

Ohio Township Association Legislative Alert



December 8, 2017

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Legislative Activity This Week

Tuesday, December 5

Passed in the House

[HB 312 POLITICAL SUBDIVISION SPENDING](#) (Schuring, Greenspan.) Regarding use of credit cards and debit cards by political subdivisions.

Vote: 95-0

House Ways & Means

[HB 343 PROPERTY VALUES](#) (Merrin) To require local governments that contest property values to formally pass an authorizing resolution for each contest and to notify property owners.

Opponent testimony was provided by a school treasurer, the Ohio Township Association and the Cleveland Metropolitan School District. Sponsor Merrin briefed the committee on several proposed amendments.

[HB 371 PROPERTY TAX](#) (Merrin) To exempt from property taxation the increased value of land subdivided for residential development until construction commences or the land is sold.

The County Commissioners Association provided opponent testimony. Again, Sponsor Merrin briefed the committee on several proposed amendments.

House Economic Development, Commerce & Labor

[HB 392 APIARY DAMAGES](#) (Stein) To grant specified apiary owners immunity in personal injury or property damage cases.

The Ohio State Beekeepers Association testified in support of the bill.

House State & Local Government

[HB 415 ROAD IMPROVEMENTS](#) (Greenspan, Ryan) To allocate one-half of any surplus revenue to a new Local Government Road Improvement Fund, from which money will be distributed directly to local governments to fund road improvements.

Sponsors Greenspan and Ryan provided testimony to the committee emphasizing the need for additional funding for local governments to help repair and strengthen current infrastructure. It was noted that there is a provision in the bill that would prohibit the General Assembly from reducing the Local Government Fund should the state have a surplus that is put into the newly created Road Improvement Fund.

House Government Accountability & Oversight

[HB 410 TRAFFIC VIOLATIONS](#) (Seitz, Butler) To grant municipal and county courts original and exclusive jurisdiction over any civil action concerning a traffic law violation, to specify that the court require an advance deposit for the filing of specified civil actions by the local authority bringing the civil action, and to modify the reporting requirements and LGF withholding that apply to subdivisions that operate traffic law photo-monitoring devices.

Sponsors Seitz and Butler provided testimony to the committee. They stated that the bill is designed to restore due process for the people that are cited by cameras.

House Energy & Natural Resources

[HB 422 WATER SEWER ACQUISITIONS](#) (Ginter, Rogers) To govern acquisitions of municipal water-works and sewage disposal system companies by certain larger nonmunicipal water-works or sewage disposal system companies.

Sponsors Ginter and Rogers provided an overview of the bill for the committee.

Meeting with Rep. Brinkman, Rep. Hill and interested parties on HB 175

Wednesday, December 6

House Criminal Justice

[HB 419 EMERGENCY LIABILITY](#) (Henne) To modify the defense to the liability of a member of a police or fire department or emergency medical service of a political subdivision for the negligent operation of a motor vehicle in response to an emergency by requiring that the vehicle has its lights and sirens simultaneously activated.

Sponsor Henne said the bill is designed to bring clarity to Ohio's sovereign immunity law due to different court rulings and interpretations.

Thursday, December 7

Meeting with Rep. Merrin and interested parties on HB 343

Phone call with Rep. Seitz's office

Friday, December 8

Meeting with OML staff

Recently Introduced Legislation

[HB 436 TRAFFIC SIGNS](#) (Boggs, Leland) To permit a local resident, neighborhood association, or neighborhood organization to request the erection of a stop sign at an intersection and to support a request for a lower prima facie speed limit on certain streets and highways.

[SB 238 WIND FARM SETBACKS](#) (Dolan) Regarding wind turbine setbacks for wind farms of at least five megawatts.

[SB 239 REGIONAL GOVERNMENT COUNCILS](#) (Dolan) To modify the law concerning regional councils of governments.

Federal Update

Congressional Activity This Week

The House and Senate were in session this week. The House voted on a formal motion to go to conference with the Senate to reconcile differences between the House and Senate versions of the Tax Cuts and Jobs Act (H.R. 1) and the Community Institution Mortgage Relief Act of 2017 (H.R. 3971), which would allow additional mortgage lenders and servicers to qualify for exemptions from escrow and other requirements.



