where: Fellowship Baptist Church 4701 Winchester Pike Columbus, OH 43232

To join us, please register by visiting www.OhioAttorneyGeneral.gov/OpiateCrisis. On this site, you will also find a detailed agenda. Continuing education credits will be offered and lunch will be provided.

Thank you for all you do to protect and serve your community. I look forward to seeing you at this very important statewide meeting.

Very respectfully yours,
Mike DeWine
Ohio Attorney General



Legislative Bulletin

February 3, 2017

GOVERNOR RELEASES OUTLINE OF PROPOSED BUDGET

This week the Kasich administration released the much-anticipated FY 18-19 Ohio Budget. This is the final administration budget for Governor John Kasich. The administration's proposed budget totals \$144.3 billion in total spending. This Fiscal Year (FY) 18-19 budget totals \$71.5 billion in FY18, a 4.4 percent increase from FY17, and \$72.8 billion in FY19, a 1.8 percent increase from FY18. The proposed State General Revenue Fund (GRF), which is the part of the budget the state can spend at its discretion, is \$33.1 billion in FY18, 5.6 percent below FY17 estimates, and \$33.8 billion in FY19, a 2.2 percent increase from FY18. State share GRF (not including federal Medicaid appropriations) is \$22.8 billion in FY18, a 0.8 percent decrease from FY17 estimates, and \$23.3 billion in FY19, an increase of 2.3 percent over FY18. The Governor's office says that the decrease in GRF arises largely from the elimination of the Medicaid managed care sales tax (discussed below).

LEGISLATIVE ALERT: CENTRALIZED COLLECTION OF MUNI TAX IN BUDGET

Over the objections of the League and our membership, the Governor's budget proposal includes a provision that would have businesses file one form for municipal income taxes through the Ohio Business Gateway (OBG), creating a centralized collection system of the municipal income tax for businesses. The administration argues that "the system is too complex and costly as businesses are forced to comply with hundreds of different tax systems." Under the proposal, "the Ohio Department of Taxation will process payments and distribute revenues back to the appropriate local government, just as it does for county sales taxes and school district income taxes."

Needless to say, the League is adamantly opposed to any effort allowing the state government to collect taxes for municipalities. At this point, we have no assurance that the state can guarantee the same level of auditing and enforcement of business filings currently performed by municipalities to ensure accuracy of filings and proper remittance of tax due. Secondly, there is no answer as to how municipalities will be able to verify returns and refund requests are accurate. Third, the league has communicated to members of the legislature for years that the current OBG system has significant programming and software flaws and has been severely underfunded for a number of state budget cycles, making the current central portal for businesses filers to make their net profit returns to Ohio cities and villages frustrating both to the business client as well as the community that is the receiver of often incomplete filing information.

The notion of centralized collection of municipal income tax is nothing new. As League members will remember, this was part of the discussion surrounding House Bill 5 (130th General Assembly). The ideas were widely rejected due to near universal opposition from municipalities and most members of the Ohio General Assembly and was removed quickly from the "uniformity" legislation. We believe this proposal would be highly unlikely to pass as a free-standing bill. Attaching this proposal to the budget allows the proponents to pass this provision without the full vetting a free-standing bill would receive. Nonetheless, the League and many of our members plan to educate members of the General Assembly as to the significant problems with this

proposal and strongly encourage our members to contact their members of the Ohio House and Ohio Senate to share with them any concerns that your community may have with the proposal to have the state collect and redistribute revenues generated by individual municipalities income tax.

In addition to the Governor proposing the centralized collection scheme, the proposed budget also will eliminate the uniformly applied "throwback" rule. This too was once part of the discussions related to HB5 and was part of the bill before members of the legislature learned of the tremendous revenue loss that would result from the elimination of this provision of municipal tax calculations. The throwback rule is a technically complicated provision that relates to the sales of tangible personal property and the destination of the product purchased that are shipped from an Ohio municipality to a location at which the seller does not have employee presence at the receiving end. The elimination of this rule will redefine sales for the purposes of net profit, prohibiting municipalities current ability to apply their local tax to businesses that have income generated through off-site, distribution and warehouse fulfillment centers including intellectual property generated through the work of accountants, attorneys, contractors and other professional organizations. Testimony provided by tax administrators and impact statements made by municipalities around the state, as part of hearings on HB5, reflected the revenue implications to this tax change to would be extremely significant to the municipalities that have this type of commercial activity occurring in the communities.

The league strongly encourages our members to contact their members of the Ohio General Assembly and communicate any concerns there may be to these significant proposals. We are providing our members a template [HERE](#) for their consideration when drafting concerns to be included in a Resolution and a template [HERE](#) for letters members may want to use when communicating with their members of the Ohio House and Senate. These documents will also be available on our website. League staff is compiling talking points for our members to consider when talking about the many aspects of what these changes mean and what the impacts could be to cities and villages across the state. We will distribute that information to our members and our regional municipal organizations next week.

We would greatly appreciate receiving copies of any correspondence, either Resolutions or letters, from our members to members of the legislature, so that we can help support the outreach occurring by our municipal officials.

OTHER BUDGET ITEMS DIRECTLY AFFECTING MUNICIPALITIES:

It is important to remind our members that the actual language for the budget bill being proposed by the Governor has not been made public. League staff has not read the bill language to get a complete perspective of the totality of what is being proposed and the important details yet to be discovered related to how new programs will actually be administered. From conversations league staff has had with administrative officials, we expect to have the language available next week.

LOCAL GOVERNMENT FUND: There are essentially five main points to take away from the proposed Local Government Fund (LGF), which was cut by over 50% in this administration's first budget in 2010.

1) The LGF will remain at 1.66% of GRF and will continue to be split with the Library Fund. However, the administration expects no "bump up" as there was in the last budget cycle. The administration projects modest growth in the GRF over the next biennium. However, revenues are down as of the end of 2016, which will negatively affect distributions in early 2017.

2) This budget proposes to phase in means-testing of part of the LGF. Starting in 2017, the administration will develop a "capacity-based" mechanism for distributing part of LGF money. A local government's capacity to raise revenue locally will be assessed. If the state determines that the political subdivision has a higher capacity, they will receive less LGF money. If they have a low capacity, they will receive more LGF money. In 2017, 95% of the LGF will be disbursed through the traditional method and only 5% (plus any growth) through this new capacity index. That ratio will grow to 90/10 in 2020. The administration hopes to set it at an 80/20 ratio from there, which would lead into the next administration.

