March 31, 2017

Big step forward for permissive county authority to levy additional $5 motor vehicle license fee

*Thank you to CCAO members & partners for your awesome advocacy efforts!*

Thanks to the General Assembly approving the Transportation Budget Conference Committee Report, counties are a BIG step closer to being able to levy an additional $5 motor vehicle license fee to fund local road and bridge infrastructure.

The Conference Committee, tasked with ironing out the differences between the Ohio House and Senate, on Monday picked the House-passed provision that gave a board of county commissioners or county council the permissive authority to pass a resolution enacting the fee, though subject to voter referendum.

County commissioners, county executives and county council members along with their staff and CCAO’s policy team worked with a coalition of advocates, including the County Engineers Association of Ohio (CEAO), regional planning agencies and several business organizations, to support the proposed additional $5 motor vehicle license tag fee, which hasn’t been adjusted since 1987.

Thank you to CCAO’s members and our partners for your advocacy efforts that made an enormous difference! Several elected officials along with county staff provided testimony and attended statehouse hearings. Moreover, many contacted lawmakers expressing support for a board of commissioners and council members to exercise funding decisions, subject to referendum, that reflect the needs of their counties.

The measure is before the Governor for his consideration and is expected to take action on the bill soon.

Details on other provisions in the bill and the Governor’s action will be reported in next week’s CCAO Statehouse Report. If you have questions in the meantime, feel free to contact CCAO’s Policy Team at 614-221-5627.
Budget testimony

Testimony before the full House Finance Committee began this week. Commissioners Julie Ehemann from Shelby County and Tom Whiston from Morrow County testified on CCAO’s priorities yesterday and did a great job advocating for counties. Ehemann emphasized the importance of revenue stability, highlighting the MCO sales tax loss, proposed changes to the LGF and indigent defense reimbursement. Whiston talked about the importance of the state/county partnership, hitting on elections, the opiate epidemic and DRC’s F5 proposal. Click the links to read their full testimony.

Support CCAO’s budget priorities

**Medicaid managed care sales tax** – A lot of efforts are being made to address counties’ request for complete and permanent replacement of local Medicaid managed care sales tax revenue to counties and transit authorities.

The Medicaid Managed Care Organization (MCO) sales tax proposal in the SFY 18/19 Executive Budget fully replaces lost revenue to the state, but provides counties and transit authorities a one-time allocation. Ohio should develop a plan that provides equal treatment and offers complete and permanent replacement for everyone affected.

CCAO and others have been working with Representative Bill Seitz (R-Cincinnati) on possible ideas to generate replacement revenue. While a few past ideas have not panned out, the latest concept being explored is whether the proposed state Health Insuring Corporation (HIC) provider assessment fee could be increased to generate not only adequate state funding but also enough money to reimburse counties and transit authorities.

As you may recall, the Executive Budget establishes a state HIC that levies a monthly franchise fee on health insuring corporations beginning July 2017. The monthly rate is based on the number of Medicaid recipients being served. For each Ohio Medicaid member enrolled in the health insuring corporation the fee ranges from $26-$56. For each non-Medicaid member enrolled, the fee is from $1-$2.

Efforts led by Rep Seitz are underway to determine if raising the proposed state HIC fee would meet federal compliance tests.

Another strategy is simply to ask for an additional $157 million in the biennium. Yet, while lawmakers are responding empathetically to our request for parity with the state, they point to their struggle of having limited new funds and balancing many requests.
CCAO members know from crafting county budgets that it is very important for individuals and entities impacted to make their case. Therefore, please raise, and continue to raise, with lawmakers the need for complete and permanent replacement of the local sales tax revenues. This includes not only CCAO’s members but other county elected officials in the courthouse, agencies funded by the county, our community and business leaders, transit authority leaders and advocates, and other local government officials whose jurisdictions will not see the benefits of the new state HIC in the Local Government Funds.

The Ohio Council of County Officials’ (OCCO’s) special subcommittee on the Medicaid MCO sales tax developed an educational pocket card that highlights this important issue. This card states our shared goal of complete and permanent replacement funding and shows the logos of the county elected officials’ associations and OCCO. Each county elected officials’ association will receive 200 copies to share with their members and use in their advocacy efforts. Also, copies will be available at the OCCO Legislative Reception on April 26 at the Statehouse Atrium from 5 – 7 PM.

