

CCAO LEGISLATIVE UPDATE

Planning Directors Meeting – June 28, 2010

SB 232 (Widener) & HB 464 (Winburn)

These two measures deal with tax breaks for alternative energy (ie wind turbines and solar projects). The measures differ slightly but would generally provide an abatement of all local taxation (tpp on generation property and transmission & distribution property as well as real property) with no local input. Instead, developers would merely pay a PILOT (payment in lieu of taxes) of anywhere from 5-7K. CCAO is very concerned about this. Very troubling precedent in that state is once again abating local taxes to fund its priorities.) At 6K a megawatt, this would represent a 94% abatement in Paulding County, according to a school treasurer there. CCAO is pushing for language to strengthen road maintenance, a higher pilot, and a local opt out where a tax abatement agreement can be negotiated by the local political subdivisions (schools included).

4/27/10 Update: Widener has agreed to have LSC draft some language that may go a long way towards what we'd like. Essentially commissioners could say no to the pilot and offer "recommendation". Developer could accept recommendation or no project. Kind of a offer/counter offer concept. Also, some counties have been approached about enterprise zones. I'd recommend talking to myself and/or John Leutz regarding these. Wind developers have testified in Columbus supporting anywhere from 6-8 thousand per MW of nameplate capacity for turbines. Some sample EZ agreements developers are pushing on commissioners are only offering \$3100 per MW.

5/25/10 Update: SB 232 has been signed by the Governor. Highlights include a county commissioner veto on any preferential tax treatment. If commissioners agree to treatment, pilot ranges from 6-8K per MW of nameplate capacity based on number of Ohio domiciled construction jobs. Pilot monies distributed per tpp model. Commissioners may also request an additional annual service agreement payment but total cannot exceed 9K per MW. This additional payment goes to GRF. Also commissioners can designate county "alternative energy zone" where they set the pilot (w/ additional payment amount) and give blanket agreement to preferential tax treatment for all projects (don't have to approve each one).

Septic Legislation (Finally) Passes

SB 110 (Niehaus R- New Richmond) defines a system that is considered to be causing a public health nuisance; creates a Sewage Treatment System Appeals Board; creates vertical separation distance requirements; grandfathered in existing septic systems, applications and permits; and sets rules for repair, replacement, maintenance and inspection of systems.

A conference committee was held to remove a controversial provision allowing homeowners to connect to a municipal central sewer system without being required to annex into the municipality. Another considered amendment would have not allowed

county sewer districts to require property owners connect to a central sewer unless their system was failing and the cost of repair would be in excess of 50% of the connection fee. CCAO successfully lobbied against this amendment.

House Bill 471 (Chandler)

Chandler introduced her TDR measure in late May, measure referred to the House Local Government and Public Administration Committee (Chandler is Chairwoman). CCAO offered support testimony on June 2nd. Measure has only received two hearings. Unlikely bill will move in lame duck session. Chandler farewell bill is HB 220.

House Bill 220 (Chandler):

Public Notice Bill, is moving through the House, expected to be passed out of chamber this week. We agreed to a compromise. Major details are as following: 1) newspapers must have a govt rate which is no more than lowest classified rate for advertisers 2) Local Govts can use newspaper inserts for notices 3) for delinquent property tax notices, the second notice must be discounted 25% by Newspapers 4) for all other notices, you will now do the first notice, a second summary notice no less than 50% of first notice and then put notice on local govt website and newspaper website (at no charge).

6/25/10 Update: Measure has moved out of House. Legal Dailies have an issue because while they have been allowed under the definition of "a newspaper of general circulation" if a judge just deemed them so, the bill would take out the ability of a judge to do this and thus they probably wouldn't meet circulation requirements. We're still looking at the issue.

HR4213 Federal Jobs Bill:

Measure would extend federal unemployment through Dec 31 2010. Measure has been passed out of US Senate (you may have remembered from the news, that it was temporarily filibustered by Senator Jim Bunning of KY). Because the measure was amended in the U.S. Senate, it must now, once again, move through the House.