- 3) The proposal from the Governor would eliminate the additional LGF "municipal distribution" received by those cities and villages that currently have an income tax in place. This agreement was made in the earlier 1970's when then the state of Ohio instituted the first statewide income tax, in direct competition with Ohio cities and villages which had the municipal income tax in place thirty years prior.
- 4) Certain tax accounting and policy changes are expected to have a modest impact on the LGF. First, is a result of the process in place to use the CAT tax to partially offset losses to local governments due to the phase-out of the tangible personal property tax. The state's obligation in this regard is shrinking and therefore an adjustment is proposed that would lessen that obligation. In turn, that will lessen the amount of money placed in the LGF. According to State Budget Director Tim Keen, the impact on the "LGF and PLF combined" under the Governor's proposed tax and police reforms will result in, "very small losses from the reform package of \$1.6 million in FY 2018 and \$2.1 million in FY 2019."
- 5) Townships and very small villages would continue to receive \$24 million from the municipal distribution of the LGF, over the biennium. The special distribution was included in the previous state budget and is retained in the Governor's proposal

PUBLIC SAFETY: DPS is being allotted \$725.3 in FY 17 (\$19 million from the GRF) and \$722.9 (\$21 million from the GRF) in FY 18. The administration says \$1 billion is being allotted to help fight drug abuse and addiction. Although we're not sure yet about the details of how this money will be spent, in a conversation with The Department of Public Safety (DPS), League staff was informed that this billion dollars is an aggregate of spending across multiple departments. However, DPS will be making funds and other resources available to local communities in the near future. They have promised to keep us informed as these become available.

Interestingly, during testimony before the House Finance Committee yesterday, the Director of DPS John Born was asked multiple questions about whether the Ohio State Highway Patrol should be spending as much time in residential areas as they have been in recent years and whether Patrol Officers have adopted to recommendations made regarding community relations made by a recent state commission report.

TRANSPORTATION: Congress has increased federal contributions by 2%. The administration says it plans to increase transportation and infrastructure dollars 1%. In addition, the state will increase public transit dollars significantly from \$23 million in FY 16 to \$33 million in FY 17 (more analysis coming). The Ohio Department of Transportation is set to receive \$3.3 billion in FY18, down 2% from FY17. In FY19, total funding is slated to be \$3.2 billion, down 3.7% from FY18. The GRF will provide \$14.3 million in FY 17 and \$15.3 million in FY 18.

Some specific proposals in the transportation budget include:

- Two "smart highway" projects to develop research on transportation, which will use advanced technology to better control traffic flows. This will incorporate many elements, but just a few include: variable speed limit research, testing the concept of using road shoulders to create new lanes (called "Hard Shoulder Running"),
- \$45 million allotted for the Transportation Research Center
- \$1.5 million to a cooperative project with the U.S. Air Force Research Laboratory and Wright State University to develop a ground-based "sense-and avoid-system" for unmanned aircraft at Springfield-Beckley Municipal Airport in Clark County. This project, with total state and federal investments of \$5 million, will empower drone operators, for the first time anywhere in the nation, to fly unmanned aircraft beyond their line of sight.

OTHER BUDGET HIGHLIGHTS:

SALES TAXES: The administration's proposed tax reforms including moving sales tax rate to 6.25 percent from 5.75 percent with a limited base expansion; raising the cigarette tax by 65 cents a pack up to \$2.25 a pack;

equalizing other tobacco products tax with the cigarette rate; modernizing beer and wine taxes; adjusting the severance tax on large oil and natural gas producers, proposing new fixed rate for crude oil and natural gas of 6.5 percent at the wellhead, and a lower rate of 4.5 percent for natural gas and natural gas liquids taken at later stages of the production process. The proposed sales tax expansion would again include services such as television subscriptions, elective cosmetic surgery, lobbying, landscape design, interior design and decorating, travel package and tours, and repossession services. There are no definitions of these services available as of yet. This budget would also eliminate the Medicaid managed care sales tax and its replacement with a "provider assessment" for Medicaid managed care companies that will be deposited in a non-GRF dedicated purpose fund.

PERSONAL INCOME TAXES: The Governor's proposed budget would implement income tax reform by cutting the number of income brackets from nine to five. The new brackets will be up to \$10,000 with a 0.50 percent tax rate in 2017 and 0.456 percent rate in 2018; \$10,000 to \$25,000 with a 1.5 percent rate in 2017 and 1.367 percent if 2018; \$25,000 to \$100,000 with a rate of 3.25 percent in 2017 and 2.963 percent in 2018; \$100,000 with a rate of 4.25 percent in 2017 and 3.874 percent in 2018; and more than \$200,000 with a rate of 4.75 percent in 2017 and 4.33 percent in 2018. If implemented, the Kasich administration said it and other proposed income tax changes would result in a 17 percent income tax cut over FY18-19. The budget also increases the personal exemptions. Those making \$40,000 and under will see their exemption go from \$2,250 to \$3,000. Those with incomes between \$40,000 to \$80,000 would see their exemption increase from \$2,000 to \$2,500. Additionally, the low income credit threshold would be increased from \$10,000 to \$15,000. The Kasich administration said these changes would mean an additional 350,000 low-income Ohioans will pay no income tax.

K-12 EDUCATION: The administration's FY18-19 budget will include a \$200 million increase in base support for K-12 education. Guarantees will continue to ensure districts don't receive less than in FY17, unless their student population has dropped by more than 5 percent over the past five years. In that case, state aid will be reduced by one percent for each percent beyond that 5 percent threshold, up to a maximum 5 percent loss of funding. The gain cap is proposed to be set at 5 percent, and the transportation formula minimum share would be reduced.

HIGHER EDUCATION: The governor's proposed budget includes a freeze on tuition, general fees and special fees for two years. It also will require all public colleges and universities to cover the cost of textbooks for students, but the institutions will be allowed to charge up to \$300 to partially offset those costs.

WEBINAR: WIRELESS TELECOMM. ORDINANCES AFTER SB 331

The OML and the Ohio Municipal Attorneys Association (OMAA) are cosponsoring a seminar on recent changes to right of way practices and management, as it relates to small cell telecommunications infrastructure deployment issues included in Senate Bill 331, the Petland bill from the last General Assembly. The speaker will be Nicki Hewell from the law firm Bricker and Eckler LLP.

