

COUNTY ADVISORY BULLETIN

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July 2022

ARPA LOCAL FISCAL RECOVERY FUNDING; APPALACHIAN COMMUNITY GRANT PROGRAM; BOARD OF ELECTIONS REIMBURSEMENT

APPLICABLE LEGISLATION: Amended Substitute House Bill 377 (134th General Assembly)

Establishes the Appalachian Community Grant Program; provides an appropriation to reimburse county boards of elections for the August 2022 primary and excludes certain elections workers from PERS membership; provides an appropriation of federal American Rescue Plan Act (ARPA) funds to non-entitlement units of government; expands the category of first responders of certain townships who are considered part-time for health coverage purposes; conveys state-owned land; corrects an outdated reference to state treasury warrants.

O.R.C. SECTIONS AMENDED: 124.81, 145.012, and 505.60

CAB

UNCODIFIED SECTIONS AMENDED: Section 220.11 of H.B. 168 of the 134th General Assembly; Section 5 of H.B. 175 of the 134th General Assembly; Section 7 of S.B. 9 of the 134th General Assembly; and, Section 7 of S.B. 11 of the 134th General Assembly

O.R.C. SECTIONS ENACTED: None.

LEAD SPONSORS: Representatives Thomas Hall and D.J. Swearingen

HOUSE COSPONSORS: Reps. Riedel, Click, Seitz, Carfagna, White, Jones, Callender, Edwards, Roemer, West, Abrams, Addison, Baldridge, Blackshear, Brent, Brown, Carruthers, Cross, Cutrona, Davis, Denson, Fraizer, Ghanbari, Hicks-Hudson, Humphrey, Ingram, Jarrells, Leland, Lepore-Hagan, Lipps, Liston, Loychik, Miller, J., Miranda, O'Brien, Oelslager, Robinson, Russo, Sheehy, Smith, K., Smith, M., Sweeney, Troy, Upchurch, Weinstein, Young, T., Speaker Cupp

SENATE COSPONSORS: Hottinger, Dolan, Schuring, Antonio, Blessing, Brenner, Cirino, Craig, Gavarone, Hackett, Hoagland, Huffman, S., Johnson, Kunze, Lang, Manning, Peterson, Reineke, Rulli, Schaffer, Sykes, Thomas, Williams, Wilson, Yuko

EFFECTIVE DATE: June 28, 2022

INTRODUCTION

House Bill 377 (Reps. Hall and Swearingen) was introduced as a vehicle for the state to appropriate \$422 million in ARPA funds to small cities, villages, and townships. In the Senate, the bill was amended to include other appropriations, including \$500 million in ARPA funds for the Appalachian Community Grant Program; \$20 million in General Revenue Funds for the Secretary of State to reimburse county boards of elections for the costs of the August 2 primary; and a small appropriation for ODNR to increase weed operations at Indian Lake.

Elections Funding

The bill appropriates \$20 million for the August 2, 2022 special election from GRF line item 050-620 (BOE Reimbursement and Education) to the Secretary of State for use in fiscal years 2022-2023. These funds will be made available to county boards of elections on a reimbursement basis. The bill specifies that by December 31, 2022, or as soon as possible thereafter, all unencumbered and unexpended funds must be returned to the GRF. (Section 6 of the bill)

The bill also modifies a \$9 million appropriation previously made by Senate Bill 9 of the 134th General Assembly to the BOE Reimbursement and Education line item (Section 8 of the bill). The amendment specifies that the unexpended, unencumbered cash remaining from this appropriation must be returned to the GRF no later than December 31, 2022, rather than the previous deadline of October 1, 2022.

Elections Workers – PERS Contribution

The bill clarifies Public Employee Retirement System (PERS) monetary participation thresholds for board of elections workers (ORC Sec. 145.012). Continuing law establishes an annual threshold of \$600. Employees paid more than this amount are mandatory PERS members. Under the bill, during a year in which more than one primary election and one general election are held, an election worker who is paid \$600 plus an amount not to exceed \$400 for an additional election is not considered a PERS member and county boards of elections are not required to make PERS contributions on their behalf.

