

MORPC Legislative Update June 2008

Timely Topics:

Capital/Budget Corrections Bill HB 562- House Bill 562 appropriates roughly \$1.3 billion dollars for the state's 2009-2010 bricks and mortar needs. As in the past, the Ohio Board of Regents was the money winner with an appropriation of \$495 million. Other appropriations of note include: the Ohio Public Works Commission, \$189 million; Mental Health, \$104 million; and the Third Frontier Commission, \$100 million.

The bill also contains corrective budget language to help the Governor plug the estimated \$740 million dollar budget shortfall.

There are a few items in the bill that MORPC has been following:

- HB 388/HB 359 (MODIFIED VERSION) DTAC Funds- Authorizes a county treasurer or county prosecutor with a population exceeding 400,000 to utilize "surplus" delinquent tax & assessment collection (DTAC) money, up to \$3 million per year, to help homeowners avoid foreclosure. However, the bill removes county commissioners' authority to assist in abating nuisances caused by vacant properties in foreclosure
- SB 276 Authorizes counties, townships, and municipal corporations to issue public obligations to provide, or assist in providing, grants, loans, loan guarantees, or contributions for conservation and revitalization purposes
- HB 11 (MODIFIED VERSION) Current law establishes three criteria for including an area in a JEDD, one of which provides that no electors may reside within an area included in the JEDD and no part of the area may be zoned for residential use. The bill eliminates the criterion that no part of the area may be zoned for residential use, and provides that no electors may be residing in the area on the effective date of the contract creating the JEDD. In other words, residential development will be allowed in the JEDD and residents may move into the JEDD after the JEDD is established.

The bill also provides that the income of an individual who resides in the JEDD is not subject to the JEDD income tax unless the income is received for personal services performed in the JEDD. This would allow individuals to move into new residential development in the JEDD without subjecting their earnings to the JEDD's income tax unless they also work within the JEDD.

During Conference Committee the bill once again:

- Includes the Ohio Commission on Local Government Reform and Collaboration; the mission is **expanded to include facilitating economic development, requires the Commission to compare services** provided by the state with services provided by local government, and increases the Commission size to 15

members, including members from the following organizations: **OML, OTA, OSBA, County Commissioners, Library Council, and Ohio Association of Regional Councils**

Topic	House Version	Senate Version	Conference Committee Recommendation
Ohio Commission on Local Government Reform and Collaboration	Creates the nine-member Ohio Commission on Local Government Reform and Collaboration to develop recommendations on reforming and restructuring local government in Ohio, to increase the efficiency and effectiveness of local government operations, and to achieve cost savings; requires the Commission to create an advisory council.	Removes the House provision.	Same as House provision, but specifies that the Commission must develop recommendations on ways of increasing the efficiency and effectiveness of local government, achieving cost savings, and facilitating economic development; requires the Commission to compare services provided by the state with services provided by local governments; permits the Commission to create an advisory council; increases the Commission membership to 15 members; requires additional members to be appointed from local governmental organizations.

- Includes the Commission on Cuyahoga County Government Reform-9 members to develop recommendations to allow Cuyahoga County to vote to restructure, reform, or reorganize their government. Recommendations are due to the legislature by November 7, 2008.

Topic	House Version	Senate Version	Conference Committee Recommendation
Restructured Form of County Government	Allows a board of county commissioners in a county with a population of 1.2 million or more to	Removes the House provision.	Creates the Commission on Cuyahoga County Government Reform with nine members to develop

	<p>submit to the electors the question of whether to adopt a restructured form of county government; prescribes generally the characteristics to be had by such a restructured county government; provides authority for a board of county commissioners of a restructured form of county government to enter into agreements with other political subdivisions to exercise any power, perform any function, or render any service, on behalf of the contracting subdivision or its legislative authority, which that subdivision or legislative authority may exercise, perform, or render. (R.C. 353.01 to 353.063.)</p>		<p>recommendations by which Cuyahoga County may, with a vote of the people, restructure, reform, or otherwise reorganize the county government to implement a more effective, efficient, financially and economically viable county government structure to better serve the people of Cuyahoga County; requires the Commission to issue a report of its findings, together with its recommendations in legislative form, by November 7, 2008; appropriates \$200,000 in FY 2009 to appropriation item 035-321, Operating Expenses, and specifies that the appropriation be used to support the Commission. (Sections 503.____ and 703.____.)</p>
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Ohio Job Stimulus Package HB 554- HB 554 passed both chambers and awaits the Governor’s action. The \$1.57 billion package will fund: \$100 million for *biomedicine*; \$50 million for *bio-products*; \$400 million for *local infrastructure improvements* (allows \$80 million to be used for broadband projects); \$150 million for *advanced energy*; \$100 million for *logistics and distribution*; and \$250 million for *higher education internships/Co-ops*.