[Click here](#) for more information and [click here](#) for registration.

LEAGUE SEEKING INPUT ON WIRELESS POLE ATTACHMENT AGREEMENTS

The League is seeking input from members who would like to assist us in reviewing a model contract for use between municipalities and licensees who are licensed to attach wireless phone equipment to poles in municipal jurisdictions (this includes utility poles as well as other poles like street signs and traffic signals).

During the lame duck portion of the last General Assembly (the November to December 2016 time frame) the League released several bulletins informing members about legislation that would govern the attachment of

wireless equipment to municipal structures (Senate Bill 331-we're putting on a webinar on this subject, see below). During that time, certain issues were not addressed because the legislature felt certain issues could be resolved through individual contracts. American Municipal Power Inc., has given us a rough draft of a model contract intended to assist municipalities and their licensees in this process. They have asked us to work with them to create the best final draft possible.

The League would ask that any members who would like to help us review this language please contact us as soon as possible. The current deadline for feedback deadline is March 1, 2017. Please contact League Director of Communication Josh Brown at (614) 284-4394 or jbrown@omloho.org .

OML SEEKING APPLICANTS FOR RESIDENTIAL CONSTRUCTION COMMITTEE APPOINTMENT

The League is seeking applicants for appointment to the Ohio Residential Construction Advisory Committee. Under Ohio statute, the League is responsible for making recommendations for appointments to this Committee. The Committee plays a key role in regulating residential construction in Ohio. [Here](#) is a link to the role and responsibilities of appointees. It is a 9 member committee, with one seat dedicated for a mayor of municipality with a certified building department enforcing the Residential Code of Ohio. The appointment is made by the Director of the Department of Commerce from list of names submitted by OML. We would request that interested applicants submit to us a completed application, a resume, a cover letter, and two letters of recommendation.

* Application attached [HERE](#).

BOTH CHAMBERS RELEASE COMMITTEE APPOINTMENTS

Both chambers of the General Assembly have released full committee memberships. The League would urge members to identify what key committees your members are on and contact them with your concerns. The League is always happy to facilitate such communications.

[House Committees](#)

[Senate Committees](#)

NEW BILLS INTRODUCED THAT AFFECT MUNICIPALITIES

HB 1	PROTECTING DOMESTIC VIOLENCE VICTIMS - To authorize the issuance of dating violence protection orders with respect to conduct directed at a petitioner alleging dating violence, to provide access to domestic violence shelters for victims of dating violence, and to require the Attorney General's victim's bill of rights pamphlet to include a notice that a petitioner alleging dating violence has the right to petition for a civil protection order. Introduced	Sykes, E Manning, N
HB 3	DATAOHIO BOARD CREATION - 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 appropriations. Introduced	Duffey, M Hagan, C
HB 4	COCAINE AMOUNTS DETERMINATION - To provide that in determining the amount of cocaine for trafficking and possession offenses, it also includes a compound, mixture, preparation, or substance containing cocaine, and to declare an emergency. Introduced	Rogers, J
HB 6	RECORDS PUBLICATION FEES - To prohibit a person who publishes or disseminates criminal record information from soliciting or accepting a fee to remove, correct, modify, or refrain from publishing or otherwise disseminating the information and to provide	Pelanda, D Gavarone, T

criminal and civil remedies for a violation of the prohibition.

HB 8	Introduced PUBLIC RECORDS-MINORS - To exempt from the Public Records Law certain information concerning a minor that is included in a record related to a traffic accident involving a school vehicle in which the minor was an occupant at the time of the accident.	Hambley, S Rezabek, J
HB 9	Introduced MALFUNCTIONING LIGHTS-BICYCLES - To specify that the alternative protocol for proceeding into an intersection with malfunctioning traffic lights due to a failure of a vehicle detector applies only to bicycles.	Koehler, K
HB 18	Introduced SPECIAL ELECTION REQUIREMENTS - To eliminate the requirement of holding a special election to fill a vacancy in a party nomination for the office of representative to Congress under certain circumstances.	Pelanda, D Retherford, W
HB 19	Introduced ARSON OFFENSE DEFINITION - To include recklessly causing, by means of fire or explosion, physical harm to the offender's or another person's motor vehicle, house, building, or other structure, or to any other property of another person, while manufacturing or attempting to manufacture a controlled substance, as a violation of the offense of arson.	Blessing III, L Landis, A
HB 26	Introduced TRANSPORTATION-PUBLIC SAFETY BUDGET - To make appropriations for programs related to transportation and public safety for the biennium beginning July 1, 2017, and ending June 30, 2019, and to provide authorization and conditions for the operation of those programs.	McColley, R
HB 27	House Finance, (First Hearing) WORKERS' COMPENSATION BUDGET - To make changes to the Workers' Compensation Law, to make appropriations for the Bureau of Workers' Compensation for the biennium beginning July 1, 2017, and ending June 30, 2019, and to provide authorization and conditions for the operation of the Bureau's programs.	Brinkman, T
HB 29	Introduced MUNICIPAL WATER RESERVOIR BUFFERS - To eliminate law authorizing the maintenance of buffers around municipal water reservoirs by contiguous property owners.	Leland, D Boggs, K
SB 6	Introduced OHIO BRIDGE PARTNERSHIP PROGRAM - To extend the Ohio Bridge Partnership Program through the end of fiscal year 2019 and to require the Director of Transportation to submit a report to the Governor, Senate, and House of Representatives recommending ways to continue to fund the program.	Hoagland, F
SB 13	Referred to Transportation, Commerce and Workforce Committee RECORDING LAW ENFORCEMENT - To grant a person the right to lawfully record any incident involving a law enforcement officer and to impose civil liability upon the state or a local law enforcement agency if a law enforcement officer employed by the state or local law enforcement agency interferes with the recording of the incident, destroys the recording, seizes the recording without a warrant or subpoena or the person's consent, or retaliates against the person who recorded the incident.	Tavares, C
SB 17	Referred to Local Government, Public Safety and Veterans Affairs Committee LOCAL GOVERNMENT FUND ALLOCATION - To increase monthly allocations to the Local Government Fund from 1.66% to 3.68% of the total tax revenue credited to the General Revenue Fund each month.	Tavares, C
SCR 2	Referred to Finance Committee MUNICIPAL IDENTIFICATION CARDS - To urge municipal corporations throughout the state to adopt a Municipal Identification Card Program.	Thomas, C
	Referred to Local Government, Public Safety and Veterans Affairs Committee	

UPCOMING COMMITTEE SCHEDULE

Tuesday, February 7, 2017

HOUSE FINANCE

Tue., Feb. 7, 2017, 9:00 AM, Hearing Room 313

Rep. Smith: 614-466-1366

- Administration testimony on education provisions of biennial budget.