6/24/10 Update: The House amended the Senate amendment and sent the measure back to the Senate. On Thursday a motion to invoke cloture on debate failed to the Senate. Speculation is that this will be the final week for the Senate to concur, otherwise the Congress will adjourn for the summer.

Board of Tax Appeals legislation:

The state essentially forgot to fund the state board of tax appeals in the latest budget bill. There have been numerous ideas as to how to make up this funding. One of the latest is to use part of the 10% property rollback dollars that the state reimburses local governments. CCAO is opposed to this particular idea.

Senate Bill 155 (Carey)

This bill is moving through the House. It would redirect some monies from the Scrap Tire Fund to ODNR to up the state match rate for soil & water conservation districts. CCAO supports this measure.

4/27/10 Update: Signed by Governor and effective (emergency measure) on 3/31/10.

HB 389 (Huffman):

This bill would allow counties to put more dollars into reserve balances, as well as provide for direct pay for employees. We support this measure.

4/27/10 Update: Auditors are upset over who determines the direct pay policy for the county. Obviously, we think commissioners should make the determination, they believe auditors should.

5/25/10 Update: We worked out a compromise on this issue, however the bill still did not move before the summer break.

HB 404 (Bolon):

This measure would alter the formula for treasurer settlement fees. The administrative fees the county charges for tax settlement responsibilities. These dollars go to the general revenue fund. CCAO supports this measure.

HB 313 (Ujvagi):

This is the land bank bill which allows counties having a population of more than 60,000 (prior law was only counties above 1.2 million) to implement land reutilization powers, to create a county land reutilization corporation (CLRC). A CLRC is a nonprofit corporation created for the purposes of promoting development and managing and facilitating the reclamation, rehabilitation, and reutilization of vacant, abandoned, or tax-foreclosed real property. Importantly CCAO was able to get amendments clarifying the ability of counties to do property levies for OSU Extension as well as authorizing counties to do property levies for the operating costs of soil & water districts.

Possible Amendment regarding recorder's fees:

HB 175 (Gerberry) is before the Senate Ag Committee. There is a movement by the recorders association to amend the bill to increase the portion of the local \$14 fee that can go to the Recorders equipment fund. The bill is permissive but would allow the entire fee to go to the recorders fund and be irrevocable. CCAO opposes this amendment.

5/25/10 Update: In the end, the amendment includes only one provision: to increase the dollar amount recorders can ask the commissioners to set aside in a permissive fund for equipment. The recorders were seeking an increase from the current \$4 to \$14, but the new ceiling will be only \$7. Therefore, current law will remain the same relative to the commissioners' ability to reject or modify such a request from the county recorder. Given the commissioners' latitude, CCAO continues to view this as a permissive special

fund. In addition, the amendment does not expand the purpose of the equipment fund. The recorders wanted to include office operations.

Puppy Mill Bill Moves Out of Committee

The Senate's puppy mill legislation (SB 95), sponsored by Senators Jim Hughes (R-Columbus) and Gary Cates (R- West Chester), was reported favorably by the Senate State and Local Government and Veterans Affairs Committee.

The final substitute measure contained a number of provisions for which CCAO. and the Ohio County Dog Warden's Association advocated, essentially keeping us out of the kennel regulating business and leaves it up to a state agency Ohio Kennel Authority.

OTHER MISCELLANEOUS:

Sheriffs' amendment to mandate road patrol killed by CCAO.

Extends the Ohio Enterprise Zone Program for an additional through October 15, 2011. (The program was set to expire on October 15th of this year.) (SB 181)

Allow regional water and sewer districts, as well as transit authorities, to offer their employees up to three deferred compensation plans. CCAO joined other interested parties in supporting this expansion. (SB 181)

Local Govt Commission extended for a few months (so they could write report) (HB 393)

Authorization for sheriffs and coroners to locate their office outside the county seat. (This provision is in response to Attorney General Opinion 2010-013.) (HB 393)

Authorization for a board of county commissioners to appropriate funds from both the general fund and permanent improvement fund to maintain sites where agricultural societies hold fairs. (HB 393)

Authorization for Brown County's solid waste district and port authority to work together in providing financial assistance involving the Brown County hospital. (HB 393)