On Tuesday, the Senate voted on a formal motion to go to conference with the House to reconcile differences between the two chambers' versions of the Tax Cuts and Jobs Act. The House and Senate are currently on track to pass a reconciled version of the tax bill by the end of the month. They will create a unified bill that will need to pass the House and Senate again before it goes to the President's desk. Differences between the House and Senate tax bills can be viewed [here](#).

Senate Passes Tax Cuts and Jobs Act

On Saturday, December 2, the Senate passed, by a vote of 51-49, its version of the Tax Cuts and Jobs Act (H.R. 1); Sen. Bob Corker (R-TN) was the only Senate Republican to vote with all 48 Senate Democrats against the legislation. The Congressional Budget Office (CBO) has estimated that the bill will cost \$1.47 trillion over a decade. The legislation makes numerous changes at both the individual and business levels and according to the nonpartisan Tax Policy

Center, the bill would increase GDP modestly until 2025, and by even less after many of its individual tax cuts expire in that year, and the bill would barely change the size of the economy in 2027 or in 2037. As a result, the tax bill would generate roughly the same amount of revenue whether it is measured using traditional budget scoring or taking into account the macroeconomic effects of the bill (dynamic scoring). The bill would also open up the Arctic National Wildlife Refuge in Alaska to oil and gas drilling and repeals the Affordable Care Act's individual mandate.

The final version of the legislation included:

- * Deducting up to \$10,000 in property taxes paid to state and local governments (SALT), which reflects the treatment of property taxes in the House-passed bill;
- * Increasing the deduction for small business owners' qualified business income from 17.4 percent in the underlying bill to 23 percent;
- * Extending 100 percent expensing for qualified business property by four more years, gradually decreasing over time, adding to the five years included in the underlying bill;
- * Preserving existing business structure commonly referred as IC-DISC (Interest Charge Domestic International Sales Corporation);
- * Eliminating an ACA restriction on the deductibility of medical expenses, which will allow medical expenses to be deducted if they exceed 7.5 percent of a taxpayers' adjusted gross income, rather than the 10 percent threshold under current law; and
- * Maintaining existing contribution limits and rules for employees of tax-exempt and governmental organizations.

House Passes Brownfields Reauthorization Bill

On November 30, the House passed, by a vote of 409-8, the Brownfields Enhancement, Economic Redevelopment, and Reauthorization Act of 2017 (H.R. 3017), which reauthorizes the U.S. Environmental Protection Agency's (EPA) Brownfields program at \$250 million annually through FY 2022. The Brownfields programs funds the development of abandoned, closed, or under-utilized industrial or commercial facilities that are contaminated. Redeveloped or revitalizing properties that may be contaminated are often more costly and have a greater liability associated with them so they often go undeveloped. Leaving these properties vacant and unused negatively impacts real estate values and slows local economic development.

House Passes Law Enforcement Mental Health and Wellness Act

On November 28, the House passed, by voice vote, the Law Enforcement Mental Health and Wellness Act of 2017 (H.R. 2228), which would help agencies create and improve mental health services for law enforcement officers. The bill would direct the Departments of Justice, Defense, and Veterans Affairs to develop resources to equip local law enforcement agencies to address mental health challenges faced by officers. The bill would also make grants available to initiate peer mentoring pilot programs, develop training for mental health providers specific to law enforcement mental health needs, and support law enforcement officers by studying the effectiveness of crisis hotlines and annual mental health checks.

Legislative Schedule for Next Week

Tuesday, December 12

House Finance (Ch. Smith), Rm. 313, 9 a.m.

HB 3 DATAOHIO BOARD (Duffey, Hagan) 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.

3rd Hearing-All testimony-Possible vote

HB 281 BROADBAND EXPANSION (Carfagna) To establish the residential broadband expansion program within the Development Services Agency to award matching grants for last mile broadband expansion in municipal corporations and townships and to make an appropriation.