HOUSE FINANCE TRANSPORTATION SUBCOMMITTEE

Tue., Feb. 7, 2017, 1:00 PM, Hearing Room 313

Rep. McColley: 614-466-3760

OR AFTER HOUSE FINANCE COMMITTEE

- Testimony from Department of Transportation and Turnpike Commission, as well as public testimony.
- HB26 - TRANSPORTATION-PUBLIC SAFETY BUDGET (MCCOLLEY R) To make appropriations for programs related to transportation and public safety for the biennium beginning July 1, 2017, and ending June 30, 2019, and to provide authorization and conditions for the operation of those programs.

First Hearing, All Testimony, PENDING REFERRAL

Wednesday, February 8, 2017

HOUSE FINANCE

Wed., Feb. 8, 2017, 9:00 AM, Hearing Room 313

Rep. Smith: 614-466-1366

- Administration testimony on Medicaid provisions of biennial budget.

HOUSE RULES AND REFERENCE

Wed., Feb. 8, 2017, 9:00 AM, Hearing Room 119

Rep. Rosenberger: 614-466-3506

SENATE WAYS AND MEANS

Wed., Feb. 8, 2017, 9:00 AM, South Hearing Room

Sen. Eklund: 614-644-7718

- SB22-INCORPORATING FEDERAL REVENUE CHANGES (PETERSON B) To expressly incorporate changes in the Internal Revenue Code since February 14, 2016, into Ohio law.

First Hearing, Sponsor/All Testimony, POSSIBLE VOTE

SENATE RULES AND REFERENCE COMMITTEE

Wed., Feb. 8, 2017, 11:00 AM, Senate Majority Conference Room

Sen. Obhof: 614-466-7505

HOUSE FINANCE TRANSPORTATION SUBCOMMITTEE

Wed., Feb. 8, 2017, 1:00 PM, Hearing Room 313

Rep. McColley: 614-466-3760

OR AFTER HOUSE FINANCE COMMITTEE

- Testimony from Department of Public Safety, as well as public testimony.
- HB26-TRANSPORTATION-PUBLIC SAFETY BUDGET (MCCOLLEY R) To make appropriations for programs related to transportation and public safety for the biennium beginning July 1, 2017, and ending June 30, 2019, and to provide authorization and conditions for the operation of those programs.

Second Hearing, All Testimony

HOUSE WAYS AND MEANS

Wed., Feb. 8, 2017, 1:00 PM, Hearing Room 121

Rep. Schaffer: 614-466-8100

- Department of Taxation also will testify on HB11.
- HB11-INCORPORATING FEDERAL REVENUE CHANGES (SCHERER G) To expressly incorporate changes in the Internal Revenue Code since February 14, 2016, into Ohio law.

First Hearing, Sponsor Testimony

OHIO SENATE

Wed., Feb. 8, 2017, 1:30 PM, Senate Chambers

Thursday, February 9, 2017

HOUSE FINANCE

Thu., Feb. 9, 2017, 9:00 AM, Hearing Room 313

Rep. Smith: 614-466-1366

- Administration testimony on tax provisions of biennial budget.

CRIMINAL JUSTICE RECODIFICATION COMMITTEE

Thu., Feb. 9, 2017, 1:00 PM, Senate Finance Hearing Room

- On the agenda: staff employment matters; consideration of committee amendments; outstanding business.

HOUSE FINANCE TRANSPORTATION SUBCOMMITTEE

Thu., Feb. 9, 2017, 1:00 PM, Hearing Room 313

Rep. McColley: 614-466-3760

OR AFTER HOUSE FINANCE COMMITTEE

- Testimony from Development Services Agency and Public Works Commission, as well as public testimony.
- HB26-TRANSPORTATION-PUBLIC SAFETY BUDGET (MCCOLLEY R) To make appropriations for programs related to transportation and public safety for the biennium beginning July 1, 2017, and ending June 30, 2019, and to provide authorization and conditions for the operation of those programs.

Third Hearing, All Testimony



Legislative Bulletin

Special Bulletin: Centralized Collection

January 30, 2017

Today, Gov. Kasich has unveiled his proposed budget for his final two years in office and although the actual language being proposed that would alter the Ohio Revised Code has not been released for public review, general concepts were shared and include a significant point of concern for Ohio municipalities.

In the information released, Governor Kasich has included a proposal to have all municipal business tax filings and payments made centrally through the state's Ohio Business Gateway (OBG) system. The Department of Tax would then be engaged to administer the filing process, audit returns when appropriate and distribute tax receipts to the intended municipality, with a 1% fee applied for "administrative services."

Attached [HERE](#) is a "fact sheet" from the administration providing some detail to what is being offered. The league anticipates the actual legislative language will be available later this week and we will provide that information to our members when it becomes available.

Additionally, we have had conversations (but no information has been released) surrounding a proposal to alter the distribution method of the LGF. The league will get that information to our members as soon as it becomes available. Generally, the proposal is related to a more "needs-based" approach to a percentage of the total distribution amounts and other changes that may impact that amount of support municipalities receive through the LGF.

As our members will remember, the first step in the state budget process is for the Governor to present his (or her) blueprint of priorities for the next two year state spending plan to the Ohio House of Representatives. Over the next several months, members of the Ohio House Finance committee will study the issues presented in the Governor's plan and make their changes to areas that reflect the priorities of their members before sending it to the Ohio Senate, where the review process starts over with committee and subcommittee reviews. The package is altered by the Senate, sent back to the House for their consideration and then back to the Governor where the final package is ultimately adopted.

Now is the time to reach out to your members of the Ohio House of Representatives and share with them your concerns regarding what a centralized collection system for business filers could mean for your current revenue levels by removing your communities' ability to audit and enforcement the proper completion and payment of tax obligations due to your municipality.

We have provided a list of all members of the Ohio House of Representatives and their contact information [HERE](#), which our members can use to help them contact their state representative.

Please watch for Friday's Legislative Bulletin which will have further details on what is being considered for the next state operating budget.