Clean Ohio Fund HJR 5- House Joint Resolution 5 (HJR 5) is the second piece of the stimulus package and was passed during the month of May. If approved by the voters in November 2008, HJR 5 will provide an additional \$400 million for Clean Ohio Programs. Generally, HJR 5 will fund two initiatives: Brownfield Cleanup for \$200 million and “Greenfield” Preservation for \$200 million.

The Brownfield Cleanup programs will fund \$40 million annually to the Clean Ohio Revitalization Fund to clean up polluted properties and fund \$10 million annually in grants for Brownfield assessments to certain eligible areas of the state that are

economically distressed. The Clean Ohio Fund will be administered as it has been in the past.

Pending Matters of Possible Interest:

Recent Activity

Public Official Crimes-SB 310 (Cates) to make existing laws prohibiting a person who has been convicted of a felony from holding public office and denying such person other specified privileges applicable upon the determination of the person's guilt. Amendment was accepted that requires public officials who plead guilty to crimes to be immediately removed from office. Voted off Senate Floor 5/29/08

Steel Coil, Tier II Amendment-HB 30 (*Signed into Law*) the law requires a municipality that uses photo red light to erect signs on roadways entering into that local authority, informing inbound traffic that the local authority utilizes traffic law photo-monitoring devices to enforce traffic laws. HB 30 also became a vehicle for other changes:

- Specifically allows ODOT to continue the planning and development steps of its project development process for any major new construction projects that were not selected as Tier I projects.
- Revises a requirement from the current transportation appropriations act for ODOT to expend at least \$400,000 in fiscal year 2008 for a pilot program involving portable signal preemption devices in the largest township by population, rather than by geographic area.
- Provides that from July 1, 2008 through June 30, 2009, the Director of Transportation or a local authority may issue special permits for transporting three or fewer steel coils in a single load on a state or local highway so long as the gross vehicle weight of the transport vehicle, including the coils, does not exceed 120,000 pounds, rather than 92,000 pounds.
- The law also requires ODOT to conduct a study of the impact of overweight vehicles operating under a permit and to issue the report by February 1, 2009.

County Bidding-SB 268 (*Passed*) allows a county contracting authority to use competitive sealed proposals instead of competitive sealed bidding when doing so would be advantageous to the county. Referred to the Senate 1/9/2008. The bill would give counties more flexibility in purchasing goods and services. In addition, SB 268 requires public notice of bid opportunities and specifies that bids must be treated as confidential. It also requires bidders' responses to be evaluated on clearly-specified criteria.

Local Government Funds-HB 458 (Uecker) Rep. Uecker said the Ohio Township Association brought the need for this bill to his attention due to more aggressive auditing standards. The bill "clarifies that a township may provide health insurance to its officers and employees and their dependents in the form of an insurance policy or a

contract for group health services and that a township may reimburse an officer or employee who is either denied coverage or who elects to obtain coverage elsewhere, which is consistent with current practices of townships," the sponsor said. The bill also would allow townships to use money from their general funds for construction and repair of roads and bridges.

Heidi Fought, Ohio Township Association testified on April 23rd. The bill was amended to clarify concerns from the state auditor's office. The bill passed the House and is waiting for hearings in the Senate.

Healthy Families Act-HB 536 (Beatty) A labor-backed coalition presented the legislature with a proposal that requires companies with at least 25 employees would have to give full-time workers seven paid sick days per year, and part-time employees would earn a pro-rated number.

The proposal was introduced in the legislature 4/14/08 and had its first hearing 4/15/08. HB 536 had a second hearing on 5/23/08. The coalition has pledged to collecting signatures to put the issue on the November ballot if the legislature doesn't move forward. The group can begin collecting signatures May 9th and has 90 days to accomplish the task.

Scrap Metal-SB 171 (*Passed*) Sent to Conference Committee then agreed to by both chambers. The bill regulates scrap metal dealers in an effort to stem the tide of metal theft and the fencing of the products to unscrupulous dealers.

The Conference Committee recommends the bill as passed by the House of Representatives with the following changes:

Topic	House Version	Senate Version	Conference Committee Recommendation
Municipal and local regulation of scrap metal dealers	Prohibits municipal or local regulation that is in conflict with the bill's provisions (<i>R.C. 4737.044</i>).	Preempts municipal or local regulation of scrap metal dealers (<i>R.C. 4737.044</i>).	Prohibits municipal or local regulation that is in conflict with the bill's provisions, but provides that no municipal corporation or other political subdivision can enact or enforce a regulation applicable to a scrap metal dealer that requires a scrap metal dealer to individually identify and retain any scrap metal purchased or

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			received, a practice otherwise known as "tag and hold" (<i>R.C. 4737.044</i>).

Nuisance Abatement-HB 359 (*Passed & included in HB 562*) The substitute bill allows all counties to use surplus DTAC funds to abate deteriorated buildings in foreclosure and terminates the temporary authority of a county exceeding 1.2 million to use such collections to prevent residential mortgage foreclosure.

