



# Mid-Ohio Regional Planning Commission Monthly Legislative Update

March 2019



MID-OHIO REGIONAL  
**MORPC**  
PLANNING COMMISSION

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## What's Happening

### Federal Advocacy

- » Congress is deliberating on 12 federal appropriations bills that are targeted for House passage by the end of May.
- » Last week there were two hearings on infrastructure. Infrastructure is a bipartisan issue, but policymakers deviate over how to fund it. House Transportation Chairman Peter DeFazio is pushing forward a proposal to raise the gas tax as a short-term fix for the Highway Trust Fund. Some Senate Democrats are on board, too. Rep. Sam Graves, House Transportation ranking member, wants to focus on a vehicle miles traveled fee as a long-term solution. Others want to push more of the financial burden onto states.
- » Representatives from the Central Ohio Defense Group have been working with the local Congressional delegation to ensure that U.S. Department of Defense jobs in Central Ohio are not jeopardized by the President's budget proposal.
- » The MORPC Government Affairs staff reached out to federal, state, and local elected officials requesting support of the Columbus Crossroads INFRA grant application. Overall, in collaboration with ODOT and the City of Columbus –the lead applicants– we received 18 letters of support representing 14 organizations, 5 members of Congress, and 20 Ohio General Assembly members.

### State Advocacy

#### State of the State

- » Governor DeWine delivered his annual State of the State Address on Tuesday, March 5th. In his speech the Governor signaled there will be a collaborative opportunity in the main operating budget to work with local governments and that his budget would double the state support for children's services.
- » The Governor's main operating budget should be introduced by the end of the week.

#### Transportation Budget (HB 62)

- » Thea Walsh of MORPC presented proponent testimony before the House Finance Committee on February 28th.
- » The Ohio House of Representatives passed House Bill 62 on March 7th in a 71-27 vote.
- » The House passed version of the bill:
  - » Increases the motor fuel user fee by 10.7 cents over two years as opposed to the Governor's 18-cent proposal
  - » Does not index the fee to inflation;
  - » Shifts the existing 60% state/40% local distribution of new revenue to a 55/45 split;
  - » Enacts annual registration fees of \$100 for hybrid vehicles and \$200 for electric vehicle;
  - » Increases public transit funding to \$100 million per year; an increase of \$67 million compared to the flexible funding earmarked for the current FY 2018-FY 2019 biennium.
- » Rep. Dave Greenspan (R-Westlake) chairs the Finance Subcommittee on Transportation, although the Subcommittee did not hold hearings on HB 62. Greenspan had previously indicated that his Subcommittee would be meeting on an ongoing basis to discuss all modes of transportation, including airports, seaports, rail and public transit.
- » The bill is now pending in the Senate and Senate amendments are due this Thursday.



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# Legislative Update

## ***Auditor of State***

Ohio law should treat thieves the same if they steal from a business or a township office, Auditor Keith Faber and Sen. Steve Wilson (R-Maineville) said at a press conference to tout legislation to boost theft-in-office penalties. Wilson, a career banker before joining the Senate, said he was surprised to learn that people in positions of public trust would get a lesser punishment for stealing large sums from the taxpayers than for stealing them from a major corporation.

Income tax collections rebounded in February after two laggard months, though the state has some catching up to do to meet targets for the year in that category, according to preliminary figures from the Office of Budget and Management (OBM). Sales taxes dipped, particularly in the auto sales tax category, but OBM says February is generally a slow month of the year for car sales and the drop might have been compounded by bad weather. Income tax receipts of \$222.5 million were \$6.3 million or 2.9 percent above estimates. Receipts for the fiscal year to-date lag projections by 2 percent or \$115 million, totaling \$5.6 billion versus the \$5.72 billion expected. OBM Director Kimberly Murnieks told Hannah News that they're encouraged by the upswing in income tax collections.

## ***Elections 2020***

Coming off the heels of his "Dignity of Work" tour of the country, U.S. Sen. Sherrod Brown (D-OH) announced he would not be seeking the Democratic nomination for president in 2020. Over the past two months, the third-term senator has been testing his labor-first messages with groups in primary battleground states like Iowa, New Hampshire, Nevada and South Carolina.

## ***Energy***

Rep. Nino Vitale (R-Urbana), chair of the House Energy and Natural Resources Committee, opened the first meeting of the group by having members introduce themselves. Several provided some background on previous experience in the energy area or what they hope to see the committee tackle.

The House Energy and Natural Resources Energy Generation Subcommittee met briefly to introduce members and to informally address top policy questions going into the budget process. Chairman Dick Stein (R-Norwalk) affirmed his interest in supporting nuclear generation technology, old and new. "I want to find a way to keep our nuclear plants open," said Stein, whose district lies 50 miles south of the Davis-Besse Nuclear Power Station. "We need to figure out a path forward to try to save that."