OML
OHIO MUNICIPAL LEAGUE
Partnering for Stronger Cities and Villages

Legislative Bulletin

January 27, 2017

FCC SEEKS COMMENTS OF RIGHT OF WAY/SMALL CELL INFRASTRUCTURE ISSUE & MOBILITIE PETITION FOR DECLARATORY RULING

This week, we sent a “Special Bulletin” to members alerting them of action taken late last year by the Federal Communications Commission (FCC) and a petition for Declaratory Ruling by the telecommunications company Mobilitie. The special bulletin, which can be accessed [HERE](#), addresses concerns that surround these actions as it relates to the ability of municipalities to exercise local control and authority over the siting of wireless infrastructure.

OML has been participating in discussions with our federal advocates from the National League of Cities and other members of leadership from state municipal leagues to identify points of concern with the current action as both NLC and municipal leagues prepare information for the FCC request. NLC is developing a template for municipal officials to consider using as they prepare their own comments for the commission, on this matter. OML will forward the template and any additional information related to this topic to our members when it becomes available.

STATE OPERATING & TRANSPORTATION BUDGETS BEGIN COMMITTEE PROCESS

In anticipation of Governor Kasich releasing his state budget plans next week, hearings on the main state operating budget have been scheduled in the House Finance Committee Wednesday, Feb. 1 at 1 p.m. Testimony from both Office of Budget and Management (OBM) Director Tim Keen and the Legislative Service Commission (LSC) is expected to be the central focus of the meeting.

On Thursday, Feb. 2, the committee will hear testimony on the state transportation budget. That hearing begins at 8:30 a.m. and will include presentations by ODOT Director Wray, Public Safety Director Born and Ohio Turnpike Commission Director Cole.

The House Finance Committee meets in room #313 of the Ohio Statehouse and the proceedings can be viewed on the Ohio Channel website www.ohiochannel.org.

STATE AUDITOR’S REPORT VALIDATES CLAIMS OF FISCAL PAIN

On Wednesday, state Auditor David Yost held a press conference to announce the completion of a new report: “Financial Health Indicators.” The report can be accessed here: <http://ohioauditor.gov/fhi/>.

The report measures 17 “financial health indicators” for 247 cities and all 88 Ohio counties and is intended to create a picture that will help viewers understand the financial health of Ohio’s cities and counties. Each

jurisdiction has a color-status assigned to it within each of the 17 indicators. The colors are assigned based on whether the jurisdiction has crossed certain thresholds set by the Auditor. The statuses are: green for “positive outlook,” yellow for a “cautionary outlook,” and red for a “critical outlook.” The report places all the indicators and cities on one “heat map.”

Many officials and reports have noted that a large number of jurisdictions with critical outlooks in categories such as: investment in capital assets and infrastructure, spending/revenue ratios, declining property tax revenues, and declining year-end balances in general funds.

Auditor Dave Yost’s analysis further validates the assertions-made by the League for several years now-that many local governments are struggling with state financial cutbacks. The report comes out just days before Ohio Governor John Kasich is expected to release the Governor’s proposed biennium budget and will be a tool league staff can use to help identify financial needs and challenges of cities and villages with state policymakers as important budgetary priorities are being identified.

OHIO AG SCHEDULES MEETING TO ADDRESS DRUG EPIDEMIC

Ohio Attorney General Mike DeWine will be holding an emergency meeting to discuss methods being used to combat the drug problem in Ohio. This is his second such meeting and will include people from law enforcement, public safety, and other important areas. The meeting will highlight programs that work and develop new ideas. The League would like to encourage members to attend so that the views of local governments officials will be well represented.

When: Tuesday February 14, 2017

Where: Fellowship Baptist Church 4701 Winchester Pike Columbus, OH 43232

More Information: <http://www.ohioattorneygeneral.gov/OpiateCrisis>

LAST CALL FOR EARLY BIRD REGISTRATION DEADLINE FOR NLC CONGRESSIONAL CITY CONFERENCE

We want to remind our members of the upcoming National League of Cities (NLC) Congressional City Conference being held in Washington D.C. March 11-15. With a new President, Congress and various issues that often challenge the administration of Ohio cities and villages from the Federal government, this year it’s more important than ever to make your voice heard on behalf of your community.

We want to especially remind our members that the deadline is rapidly closing in for those eager to take advantage of the early bird registration for the conference. Those who register before January 31 will receive a discounted registration fee.

OML highly recommends attending the Congressional City Conference. Attendees will hear from lead policy makers and the foremost minds on the issues facing our nation as we venture into a new Administration. The workshops and sessions will provide insight into the latest federal regulations, infrastructure, public safety and community resilience strategies, as well as new funding opportunities and best practices. You’ll also have the chance to meet with your congressional delegation on Capitol Hill. The conference is designed to equip you to emerge a stronger, more informed advocate for your city.

Click [HERE](#) to register. We’ll see you there!

ODE CUTS FUNDING FOR AFTERSCHOOL PROGRAMS IN LOCAL COMMUNITIES

Last week, OML learned from our affiliates at the Ohio Afterschool Network that the Ohio Department of Education has announced they will not be allocating funding for new 21st Century Community Learning Center grants in fiscal year 2018.

21st Century Community Learning Center (CCLC) programs are grant-funded after-school programs that currently serve 43,205 students in 419 local communities across Ohio. After approximately half of the currently-funded expire at the end of June, over 20,000 students will be denied access to high quality, academically-focused Afterschool programs. Over 250 school districts dependent upon 21st CCLC programs for teacher support will find themselves without it. An estimated 1,200 jobs will be lost, as 21stCCLC employees and those who work in non-profits on behalf of their communities will become suddenly unemployed

These cuts come at a time when Ohio is dramatically underserving the increasing demand for Afterschool programs. 846,248 Ohio students say they would participate in an afterschool program were one available. Last year alone, of the more than 200 applications to 21st CCLC grants, only 26 were funded. That's only 13% of Afterschool programs who want to serve their local communities but don't have access to the requisite funds.

It's difficult to overstate the vital role Afterschool programs play in creating a vibrant, healthy community. Studies show participation in Afterschool programs means increased student achievement - both academic and social/emotional - crime, drug and pregnancy prevention, and workforce preparation. Every dollar invested in high-quality afterschool programs saves taxpayers between \$3 and \$8 dollars, if crime reduction is factored into the estimates.