Township Greenspace-HB 385 (*Passed*) To permit land acquired by a board of township trustees for the purpose of protecting or preserving "greenspace" to be used for temporary recreational purposes. Specifically, HB 385 will help Granville Township resolve uncertainties as to what uses might be permissible on the Bryn Du Mansion property. Currently, there is disagreement over code language that says greenspace levy property is not for the purposes of recreation.

Nuisance Properties-SB 277 (Stivers) Creates a new cause of action in foreclosure in the environmental or housing division of a municipal court to abate nuisance properties. SB 277 will also help with the foreclosure situation by allowing proceedings to bring properties back up to code. The purpose of the legislation is to help cities move property into productive use. The bill passed the Senate 32-0 and was referred to House Civil & Commercial.

Judicial Sales-HB 138 (*Signed into law*) The bill makes changes to aid in the foreclosure process. A substituted bill was accepted and passed both chambers which:

- requires purchasers of real property at a judicial sale to provide certain identifying information
- requires purchasers to pay the balance due on the purchase price within thirty days of the confirmation of the sale
- allows municipal corporations to conduct inspections of property subject to a writ of execution
- requires judicial sales to be confirmed within thirty days of sale
- requires officers who sell real property at a judicial sale to file a deed within fourteen days of payment of the balance due on the purchase price
- authorizes courts and county boards of revision to transfer certain tax delinquent lands subject to judicial foreclosure without appraisal or sale
- permits a summary property description to be read at a judicial sale
- allows the courts to perform mediation in an action for the foreclosure of a mortgage
- offers property that did not sell at a judicial sale to a political subdivision before forfeiture to the state

- allows for the holding of an open house on vacated or abandoned properties

Great Lakes Compact-HB 416 (*Passed*) Ratifies the Great Lakes-St. Lawrence River Basin Water Resources Compact and to establish related requirements.

Water Rights-SJR 8 (*Passed*) a constitutional amendment for the November ballot which affirms certain property interests with respect to ground water and other water on or flowing through a property owner's land

No Recent Activity

Utility Infrastructure-HB 338 (Reinhard) Referred to House State Government & Elections Committee. The bill creates a program to provide funding for utility infrastructure development projects to attract new business opportunities for the state. HB 338 is backed by Columbia Gas and had four hearings. It was reported from committee 4/10/08

Wireless 911 Fees-HB 550 (Flowers, Driehaus) to extend until 2013 the wireless 9-1-1 charge, to raise the minimum, annual fund disbursement amount for each county from \$25,000 to \$90,000, and to broaden local uses of that revenue. First hearing 5/13/08

Public Transit Funding Task Force-SB 300 & HB 540 (Sen. Cafaro & Reps. Fende, Schindel)- both bills create a task force to study Ohio's transportation funding of public transit and issue a report. HB 540 differs slightly by specifically requiring a study of sources and potential sources for public transportation. SB 300 had sponsor testimony 4/22/08.

Mayor's Court- HB 154 (Wolpert)/**SB 252** (Coughlin)-A large amendment was adopted on April 3rd. The amendment was drafted to satisfy some concerns raised by cities. The bill was amended and reported out of committee April 17th on a vote of 6-4 (Reps. Bacon, Batchelder, Budish, and Harwood voting no). The Speaker recently noted a lack of support for HB 154. However, he also noted his respect for Chief Justice Moyer and a willingness to accommodate his concerns.

Mobile Workforce State Income Tax Fairness and Simplification Act of 2007-H.R. 3359 Limits state or local taxation of the compensation of any employee who performs duties in more than one state or locality to: (1) the state or locality of the employee's residence; and (2) the state or locality in which the employee is physically present performing duties for more than 60 days. Contacts were made with our congressional leaders. The bill has not been scheduled for a hearing

Alternative Energy-HB 487 (McGregor) Establishes alternative energy benchmarks for utilities, provides for the use of renewable energy credits, establishes energy efficiency standards for utilities and requires the Dept. of Development to establish energy efficiency programs, creates the Ohio Renewable Energy Authority to provide loans and grants to renewable energy businesses, establishes policies regarding the

geologic storage of carbon dioxide, and requires greenhouse gas emission reporting and carbon control planning for generating facilities. HB 487 has had 4 hearings.

McGregor's Energy Bill-HB 357- The bill has had numerous hearings in the House Alternative Energy Committee. Additional committee hearings are unlikely.

Eminent Domain-SJR 3 (Coughlin) Proposing to enact Sec. 19b of Article 1 of the Constitution of the State of Ohio to provide limits on the power of a public authority to take private property for a public use. SJR 3 had a 2nd hearing in Senate State & Local Government & Veterans Affairs on December 4th. The Farm Bureau testified in support while the Municipal League testified against the measure. No activity.

De-Reg-SB 221 (Schuler, by request) Passed out of the House and the changes were agreed to in the Senate. The Governor signed the bill 5/1/08.