Second Round ARPA Funds for NEUs

The bill provides \$422 million in second round federal American Rescue Plan Act (ARPA) funding for townships and municipalities with populations under 50,000 by amending the appropriations language of House Bill 168, enacted in 2021 (Section 12 of the bill). These local governments are considered "non-entitlement units" or NEUs under ARPA, and therefore are not eligible for a direct distribution from the US Treasury. Instead, the funds are passed through the state. The total amount of funding received by Ohio NEUs from the two tranches will be \$844 million.

According to the Ohio Office of Budget and Management (OBM), the federal government is expected to send the second round funds to NEUs in early July. NEUs will not be required to reapply if they received funds from the first tranche. Payments will be distributed automatically by OBM. If an NEU did not apply for the first tranche, however, it is not eligible for the second tranche. The funds are subject to the same ARPA rules as counties, including the ability to claim up to \$10 million in revenue loss through the standard allowance. The funds must be obligated by December 31, 2024 and spent by December 31, 2026. A listing of NEUs and their total allocations is available <u>here.</u>

Appalachian Community Grant Program

The bill establishes the Appalachian Community Grant Program in the Ohio Department of Development (ODOD) and provides \$500 million in ARPA funds with the goal of investing in sustainable, transformational projects in the 32-county Appalachian region of Ohio (Sections 3 and 5 of the bill). The bill establishes a new line item, 195-6B1, in ODOD for this purpose during the FY 2022-2023 biennium. The department must create an application process and scoring criteria, and a minimum threshold score for awarding funds. The program must be administered in consultation with local economic development districts.

Applicants can apply for two categories of grants under the program:

- "Appalachian Planning Grants" to defray costs associated with research, planning, and writing a formal development proposal for a project or a group of projects, or similar uses approved by ODOD. Each application for a planning grant must include a formal proposal outlining the proposed project, and any other requirements established by the department.
- "Appalachian Development Grants" to implement a program to address one of the following program components:
 - An infrastructure component, such as main street or downtown redevelopment; improvements to multi-community connecting trails or significant outdoor community space; links to community arts, history, and culture; or, access to telemedicine services;
 - A workforce component, such as public-private partnerships designed to build and coordinate technical, educational, clinical, and workforce infrastructure;
 - A healthcare component, such as investments in school or community-based services to address children's physical and behavioral health needs, or plans to address the ongoing challenges of substance use disorder in the region.

The department will establish procedures for determining whether an applicant first must develop a project plan using an Appalachian Planning Grant or whether the applicant may proceed to apply for an Appalachian Development Grant without having applied for and received an Appalachian Planning Grant. Each application for a development grant must identify the project for which funding is being sought, how each project relates to at least one of the three program components, and any other provisions required by the department.

When reviewing applications, the law directs ODOD to give priority to projects that include the following characteristics:

- region-wide scale or impact;
- evidence-based;
- include a private-public partnership;
- are economically sustainable;

• will prove transformative to the region impacted by the project.

The department may consult with other state agencies in evaluating applications to ensure the proposed project is beneficial to the community under the program parameters. All grants must be approved by the Controlling Board. Requests submitted to the Controlling Board must itemize payments to all entities receiving funds. No more than 3% of the total grant amount allotted for implementation, including fees for any entity that receives funds through the grant, may be used for administrative expenses.

The program is subject to the same timelines and rules as other ARPA funds. ODOD will not approve grants after December 31, 2024, and grantees must expend all funds by December 31, 2026.

Part-time Township Employee

The bill modifies the definition of a "part-time township employee" in townships that do not qualify as an applicable large employer under section 1513 of the "Patient Protection and Affordable Care Act," 26 U.S.C. 4980H (ORC Section 550.60). The bill specifies that a first responder is considered a part-time township employee if the person is hired with the expectation that the first responder will work not more than 1,976 hours in any year. First responder means a township employee whose primary job duties include those of any of the following:

- A firefighter of a lawfully constituted fire department;
- A first responder, emergency medical technician-basic, emergency medical technicianintermediate, or emergency medical technician-paramedic of an ambulance service organization or emergency medical service organization as described in Chapter 4765. of the Revised Code.