The CCAO Small Counties Committee will hold its next meeting at the Statehouse on Wednesday, April 5, to facilitate engagement with lawmakers. Members are setting up their individual meetings with lawmakers. CCAO staff will provide a briefing at 10 AM in the Thomas Worthington Center on the lower level of the Statehouse.

OCCO will hold a press event on April 26th – the same day as their Legislative Reception. Details are being worked out, and we anticipate the event to be held just prior to the Reception from 5 – 7 PM. We will keep you updated, and we would love to have our members in attendance to show support.

As reported last week, Shelby County Commissioner Julie Ehemann provided testimony on this important issue to the House Ways and Means Committee. She also testified this week before the House Finance Committee. Mahoning County Commissioners submitted written testimony along with supporting material and copies of resolutions passed by various counties. Over 70 counties have passed resolutions or written letters to their lawmakers on this matter. And, our regional legislative briefings have spotlighted this issue.

For a copy of a sample resolution, please go to the CCAO web site for our Advocacy Checklist and material.

**Please continue your lobbying efforts. You are CCAO’s best lobbyists!**

**Indigent Defense** – Representative Steve Arndt is leading the effort with an amendment to require the state to reimburse the counties for at least 50% of their indigent defense costs and reimburse the counties for all of their costs in capital cases.

We are up to twenty-eight co-sponsors on our amendment: Representatives Marlene Anielski, Steve Arndt, Nickie Antonio, Lou Blessing, Andrew Brenner, Rick Carfagna, Bob Cupp, Theresa Gavarone, Doug Green, Dave Greenspan, Steve Hambley, Candice Keller, Darrell Kick, Kyle Koehler, Scott Lipps, Adam Miller, Mike O’Brien, John Patterson, Tom Patton, Bill Reineke, John Rogers, Jeff Rezabek, Craig Riedel, Mark Romanchuk, Gary Scherer, Andy Thompson, Nino Vitale and Scott Wiggam. Please CALL them – to THANK them for co-sponsoring our indigent defense amendment.
If your Representative’s name does not appear on this list contact them ASAP. It is critically important for you to personally contact your State Representatives and urge them to co-sponsor this amendment.

- Republican Reps should contact Representative Arndt.
- Democrat Reps should contact either Representatives John Rogers or Mike O’Brien.

We have one week remaining to obtain additional co-sponsors, and we need your immediate help to gain as many co-sponsors as possible.

**Elections** – Counties are seeking a partnership with the state to upgrade Ohio’s aging voting equipment prior to the next presidential election. Such a partnership would not be unprecedented. Two years ago, the state budget included approximately $12 million in general funds to forge a very well received partnership with counties in buying electronic poll books; years earlier, the state appropriated capital dollars to pull down the Help America Vote Act (HAVA) funding.

CCAO along with the Ohio Association of Elections Officials (OAEO) and the Secretary of State’s Office have been trying to develop a state/county partnership model for upgrading voting equipment similar to the successful electronic poll book purchasing program. These positive features include:

- The state took the lead in targeting an 85 state/15 local percent split in purchase costs. In the end, the arrangement came out a little bit closer to 80/20; nonetheless, the partnership has been outstanding!
- The program allowed counties to secure equipment over a two-year window, and then be reimbursed by the state. This allowed counties to obtain the equipment in conjunction with their strategic and budgetary plans.
- The program also reimbursed counties that had acquired poll books before the program, so as not to penalize them for moving quicker.
- The program allowed boards of elections to select the poll books from state term pricing lists, thereby receiving some economy of scale benefit.

One thing that the group is trying to improve is fine tuning the cost of the voting equipment earlier in the purchase process. DAS has negotiated with vendors to get state term pricing, and those numbers are expected to be released anytime now. Following that release the Secretary of State (SOS) is expected to issue a directive instructing the board of elections to work with their commissioners or council to develop a statement of intent as to what the county would like to purchase. Those figures will be returned to the SOS three weeks after the directive is issued. This will provide a statewide cost for upgrading Ohio’s voting equipment – data state officials are anxious to receive.

Upgrading Ohio’s voting equipment will be a multi-year process, and in this state budget, CCAO and its partners are seeking the following:

- Initial seed funding for the program.
• Language providing details of a state/county purchase program.

• Clear statement of intent as to how the General Assembly hopes to fund the partnership going forward the next few years.