## ***Federal***

U.S. Rep. Joyce Beatty (D-Columbus) announced recently that she has been named chairwoman of the new Financial Services Diversity and Inclusion (D&I) Subcommittee. Her office said that in the new role, Beatty will lead the "committee's work to bring diversity and inclusion out of the shadows and to the forefront of the conversation on how to make the financial services industry meet the needs of and work better for the middle-class, at-risk Americans, and all hardworking families."

## ***General Assembly/Statehouse***

Sen. Brian Hill (R-Zanesville) said he'll resign at the end of March to become CEO of the Guernsey-Muskingum Electric Cooperative, creating another vacancy in the 20th District just months after Hill was appointed to the seat. Hill joined the Senate in December, leaving his House seat to replace former Sen. Troy Balderson, who's been serving in Congress since winning a special U.S. House election in August.

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## ***Non-Profit Organizations***

JobsOhio's new president and chief investment officer (CIO) J.P. Nauseef formally stepped into the role March 4 after being named in February. The organization had also released its 2018 annual report and 2019 strategic plan. In 2018, the organization worked on 266 total projects, down from 284 in 2016 and 272 in 2017, but there were 27,071 new jobs created, up considerably from 20,603 in 2016 and 22,788 in 2017. Capital investment remained at 2017's \$9.6 billion, though 2016 saw \$4.6 billion, and payroll for new jobs rose to \$1.3 billion, from \$994 million in 2016 and \$1.1 billion in 2017.

## ***State of the State***

Gov. Mike DeWine brought the "State of the State" back to the Ohio House Chambers, telling Ohio lawmakers that he, along with the General Assembly, is poised to lead a new Ohio renaissance by facing the problems that have been put off for far too long and tackling the state's challenges head-on.

DeWine gave a preview of his executive budget during the 45-minute speech, addressing topics ranging from transportation funding to children's initiatives and water quality.

## ***Taxation***

The Controlling Board unanimously approved a request from the Ohio Department of Taxation (ODT) to transfer \$2 million into its Municipal Tax Fund to cover upcoming distribution shortfalls to municipalities unforeseen by the centralized payment process enacted in the last budget bill, 132-HB49 (R. Smith). According to the agency, businesses are required to file a declaration of estimated taxes and make a corresponding payment each quarter. When businesses pay through the centralized payment process system enacted in 132-HB49, ODT is required to distribute the payment according to the business' declaration. As the tax year progresses, the businesses have a better picture of what their annual tax liability will be for each municipality and will make adjustments on subsequently-filed declarations to properly reflect its liability in a particular municipality.

## ***Transportation/Infrastructure***

Gov. Mike DeWine proposed an 18-cent per gallon hike in the state's motor fuel user fee as well as indexing it to reflect inflation to fill the \$1.5 billion shortfall in funds needed for highway maintenance and construction. The proposal was unveiled in the House Finance Committee as a substitute bill to HB62 (Oelslager). Testifying on the specifics of the proposed \$7.43 billion transportation and public safety budget was Ohio Department of Transportation (ODOT) Director Jack Marchbanks who said the hike would cost an additional \$2.65 per week for a 2015 Ford F-150 driver traveling the national average of 13,000 miles a year, and \$1.91 for a 2015 Jeep Cherokee driver or \$1.61 for a 2015 Honda Accord driver. The sub bill was not formally accepted, giving members an opportunity to draft potential amendments, committee chair Rep. Scott Oelslager (R-North Canton) explained.

Mayors and representatives from various industry groups testified to the House Finance Committee urging strong support for at least some increase to the state's motor fuel user fee to be included in the transportation budget, HB62 (Oelslager), saying it would help communities cope with increased maintenance costs and help stimulate the economy.

As lawmakers weigh HB62 (Oelslager), the transportation budget, the Ohio Department of Transportation (ODOT) released more details of its proposed variable speed limit authority contained in the bill. Under the proposal, ODOT said it would identify specific roadways where variable speed limits could improve driver safety.

The substitute version of the transportation budget was then accepted by the House Finance Committee and reported out on a bipartisan vote of 30-3. The sub bill, besides reducing the overall amount raised from the increase, also removed the indexing of the fee. The House bill also splits the fee between the state and local governments 55/45. Hybrid and electric vehicle owners who consume less or no gasoline would cover their share of infrastructure costs through a state

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registration increase to \$100 and \$200, respectively. Municipalities and townships can levy an additional \$5 registration fee on all vehicles. Also, the bill eliminates the need for front license plates. The bill also includes \$100 million/year for public transit. The transportation budget's substitute language also creates the Ohio's Road to the Future Committee to report back to the Legislature on infrastructure needs before the next transportation budget in 2021.