There are few better ways to invest in your community than through Afterschool programs. OML and OAN are asking that you take action. You can:

- Reach out to your school superintendent and ensure they are aware of the issue and the impact it will have on your community.
- Reach out to your legislators. Several members in the General Assembly have heard the concerns of their communities and are reaching out to ODE's legislative representative about the issue.
- Add your name to OAN's letter to ODE Superintendent DePaolo asking for a reversal of the decision [HERE](#).

REDESIGNED ELECTRONIC VERSION OF CITIES AND VILLAGES MAGAZINE GOING ONLINE

The League has begun the process of transitioning our bi-monthly *Cities & Villages Magazine* to an electronic platform and have posted the redesigned November/December 2016 issue on our website. In the very near future, we will publish a limited number of hard copies of the magazine for those who request it and for distribution to municipal buildings. Individuals who had previously received the hard copy version of the magazine will receive the new version electronically via email. This move will help modernize our outreach and communication efforts, making the magazine more accessible, and providing added value for our members. League members can make sure that they receive the electronic version in their email inbox by subscribing via text @ OMLOHIO to 22828, through our Facebook Page by accessing the "Join My List" icon or through the OML website front page by going through the "Join the OML Legislative Bulletin" link. Or you can simply email the League offices to indicate you want on the email list. If members are currently receiving our Legislative Bulletins than we have your address and will send the magazine to you electronically.

As a reminder concerning the construction of our new website, CivicPlus is projecting the new site will be launched in the Spring. The League is excited to have the new communication and access tool for our members up and running and look forward to providing a higher degree of services for Ohio's municipal officials.

UPCOMING GRANT WRITING WORKSHOP

Grant Writing USA is presenting a two day Grant Writing Workshop in partnership with the Dayton and Montgomery Public Health Department on March 23-24, 2017. This workshop will cover how to write grant proposals start to finish and how to locate and track relevant grant opportunities. This training is not law enforcement specific, it is appropriate for all city, county and state offices as well as area educators and non-profits.

For more information contact:

Kaelee DeLisle

Grant Writing USA

Grant Management USA

888.435.7281 toll free direct (CST)

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kaelee@grantwritingusa.net

<http://GrantWritingUSA.com>



Legislative Bulletin

January 24, 2017

**IMMEDIATE ACTION REQUESTED:
FCC THREATENS TO LIMIT LOCAL LAND USE AUTHORITY ON WIRELESS SITING**

The league is requesting that our members give **immediate** attention to a survey from the National League of Cities (NLC) regarding an important pending FCC wireless notice.

Late last month, the Federal Communications Commission (FCC) issued a [public notice](#) (click link to read notice) seeking comment on two topics that could shape the future of city control over their rights-of-way.

The FCC's Wireless Bureau first requested public comment on how to streamline the deployment of small wireless facilities, primarily through potential changes to local land-use ordinances.

They have also requested comment generally on a [petition filed by infrastructure company Mobilitie](#) (click link to read petition) regarding local government rules and procedures. Mobilitie has filed a Petition for Declaratory Ruling with the FCC's Wireless Telecommunications Bureau requesting an interpretation of Section 253(C) of the Communications Act of 1934 **that would substantially limit cities' authority over public rights of way and ability to assess fees for access**. Specifically, the petition calls on the FCC to:

- Require cities to disclose to requesting providers all fees they have charged all other infrastructure providers for access to rights of way
- Require cities to charge all carriers the same fees
- Define "fair and reasonable compensation" as stated in Section 235(C) as the only amount that allows cities to recoup the costs related to reviewing and issuing permits and managing the rights of way, and specifically prohibiting any additional charges or revenue-based fees.

This petition obviously represents both **a serious preemption of local governments** as well as a serious blow to many cities' ability to appropriately manage revenues as communications traffic increasingly shifts to broadband instead of traditional wireline phone or cable service.

This public notice raises several major concerns for cities. The first is that the FCC wishes to use this proceeding to reexamine the facts of the decisions made in its 2009 and 2014 rule makings on local wireless facilities siting, questioning whether the evidence presented by local governments during those proceedings is still valid. Specifically, the notice questions the amount of time needed by local governments to process wireless siting applications for small-cell facilities, particularly when submitted in large quantities. The notice requests feedback on streamlining local regulations when similar applications are submitted as batches. The notice also questions the amount and structure of fees charged by local governments for applications and access to rights-of-way.

The National League of Cities successfully filed a [joint motion for an extension](#) (click link to read joint motion) of the comment period. The revised comment deadline is now March 8, 2017, with a reply comment deadline of April 7, 2017.

NLC will comment on this notice, in collaboration with other local government groups and state municipal leagues, and is **calling on cities nationwide to help craft our response**.

The survey deadline is **Friday, January 27**. Click [HERE](#) to access the survey.
OML will separately provide our members with the comment template when it becomes available.

We appreciate our member's attention to this very important matter.



Legislative Bulletin

January 20, 2017

Although the 132nd General Assembly officially began its two-year session two weeks ago, the legislature was largely inactive this week, as many legislators and state officials headed to Washington D.C. for the inauguration of the 45th U.S. President. With this temporary lull in legislative activity, the league staff has continued their schedule of meetings with members of the House, Senate and state agency officials to outline legislative priorities of municipalities and to learn of legislative proposals being considered that could affect cities and villages. We have had encouraging feedback in our conversations with new and returning members of the legislature to our message of increasing support for cities and villages and the need for a renewed partnership and spirit of cooperation between the state and its municipal partners.

LEGISLATIVE POLICY STATEMENT/STRATEGIC FRAMEWORK REPORT MAILING

OML has begun mailing our members the long-anticipated Strategic Framework, along with our newly-revised public policy agenda for the upcoming 132nd General Assembly.

The Strategic Framework is the final result of a months-long collaboration with former Voinovich administration Budget Director Dr. Gregory R Browning of Capital Partners. Dr. Browning's extensive research provides a clear and striking examination of the current state of Ohio's municipalities and presents a comprehensive view of the challenges municipalities face in areas such as transportation, infrastructure and the ongoing opiate epidemic. Additionally, it outlines the reforming of a strong partnership between the State and its municipalities, initiating a reinvestment by the State into our local communities as the economic engines that drive the State towards success. The new public policy agenda frames the values of our members within four main driving initiatives: creating jobs, protecting our citizens, investing in public infrastructure and clean water, and advancing good government and fiscal responsibility. This agenda will direct OML's legislative advocacy, guide the state-local partnership and gauge progress.