The Administration has expressed its preference in utilizing capital dollars, perhaps in next year’s capital budget bill. CCAO and OAEO greatly appreciate the Administration’s partnership, and acknowledges, though, that a blend of dollars will be needed; capital dollars can help with purchasing going forward while operating dollars could help with reimbursement, just like the electronic poll book program, as well as for counties looking to lease equipment.

While the next presidential election is a few years away, counties are making plans to upgrade or purchase equipment in the near future. Therefore, a statewide plan or road map is really important and needed in the short term to guide us into the future.

If you have questions, please contact CCAO Staffers Cheryl Subler and John Leutz at 614-221-5627.

Opiates – CCAO has two priority areas within the opiate epidemic category. These are not addressed in the current version of the budget. Please talk to your legislators about the following proposals:

• Child Protection - Additional investment of $30 million per year in the state child protection allocation to help counties with rising placement costs for children affected by the opiate epidemic.

• Assist county jails by:
  o Providing direct treatment and counseling services in the county jail through a program managed by the local county behavioral health boards.
  
  o Establishing a state-wide behavioral health triage program that provides regional centers that law enforcement can take individuals to who have been taken into custody or are incarcerated.
  
  o Provide reimbursement to the counties for the psychotropic drugs prescribed for county jail inmates.

*** OACBHA also presented testimony in support of the triage centers and providing direct treatment and counseling services to jail inmates. Rep Doug Green is having an amendment drafted to provide reimbursement for the psychotropic drugs prescribed for county jail inmates

ADDITIONAL ITEMS OF NOTE

• DRC’s felony 5 proposal – CCAO opposes this proposal as currently written however, discussions are taking place about removing the mandate, giving the judiciary more discretion and recognition that the reimbursement and infrastructure would need to be enhanced.
• **New distribution of LGF** – CCAO opposes this proposal and requests it be removed.

• **OSU extension** – The budget has a slight decrease in funding, and CCAO recommends additional funding.

• **Soil and Water Districts** – The budget funds the state match at $10.28 million, and CCAO recommends additional funding.

If you have questions, please contact CCAO Staffers Kate Neithammer and John Leutz at 614-221-5627.

**Fiscal emergency legislation passes House, companion bill reported by Senate committee**

CCAO offered written interested party testimony for the House State and Local Government Committee on HB 103 and provided in person testimony to the Senate Government Oversight and Reform Committee on SB 88 this past week.

HB 103 passed the Ohio House 96 – 1 the day after the House State and Local Government Committee favorably reported the bill to the House Rules Committee. The Senate Government Oversight and Reform Committee also favorably reported SB 88.

In interested party testimony on behalf of CCAO, Managing Director of Research Brad Cole highlighted changes made to the fiscal emergency law including:

- Changes to the Composition of financial planning and supervision commission
- Accelerated appointment process
- Additional financial plan requirements
- Expenditure limitations if financial plan requirements are not met
- Prompt submission of accurate financial reports and information

These companion bills affect any county, municipal corporation or township that enters into a fiscal emergency. There has been no opposition testimony in either house; consequently, one of these measures is expected to pass.

For additional information on this topic contact Brad Cole at bcole@ccao.org.

**Regulations to be tightened for prescribing opioids**

Governor Kasich and the state’s medical licensing boards announced new rules for acute pain prescribing Thursday designed to reduce the number of opiate painkillers distributed to patients. The administration estimated the new rules would reduce the number of opiate doses by 109 million per year.
The new rules would limit prescriptions of opioids for acute pain to no more than seven days for adults and five days for minors. The prescriptions could not exceed an average of 30 morphine equivalent doses per day. Providers would be able to write prescriptions that exceed the limits if they provide a specific reason in the patient’s medical record.

The new rules would require prescribers to include a diagnosis or procedure code on every controlled substance prescription, to be entered into the Ohio Automated Rx Reporting System. The limits would not apply to care for cancer, palliative care, end-of-life or hospice care or medication-assisted treatment for addiction.

Kasich said the new rules are one more step in fighting the drug problem. "What we have found on this is that we have to constantly evolve," the Governor said at a Statehouse news conference. "There's always something more that we need to do to get on top of this."

The changes and the implementation of prescribing standards have been slow, but Gov. Kasich said that's been for a reason. By taking its time and building up support among providers, the state can avoid sudden changes that cause doctors to stop prescribing altogether because of the risk.