The Ohio House sent HB62 (Oeslager) on to the Ohio Senate after it dropped the phase-in time of a proposed motor fuel user fee increase from three years down to two years, acquiescing to a request by the DeWine administration. Under the amendment adopted on the House floor on a bipartisan vote, the total increase in the motor fuel user fee will stay at 10.7 cents per gallon, but it will be increased by 7 cents in the first year and 3.7 cents in the second year. The change does not affect the 20 cents per gallon diesel gas tax increase, which will still be phased in over three years. The bill still adds \$872 million/year for transportation projects when fully phased in -- but short of the \$1.2 billion Gov. Mike DeWine sought. The bill passed the House 71-27. It now officially goes to the Senate, which has been holding informal hearings on the proposal up till now.

Gov. Mike DeWine reiterated that an 18-cent-a-gallon increase in the motor fuel user fee is the bare minimum his administration believes is needed to keep Ohio's roads in working order, and that anything less could hurt public safety. DeWine was asked by reporters about the House Finance Committee's proposing a reduction in the motor fuel user fee hike that his administration had included in its transportation budget, as well as legislators' plan to phase it in. "This is a process, we always knew this would be a process. We're going to continue to work through it," he said.

## Utilities

Chairman Jamie Callender (R-Concord) of the House Public Utilities Committee acknowledged the far-reaching and likely contentious energy legislation heading his way and called on committee members to keep things on an even keel as the 133rd General Assembly moves forward. "With a group of leaders and personalities in the room, that will be quite a challenge," he observed during an organizational meeting, vowing a policy of "openness" to ensure all voices are heard. Much happened concerning the Public Utilities Commission of Ohio (PUCO). Sam Randazzo was not only named to the commission, replacing Commissioner Tom Johnson, he was also named chairman after the current chairman, Asim Haque, announced he is departing the agency at the end of February.

The three people who made the final round of consideration for a Public Utilities Commission of Ohio seat that went to incoming commission Chairman Sam Randazzo are among 14 applicants for a new vacancy on the panel. First District Appeals Judge Dennis Deters, former lawmaker and Ohio Consumers' Counsel Governing Board head Gene Krebs and Assistant Consumers' Counsel Bryce McKenney formally applied for the seat just vacated by PUCO Chairman Asim Haque, as they had for the seat of Commissioner Tom Johnson, who didn't seek reappointment.

## Workforce

Two Northwest Ohio lawmakers, Reps. Craig Riedel (R-Defiance) and Susan Manchester (R-Lakeview), said they want local governments to be able to choose whether to require prevailing wage for construction projects, arguing it would save taxpayers money and help to greenlight more projects. They said their constituents in local government want the flexibility provided in HB78. However, asked about the issue later at the Associated Press (AP) Legislative Preview Session, Speaker of the House Larry Householder (R-Glenford) said he believes that reducing the wages on skilled labor is the wrong direction for Ohio to go, particularly as the state is looking to increase the pool of skilled workers. House Minority Leader Emilia Sykes (D-Akron) echoed that sentiment, adding she wonders why "we would shortchange the work on government buildings," which is where the state would want to ensure "great workmanship."

# Legislative Updates

**Goal 1: Promote regionalism at the local, state, and federal levels of government fostering economic growth, prosperity, efficient use of resources, and a high quality of life for Central Ohio residents.**

- HB54** LGF TAX REVENUE INCREASE (CERA J, ROGERS J) To increase the proportion of state tax revenue allocated to the Local Government Fund from 1.66% to 3.53% beginning July 1, 2019.  
**Current Status:** 2/12/2019 - Referred to Committee House Ways and Means  
**State Bill Page:** <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA133-HB-54>
- HB72** CAPITAL IMPROVEMENTS FUND (ROGERS J, CERA J) To create the Supplemental State Capital Improvements Pilot Program funded by a temporary transfer from the Budget Stabilization Fund and to make an appropriation.  
**Current Status:** 2/20/2019 - Referred to Committee House Finance  
**State Bill Page:** <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA133-HB-72>
- HB84** CAPITAL IMPROVEMENTS-SEWER LATERALS (HOLMES G) To expressly include, as eligible projects under the State Capital Improvements Program, water and sewer laterals located on private property.  
**Current Status:** 3/5/2019 - Referred to Committee House State and Local Government  
**State Bill Page:** <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA133-HB-84>
- HB92** VOTE ON COUNTY SALES TAX (ANTANI N, SMITH J) To require voter approval of any increase in the rate of a county sales tax.  
**Current Status:** 3/13/2019 - House State and Local Government, (First Hearing)  
**State Bill Page:** <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA133-HB-92>
- HB124** RESIDENTIAL SMALL LIVESTOCK (BRINKMAN T) To allow an owner of residential property to keep small livestock on the property and to prohibit zoning authorities from regulating certain noncommercial agricultural activities on residential property.  
**Current Status:** 3/7/2019 - Introduced  
**State Bill Page:** <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA133-HB-124>
- SB8** TAX CREDITS-OHIO OPPORTUNITY ZONE (SCHURING K) To authorize tax credits for investments in an Ohio Opportunity Zone.  
**Current Status:** 3/12/2019 - Senate Ways and Means, (Fourth Hearing)  
**State Bill Page:** <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA133-SB-8>
- SB39** MIXED USE DEVELOPMENT PROJECTS-TAX CREDIT (SCHURING K) To authorize an insurance premiums tax credit for capital contributions to transformational mixed use development projects.  
**Current Status:** 3/12/2019 - Senate Finance, (First Hearing)  
**State Bill Page:** <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA133-SB-39>