We hope you use these publications as tools to educate your communities and civic groups on the priorities of Ohio's municipalities. We have created them to be the foundation upon which we will build a stronger and effective league, better equipping us in our advocacy efforts in the Legislature and in our role as a resource for you, our members and local communities. If for some reason you do not receive a copy, please contact us so we can send it to you.

PLYWOOD-BOARDING PROVISIONS OF EXPEDITED FORECLOSURE BILL SOON TO GO INTO EFFECT

On January 4, 2016 the Governor signed House Bill 463, introduced by Jonathan Dever (R-Madeira), which created an expedited process for mortgagors doing foreclosures on vacant and abandoned properties. A late amendment was added which prohibits the use of plywood to secure real property that a court has deemed "vacant and abandoned." The provision will go into effect April 4, 2017.

This is the first statewide ban on mortgage lenders using plywood to board up vacant structures. Lenders will be required to use alternative boarding materials, such as glass-like poly carbonate. Some local officials believe this will help disguise the spread of abandonment and blight. Clear boards may also allow police to see into the property to ensure there are no intruders.

The provisions are still being reviewed by some city officials to determine how it will impact their communities. Unfortunately, such materials can increase the costs of boarding. A sheet of plywood runs about \$20, while a 48-by-96 inch Secure View window cover runs about \$115 per sheet. A Secure View security door costs about \$395.

Some municipal attorneys have opined the new law only applies to mortgage foreclosure situations and not to a municipality that is acting under local ordinances to abate nuisances, condemn properties, or secure a property for health and safety reasons. We recommend municipal officials consult with their municipal legal counsel as to the application of this provision.

WATER INFRASTRUCTURE REPORT RELEASED

Earlier this week, the Greater Ohio Policy Center (GOPC) released a report entitled "Strengthening Ohio's Water Infrastructure: Financing and Policy." The report takes a critical examination of how Ohio policymakers can promote new ways of doing business in the water utility sector that can increase long-term financial sustainability. Water and sewer utilities are faced with the need to invest billions of dollars to modernize infrastructure installed decades ago, and the fiscal realities of many political subdivisions cannot afford to contribute to the investment. The report identifies that Ohio has some of the largest revolving loan programs in the nation through the Ohio EPA and the Ohio Water Development Authority, it's not as straightforward as it seems. In order to access multiple state and federal funding sources, local utilities must navigate through a complicated web of different applications, funding criteria, and timelines. This confusing and time-consuming process significantly complicates the management of water and sewer utility -a critical component of a successful community.

Over the summer, league staff attended a presentation of the information by compiled by GOPC and we look forward to coordinating our advocacy efforts with the Ohio General Assembly to find solutions to these and other issues important to Ohio cities and villages.

The report can be accessed here:

<http://www.greaterohio.org/files/pdf/water-and-sewer-infrastructure-report.pdf>

U.S. EPA LAUNCHES NEW PROGRAM WITH \$1 BILLION IN LOANS AVAILABLE FOR WATER INFRASTRUCTURE PROJECTS

The League would like to notify members that last week the U.S. Environmental Protection Agency (EPA) announced the availability of nearly \$1 billion in credit assistance for water infrastructure projects under the Water Infrastructure and Innovation Act (WIFIA) program. The program is available to local governments for such projects as: drinking water treatment and distribution, wastewater conveyance and treatment projects, enhanced energy efficiency projects, desalination, aquifer recharge, alternative water supply, water recycling projects, and drought prevention projects.

For more information, visit www.epa.gov/wifia.

OML/OMAA HOSTS WEBINAR ON JEDDS LAW-LEGAL UPDATES & CASE STUDIES

On January 25, 2017, the League, along with the Ohio Municipal Attorneys Association (OMAA) will be hosting a webinar presenting a general discussion on Joint Economic Development Districts (JEDDs), plus a discussion of recent changes to the law, and examples of how communities have successfully used JEDDs. The presenters will be attorneys from the law firm Bricker and Eckler, Christiane W. Schmenk (more information here <http://www.bricker.com/people/christiane-schmenk>) and Robert F. McCarthy (more information here <http://www.bricker.com/people/robert-mccarthy>) both of whom have extensive experience in public economic development in Ohio.

Complimentary copies of the power point slides will be sent to Registrants.

COST: \$100 per registrant.

[REGISTRATION FORM](#)

- Email form: cgrant@omlohio.org

- or Mail form: 175 S. Third St. Suite 510 Columbus, OH 43215

Each session is limited to 30 registrants. However, registrants are encouraged to set up for the webinar in a conference room, with a speaker phone and computer screen, and to invite other city officials to attend. Registrants are encouraged to notify Cyndie (614.221.4349) of the number of participants attending the webinar (for our records).

NEW HOUSE COMMITTEE CHAIRS ANNOUNCED

Late last week Ohio Speaker of the House Cliff Rosenberger (R-Clarksville) announced his appointed Chairpersons of the House's various committees. The full membership of these committees will be announced at a later date. The committee chairs are as follows:

Agriculture & Rural Development

Chair: Rep. Brian Hill (R-Zanesville)

Vice chair: Rep. Kyle Koehler (R-Springfield)

Armed Services, Veterans Affairs and Homeland Security

Chair: Rep. Terry Johnson (R-McDermott)

Vice chair: Rep. Laura Lanese (R-Grove City)

Aging and Long Term Care

Chair: Rep. Steven Arndt (R-Port Clinton)

Vice chair: Rep. Dorothy Pelanda (R-Marysville)

Civil Justice

Chair: Rep. Jim Butler (R-Oakwood)

Vice chair: Rep. Jim Hughes (R-Upper Arlington)

Community & Family Advancement

Chair: Rep. Tim Ginter (R-Salem)

Vice chair: Rep. Margy Conditt (R-Liberty Township)

-Community & Family Advancement Subcommittee

Minority Affairs: Chair to be determined

Criminal Justice

Chair: Rep. Nathan Manning (R-North Ridgeville)

Vice chair: Rep. Jeff Rezabek (R-Clayton)

Economic Development, Commerce & Labor

Chair: Rep. Ron Young (R-Leroy Township)

Vice chair: Rep. Anthony DeVitis (R-Green)

Education & Career Readiness

Chair: Rep. Andrew Brenner (R-Powell)

Vice chair: Rep. Marilyn Slaby (R-Copley)

Energy & Natural Resources

Chair: Rep. Al Landis (R-Dover)