3rd Hearing-All testimony-Possible substitute

HB 378 BROADBAND GRANTS (Smith, Cera) To create the Ohio Broadband Development Grant Program and to make an appropriation.

2nd Hearing-Proponent testimony

House Ways & Means (Ch. Schaffer), Rm. 121, 9 a.m.

HB 343 PROPERTY VALUES (Merrin) To require local governments that contest property values to formally pass an authorizing resolution for each contest and to notify property owners.

5th Hearing-All testimony-Possible amendments

HB 371 PROPERTY TAX (Merrin) To exempt from property taxation the increased value of land subdivided for residential development until construction commences or the land is sold.

5th Hearing-All testimony-Possible amendments

House Economic Development, Commerce & Labor (Ch. Young), Rm. 113, 1:30 p.m.

HB 392 APIARY DAMAGES (Stein) To grant specified apiary owners immunity in personal injury or property damage cases.

3rd Hearing-Opponent testimony

House State & Local Government (Ch. Anielski), Rm. 017, 2:30 p.m.

HB 415 ROAD IMPROVEMENTS (Greenspan, Ryan) To allocate one-half of any surplus revenue to a new Local Government Road Improvement Fund, from which money will be distributed directly to local governments to fund road improvements.

2nd Hearing-All testimony

HB 298 SICK DAYS (Merrin) To make changes with respect to the number of sick days provided to public employees.

1st Hearing-Sponsor testimony

House Public Utilities (Ch. Cupp), Rm. 116, 3 p.m.

HB 381 NUCLEAR ENERGY (DeVitis) Regarding the zero-emissions nuclear resource program.

1st Hearing-Sponsor testimony

HB 247 UTILITY LAW (Romanchuk) To require refunds to utility customers who have been improperly charged, to eliminate electric security plans and require all electric standard service offers to be delivered through market-rate offers, and to strengthen corporate separation requirements.

4th Hearing-Opponent & interested party testimony

Wednesday, December 13

Senate Ways & Means (Ch. Eklund), S. Hearing Rm., 9 a.m.

HB 69 TIF DISTRICTS (Cupp) To require reimbursement of certain township fire and emergency medical service levy revenue forgone because of the creation of a municipal tax increment financing district.

7th Hearing-All testimony-Possible amendments & vote

Department of Commerce

Minimum Wage Hike Set for 2018

Employers, including public employers, are reminded that the state's minimum wage is set to rise on Jan. 1 to \$8.30 per hour for non-tipped employees and to \$4.15 per hour for tipped employees. The current rates are \$8.15 and \$4.08, respectively.

The minimum wage applies to businesses with annual gross receipts of more than \$305,000 per year, according to the Department of Commerce.

With the passage of a 2006 ballot issue, Ohio's minimum wage increases every Jan. 1 by the rate of inflation. The Constitutional Amendment tied the wage hikes to the Consumer Price Index for urban wage earners and clerical workers for the 12-month period prior to September.

OTA Group Rating Program Info

Since 1992, the Ohio Township Association (OTA) has endorsed CareWorksComp as their exclusive workers' compensation group rating program administrator. CareWorksComp provides accurate premium savings estimates and best in class claims management services. This partnership supports OTA's member programming, lobbying and education efforts including our annual Winter Conference.

Competing groups have had very small township groups for only two years. These groups entice townships by overstating their group discount and low balling their service fees. This year they are sending group offers without using actual payroll or claim losses to calculate group discounts that may grossly exaggerate outcomes. The OTA group rating program consistently outperforms these competing programs. Based on available BWC data, townships not participating in the OTA program are paying higher workers' compensation premiums as a result.