Also this week, companion bills – SB 119 and HB 167 - were introduced that would tighten through law the prescribing of opioids by doctors and dentists by requiring them to adhere to guidelines from the federal Centers for Disease Control and Prevention for acute pain and by mandating alternative treatments and education for professionals who exceed the federal guidelines. The bills would limit opioid prescription durations for dentists to three days unless the prescriber completes training, utilizes an online medical records system, or is able to refer patients to addiction treatment programs. Similar training requirements and guidelines including dosage limits would apply to physicians, and the state Medical and Dental boards would be granted additional related rulemaking authority.

Rep. Jay Edwards (R-Nelsonville), Sen. Jay Hottinger (R-Newark) and Sen. Bob Hackett (R-London), the bills’ sponsors, said they looked forward to working with the administration.

"I think this is a very thoughtful approach that will get us to where we want to go," Sen. Hottinger said at the news conference. "I don't think there is a silver bullet, but it's a significant step in reducing the pipeline to addiction."

**CCAO opposes legislation permitting home rule townships to supersede county building code regulations**

CCAO offered opposition testimony before the Senate Local Government, Public Safety and Veterans Affairs Committee on legislation (SB 43) which would permit a limited home rule township to adopt a building code or other code even if the county where the township is located has adopted a code on the same subject.

In testimony before committee, CCAO Managing Director of Research Brad Cole raised four concerns with this legislation:
• Duplication of services where both the county and the township provide the same building department inspections and approvals

• Questions regarding the consistency of the services and interpretation of various building codes

• Fiscal impact of competing services resulting in the possible loss or building department revenue

• Overall potentially negative impact on the quality and viability of services by county building departments

Existing law prevents any township from establishing building code regulations with respect to commercial or residential codes if the county has already adopted and is administering a building code for that particular type of regulation. Townships may adopt regulations for either residential or commercial if the county is not currently administering that type of regulations.

A list of 30 home rule townships that exist within 13 counties is linked to this article. Counties with home rule townships are encouraged to review this list and contact CCAO regarding any concerns that this issue may pose for your county.

For additional information on this issue, please contact Brad Cole of the CCAO staff at bcole@ccao.org.

Statehouse, Etc.

**Indigent Defense Reimbursement rate being reduced again.** As revenue receipts into the Indigent Defense Support Fund (IDSF) continue to decline the State Public Defender has emailed to all counties a memo indicating the reimbursement rate for general indigent defense costs will be dropping to 40% for all requests for reimbursement of county expenses paid or processed in February.

This is the second reimbursement rate decrease during the biennium. It was anticipated that the budget appropriations from the legislature would finally be sufficient to reimburse counties for 50% of their costs. Due to higher caseloads than anticipated and underperforming revenue receipts into the IDSF, the State Public Defender chose to reimburse at 48% from July 2015, through December 2016. The rate was reduced in January 2017, to 44% and will now fall to 40% for the remainder of the state fiscal year, which ends June 30. The State Public Defender suggests that the final average rate of reimbursement for the biennium will be around 45-46%.
**Erie County hosts state of the state address.** Governor Kasich continues his tradition of holding his state of the state address at different locations around the state. This year Erie County is hosting, and we wish them the best! The event will take place at 7pm on Tuesday, April 4th at the Sandusky State Theatre.