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## Goal 2: Achieve an advanced, inclusive, and exceptional transportation system that connects Central Ohio's people and products to the world.

- HB48** LOCAL GOVT ROAD IMPROVEMENT FUND (GREENSPAN D) To provide for a new Local Government Road Improvement Fund for local governments to fund road improvements.  
**Current Status:** 2/12/2019 - Referred to Committee House Finance  
**State Bill Page:** <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA133-HB-48>
- HB62** TRANSPORTATION BUDGET (OELSLAGER S) To make appropriations for programs related to transportation and public safety for the biennium beginning July 1, 2019, and ending June 30, 2021, and to provide authorization and conditions for the operation of those programs.  
**Current Status:** 3/14/2019 - Senate Transportation, Commerce and Workforce, (Fourth Hearing)  
**State Bill Page:** <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA133-HB-62>
- HB92** VOTE ON COUNTY SALES TAX (ANTANI N, SMITH J) To require voter approval of any increase in the rate of a county sales tax.  
**Current Status:** 3/13/2019 - House State and Local Government, (First Hearing)  
**State Bill Page:** <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA133-HB-92>
- HB93** PUBLIC TRANSIT INVESTMENT (SKINDELL M, UPCHURCH T) To make appropriations related to public transportation.  
**Current Status:** 3/5/2019 - Referred to Committee House Finance  
**State Bill Page:** <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA133-HB-93>
- HB97** MINORS-BIKE HELMETS (SKINDELL M) To require bicycle operators and passengers under 18 years of age to wear protective helmets and to establish the Bicycle Safety Fund.  
**Current Status:** 3/12/2019 - House Transportation and Public Safety, (First Hearing)  
**State Bill Page:** <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA133-HB-97>
- HB116** TRANSPORTATION RESEARCH (BRINKMAN T) To make an appropriation related to transportation planning and research.  
**Current Status:** 3/12/2019 - Referred to Committee House Finance  
**State Bill Page:** <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA133-HB-116>
- SB73** PEDESTRIANS IN CROSSWALKS (BRENNER A) To alter the law governing yielding to pedestrians in crosswalks.  
**Current Status:** 3/12/2019 - Referred to Committee Senate Local Government, Public Safety and Veterans Affairs  
**State Bill Page:** <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA133-SB-73>

# Legislative Updates

**Goal 3: Pursue sustainability solutions that protect and conserve our natural resources and promote a diverse supply of clean, affordable, and reliable sources of energy for our growing region.**

**SB2** STATEWIDE WATERSHED PLANNING (PETERSON B, DOLAN M)  
To create a statewide watershed planning structure for watershed programs to be implemented by local soil and water conservation districts.  
**Current Status:** 3/12/2019 - Referred to Committee Senate Local Government, Public Safety and Veterans Affairs  
**State Bill Page:** <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA133-SB-2>

**SB73** PEDESTRIANS IN CROSSWALKS (BRENNER A) To alter the law governing yielding to pedestrians in crosswalks.  
**Current Status:** 2/20/2019 - Referred to Committee Senate Agriculture and Natural Resources  
**State Bill Page:** <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA133-SB-73>

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## Goal 4: Promote effective data policies and the equitable deployment of digital infrastructure that benefit Central Ohio communities.

- HB46** STATE GOVT EXPENDITURE DATABASE (GREENSPAN D) To require the Treasurer of State to establish the Ohio State Government Expenditure Database.  
**Current Status:** 2/27/2019 - House State and Local Government, (First Hearing)  
**State Bill Page:** <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA133-HB-46>

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