Vice chair: Rep. Christina Hagan (R-Alliance)

Federalism & Interstate Relations

Chair: Rep. Kristina Roegner (R-Hudson)

Vice chair: Rep. Scott Lipps (R-Franklin)

Finance

Chair: Rep. Ryan Smith (R-Bidwell)

Vice chair: Rep. Scott Ryan (R-Granville Township)

- Finance Subcommittees

Agriculture, Development and Natural Resources

(Chair: Rep. Andy Thompson, R-Marietta)

Health and Human Services (Chair: Rep. Mark Romanchuk, R-Mansfield)

Higher Education (Chair: Rep. Rick Perales, R-Beavercreek)

Transportation (Chair: Rep. Rob McColley, R-Napoleon)

Primary and Secondary Education (Chair: Rep. Bob Cupp, R-Lima)

State Government & Agency Review (Chair: Rep. Keith Faber, R-Celina)

Financial Institutions, Housing and Urban Development

Chair: Rep. Jonathan Dever (R-Madeira)

Vice chair: Rep. Robert Sprague (R-Findlay)

Government Accountability & Oversight

Chair: Rep. Bill Blessing (R-Colerain Township)

Vice chair: Rep. Bill Reineke (R-Tiffin)

Health

Chair: Rep. Steve Huffman (R-Tipp City)

Vice chair: Rep. Theresa Gavarone (R-Bowling Green)

Higher Education & Workforce Development

Chair: Rep. Mike Duffey (R-Worthington)

Vice chair: Rep. Niraj Antani (R-Miamisburg)

Insurance

Chair: Rep. Tom Brinkman (R-Mt. Lookout)

Vice chair: Rep. Mike Henne (R-Clayton)

Public Utilities

Chair: Rep. Bill Seitz (R-Cincinnati)

Vice chair: Rep. Rick Carfagna (R-Genoa Township)

Rules & Reference

Chair: Speaker Clifford A. Rosenberger (R-Clarksville)

Vice chair: Rep. Kirk Schuring (R-Canton)

State & Local Government

Chair: Rep. Marlene Anielski (R-Walton Hills)

Vice chair: Rep. Stephen Hambley (R-Brunswick)

Transportation & Public Safety

Chair: Rep. Doug Green (R-Mt. Orab)

Vice chair: Rep. Dave Greenspan (R-Westlake)

Ways & Means

Chair: Rep. Tim Schaffer (R-Lancaster)

Vice chair: Rep. Gary Scherer (R-Circleville)

Full committee assignments will be released next week for the new session. We will be sure to alert our members of the new committee make-up and which committees your member of the legislature will be serving on.



Legislative Bulletin

January 9, 2017

OPENING DAY AT THE 132ND GENERAL ASSEMBLY

Last Tuesday saw the swearing in opening ceremonies of the 132nd General Assembly. Some interesting facts about this new legislative body are:

- Fifteen members are brand new to Capitol Square and the Legislative branch.
- Three members were sworn in after having been appointed last fall.
- Four members of the House are coming across the street after serving in the Senate.
- One new House member is a former House Speaker.
- There are approximately 38 members with municipal experience.
- There are 66 Republicans and 33 Democrats in the House.
- There are 24 Republicans and 9 Democrats in the Senate.

The League would like to congratulate all of the returning members and newly elected legislators who will begin their new chapter in public service. During the course of the next few months, league staff will be meeting with new and returning members of the Ohio General Assembly to review areas where municipalities and the state can work better together to provide greater stability for our statewide economic engines that are Ohio's municipalities.

Below is the list of leadership teams selected by their respective caucuses to guide the legislative activity of the new General Assembly.

The House Leadership team includes:

Speaker of the House: Cliff Rosenberger (R-Clarksville)
Speaker Pro Tempore: Kirk Schuring (R-Canton)
Majority Floor Leader: Dorothy Pelanda (R-Marysville)
Ass. Majority Floor Leader: Sarah LaTourette (R-Chesterland)
Majority Whip: Tom Patton (R-Stongsville)
Ass. Majority Whip: Robert McColley (R-Napoleon)
Minority Leader: Fred W. Strahorn (D-Dayton)
Ass. Minority Leader: Nicholas J. Celebrezze (D-Parma)
Minority Whip: Nickie J. Antonio (D-Lakewood)
Ass. Minority Whip: Emilia Strong Sykes (D-Akron)

The Senate Leadership team includes:

Senate President: Larry Obhoff (R-Medina)
President Pro Tempore: Bob Peterson (R-Sabina)
Majority Floor Leader: Randy Gardner (R-Bowling Green)
Majority Whip: Gayle L. Manning (R-North Ridgeville)
Minority Leader: Joe Schiavoni (D-Boardman)

Ass. Minority Leader: Charleta B. Tavares (D-Bexley)

Minority Whip: Edna Brown (D-Toledo)

Ass. Minority Whip: Cecil Thomas (D-Cincinnati)

The league would like to congratulate each of these legislators on their selection by their fellow members to lead and we look forward to working with all of them in the new session.

Legislative activity for the first six months of the year will be consumed by deliberations and committee activity related to Governor Kasich's final state operating budget proposal. The Governor is expected to present this plans for the '17-'18 budget and the priorities of the final two years of the governor's term by January 31, to the Ohio House of Representatives.

Although bills will begin to be introduced, the central priority of the members of the legislature is to get situated in their new offices and chart the course forward with their colleagues.

REPORT ISSUED ABOUT LOSSES TO MUNICIPALITIES

Ohio could improve the quality of life in communities and boost statewide competitiveness by restoring funding for local services, according to a new issue brief from research institute Policy Matters Ohio. The report estimates that Ohio local governments have lost over \$1 billion since 2010.

Among other things, the report highlights recommendations to restore Ohio communities, such as boosting the Local Government Fund and increasing the motor fuel tax for use by local governments, as other states have. Ohio's motor fuel tax is much lower than neighboring states. Another important issue addressed in the report discusses that the necessary adjustment to Medicaid managed care services in the sales tax base should not harm local governments that piggyback the state sales tax.

OML members can access the report [HERE](#).

STATEHOUSE COMMITTEE HEARINGS TO BEGIN LATER IN THE MONTH

As activity picks up at the Ohio Statehouse, we will resume our regular schedule of weekly Legislative Bulletins to keep our members and friends informed on issues important to Ohio's cities and villages.