### Bills Introduced

<table>
<thead>
<tr>
<th>Bill</th>
<th>Title</th>
<th>Sponsor(s)</th>
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<tbody>
<tr>
<td>SB 119</td>
<td><strong>OPIOID MEDICATIONS</strong> <em>(HACKETT, B., HOTTINGER, J.)</em></td>
<td>Regarding addiction treatment and opioid prescribing by physicians and dentists.</td>
</tr>
<tr>
<td>HB 161</td>
<td><strong>WORKERS COMPENSATION</strong> <em>(PATTON, T.)</em></td>
<td>To make peace officers, firefighters, and emergency medical workers diagnosed with post-traumatic stress disorder arising from employment without an accompanying physical injury eligible for compensation and benefits under Ohio's Workers' Compensation Law for up to one year and to prohibit such a person from receiving a disability benefit from a state retirement system for post-traumatic stress disorder arising from employment without an accompanying physical injury during the time period the person receives compensation and benefits under the Workers' Compensation Law for the disorder.</td>
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<tr>
<td>HB 163</td>
<td><strong>PREVAILING WAGE</strong> <em>(ROEGNER, K., RIEDEL, C.)</em></td>
<td>To allow political subdivisions, special districts, and state institutions of higher education to elect to apply the Prevailing Wage Law to public improvement projects.</td>
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<td>HB 166</td>
<td><strong>WORKFORCE DEVELOPMENT</strong> <em>(REINEKE, B., CUPP, R.)</em></td>
<td>To revise the laws governing the state's workforce development system, programs that may be offered by primary and secondary schools, certificates of qualification for employment, and the Opportunities for Ohioans with Disabilities Agency, and to designate the first week of May as In-Demand Jobs Week.</td>
</tr>
<tr>
<td>HB 167</td>
<td><strong>OPIOID MEDICATIONS</strong> <em>(EDWARDS, J.)</em></td>
<td>Regarding addiction treatment and opioid prescribing by physicians and dentists.</td>
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HB 168

CEMETERY REGISTRATION (STEIN, D.)
To modify duties of the Division of Real Estate in the Department of Commerce regarding cemetery registration, to specify cemetery owners must reasonably maintain cemeteries, to establish the Cemetery Grant Program, and to make an appropriation.

HB 169

HEALTH INSURANCE (MERRIN, D.)
To require, with respect to insurance contracted for or provided by the Department of Administrative Services, an individual who is not covered by a collective bargaining agreement to pay the same percentage of the premium for vision, dental, or life insurance as the individual pays for health insurance.

HB 171

EMS SHIFTS (PATMON, B.)
To limit the hours worked in a work shift and to require work breaks for emergency medical service providers.

Hearing Schedule

TUESDAY, APRIL 4

House Session Senate Session
(Chr. Rosenberger, C., (614) 466-3357; Chr. Obhof, L., (614) 466-3357), Sandusky State Theater, Sandusky, 7:00 pm

Joint session for the governor’s State of the State address

WEDNESDAY, APRIL 5

Senate Rules & Reference
(Chr. Obhof, L., (614) 466-7505), Majority Conf. Rm., 11:00 am

House Finance
(Chr. Smith, R., (614) 466-1366), Rm. 313, 11:00 am
<table>
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<tr>
<th>Bill Number</th>
<th>Description</th>
<th>Date and Time</th>
<th>Committee</th>
<th>Contact Information</th>
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<tbody>
<tr>
<td>HB 28</td>
<td>IC BUDGET (BRINKMAN, T.)</td>
<td>To make appropriations for the Industrial Commission for the biennium beginning July 1, 2017, and ending June 30, 2019, and to provide authorization and conditions for the operation of Commission programs.</td>
<td>Senate Transportation, Commerce &amp; Workforce</td>
<td>(Chr. LaRose, F., (614) 466-4823), Finance Hearing Rm., 11:30 am</td>
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<tr>
<td>SB 3</td>
<td>WORKFORCE DEVELOPMENT (BEAGLE, B., BALDERSON, T.)</td>
<td>To revise the laws governing the state’s workforce development system, programs that may be offered by primary and secondary schools, certificates of qualification for employment, and the Opportunities for Ohioans with Disabilities Agency, and to designate the first week of May as In-Demand Jobs Week.</td>
<td>Senate Session</td>
<td>(Chr. Obhof, L., (614) 466-4900), Senate Chamber, 1:30 pm</td>
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<tr>
<td>HB 49</td>
<td>BIENNIAL BUDGET (SMITH, R.)</td>
<td>To provide authorization and conditions for the operation of state programs.</td>
<td>Senate Finance</td>
<td>(Chr. Oelslager, S., (614) 466-0626), Finance Hearing Rm., 3:00 pm or after session</td>
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<td>SB 85</td>
<td>SCHOOL CHOICE (HUFFMAN, M.)</td>
<td>To eliminate the Educational Choice Scholarship Pilot Program and Pilot Project Scholarship Program and to create the Opportunity Scholarship Program.</td>
<td>Senate Education</td>
<td>(Chr. Lehner, P., (614) 466-4538), South Hearing Rm., 4:30 pm</td>
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**THURSDAY, APRIL 6**

**Senate Session**
(Chr. Obhof, L., (614) 466-4900), Senate Chamber, 1:30 pm