CareWorksComp is currently evaluating the 2019 OTA Group Rating Program and will be mailing quotes in the coming weeks to qualified candidates. The 2019 OTA group rating program filing deadline is May 31, 2018. For questions about group rating or more information about the quoting process, please contact:

Paul Feck, Director of Client Services, CareWorksComp

(614) 526-7138 phone

paul.feck@careworkscamp.com



Department of
Taxation

Information for JEDDs and JEDZs - November 2017

The Ohio Department of Taxation recently filed proposed administrative rule 5703-41-02 with the Joint Committee on Agency Rule Review (JCARR) regarding joint economic development districts (JEDDs) and joint economic development zones (JEDZs). The Department anticipates that this rule will be effective in mid-January of 2018. The rule requires the board of directors of each JEDD and JEDZ that levies an income tax to provide the following documents to the tax commissioner within 30 days of the effective date of the rule:

1. A copy of the signed contract creating the JEDD/JEDZ and any signed amendments to the contract creating the JEDD/JEDZ.
2. A description of the area or areas included in the JEDD/JEDZ, including a map in sufficient detail to denote the specific boundaries of the area or areas, and the parcel number of any parcel located within the boundaries of the JEDD/JEDZ which is excluded from the JEDD/JEDZ.
3. Notification of which municipal corporation has been charged with administering, collecting, and enforcing the net profit tax on behalf of the JEDD/JEDZ.
4. A copy of the signed agreement between the board of directors of the JEDD/JEDZ and the municipal corporation to administer, collect, and enforce the income tax on behalf of the JEDD/JEDZ and any signed amendments to the agreement.

The proposed rule also requires the board of directors of a JEDD/JEDZ to update this information if it changes. If a contract or agreement is amended, the board must provide a copy of the signed amendment to the tax commissioner within 30 days of the effective date of the amendment. If a contract is terminated, renewed, or canceled, or if the map changes, the board must notify the tax commissioner at least 30 days prior to the effective date of the termination, renewal, cancellation, or change. Any newly-formed JEDD/JEDZ must provide a copy of the contract and agreement within 30 days of the respective effective dates.

The text of the proposed rule can be found by clicking [here](#).

In anticipation of the rule becoming final and to comply with the rule's requirements, JEDDs and JEDZs may send the documents listed above to the Department via email to

MNPTax@tax.state.oh.us, via fax to 1-206-666-4462, or via mail to:

Ohio Department of Taxation

Business Tax Division

ATTN: Municipal Net Profit Tax JEDD/JEDZ

P.O. Box 16158

Columbus, Ohio 43216-6158

Please contact the Business Tax Division at 1.844.238.0403 if you have any questions about this release or if you need assistance with any municipal net profit tax matter.

Manufactured Homes Transition *Do you have input to share?*

The Ohio Department of Commerce - Division of Industrial Compliance wants to hear from you! They will be holding a meeting at which a conversation will take place to talk more in-depth about processes and issues in the manufactured homes industry, as well as get feedback on the upcoming rule revision process.

Township officials are invited to a meeting to discuss floodplains, among other topics, on Wednesday, Dec. 20 from 1:00 p.m. - 3:00 p.m. at the State Fire Marshal's office, 8895 East Main Street, Reynoldsburg.

This meeting is an opportunity to dive deeper into your questions and feedback, and continue strengthening our partnership. Please RSVP to MHPProgram@com.state.oh.us with the names of those attending.

ORIL Looking for Feedback

Ohio's Research Initiative for Locals (ORIL) is currently sponsoring a project on Best Practices for Pavement Restoration of Open Cut Utility Installations/Repairs on Local Roadways in Northern Ohio. As part of the project, the researchers are conducting a survey of large municipalities to get feedback on the construction, performance, and other information pertaining to pavement restorations of open utility cuts.



The purpose of the survey is to collect information about pavement restoration of open cut utility installation or repair from practitioners in urban areas with similar climatic conditions as northern Ohio. This survey will assist with the research goal of identifying the best practices for pavement restoration of open cut utility installation on local roads in urban areas to ensure low cost and long-term performance. Municipalities from Ohio and other states are welcome to participate. The researchers are specifically seeking responses from municipalities with population greater than 25,000.

The survey can be completed online at this [link](#) or by completing the attached questionnaire and returning it to the address indicated in the document. The project team requests survey responses by December 22, 2017.

Please feel free to also forward this survey to other municipalities that may be able to participate. Thank you!

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