Land Conveyances

The bill authorizes the sale or conveyance of various state properties in Allen, Athens, Auglaize, Belmont, Hocking, Lawrence, Lucas, Montgomery, Ross, Noble, Scioto, and Summit counties.

APPENDIX: REIMBURSEMENT AMOUNTS TO COUNTY BOARDS OF ELECTIONS

COUNTY	SB 9	HB 377	TOTAL
ADAMS	\$45,335	\$101,327	\$146,662
ALLEN	\$75,313	\$169,578	\$244,891
ASHLAND	\$55,892	\$125,354	\$181,246
ASHTABULA	\$81,803	\$183,973	\$265,776
ATHENS	\$58,544	\$131,425	\$189,969
AUGLAIZE	\$64,484	\$144,351	\$208,835
BELMONT	\$72,106	\$161,702	\$233,808
BROWN	\$62,351	\$139,596	\$201,947
BUTLER	\$228,572	\$517,595	\$746,167
CARROLL	\$46,071	\$103,064	\$149,135
CHAMPAIGN	\$50,883	\$113,947	\$164,830
CLARK	\$108,457	\$221,794	\$330,251
CLERMONT	\$132,202	\$298,652	\$430,854
CLINTON	\$51,504	\$115,338	\$166,842
COLUMBIANA	\$84,538	\$190,077	\$274,615
COSHOCTON	\$48,523	\$108,639	\$157,162
CRAWFORD	\$51,871	\$116,419	\$168,290
CUYAHOGA	\$693,926	\$1,574,887	\$2,268,813
DARKE	\$75,663	\$169,208	\$244,871
DEFIANCE	\$60,860	\$136,180	\$197,040
DELAWARE	\$148,062	\$312,932	\$460,994
ERIE	\$87,441	\$196,171	\$283,612
FAIRFIELD	\$110,936	\$250,810	\$361,746
FAYETTE	\$55,261	\$101,092	\$156,353
FRANKLIN	\$710,045	\$1,589,775	\$2,299,820
FULTON	\$52,738	\$118,365	\$171,103
GALLIA	\$46,349	\$103,642	\$149,991
GEAUGA	\$95,853	\$215,119	\$310,972
GREENE	\$116,428	\$263,305	\$379,733
GUERNSEY	\$69,694	\$155,592	\$225,286
HAMILTON	\$481,743	\$1,070,830	\$1,552,573
HANCOCK	\$66,060	\$148,690	\$214,750
HARDIN	\$45,804	\$102,419	\$148,223
HARRISON	\$41,087	\$91,554	\$132,641
HENRY	\$46,927	\$104,954	\$151,881
HIGHLAND	\$51,337	\$115,092	\$166,429
HOCKING	\$46,097	\$103,155	\$149,252
HOLMES	\$55,953	\$102,732	\$158,685
HURON	\$77,073	\$172,369	\$249,442

COUNTY	SB 9	HB 377	TOTAL
JACKSON	\$47,575	\$106,284	\$153,859
JEFFERSON	\$63,252	\$142,204	\$205,456
KNOX	\$70,249	\$157,483	\$227,732
LAKE	\$142,560	\$322,482	\$465,042
LAWRENCE	\$60,665	\$136,230	\$196,895
LICKING	\$120,063	\$271,317	\$391,380
LOGAN	\$74,354	\$166,358	\$240,712
LORAIN	\$186,218	\$422,729	\$608,947
LUCAS	\$252,803	\$571,125	\$823,928
MADISON	\$50,671	\$113,328	\$163,999
MAHONING	\$143,687	\$324,731	\$468,418
MARION	\$68,906	\$154,186	\$223,092
MEDINA	\$124,164	\$280,543	\$404,707
MEIGS	\$44,038	\$98,280	\$142,318
MERCER	\$52,766	\$118,462	\$171,228
MIAMI	\$90,683	\$182,094	\$272,777
MONROE	\$40,597	\$90,482	\$131,079
MONTGOMERY	\$306,628	\$693,452	\$1,000,080
MORGAN	\$40,578	\$90,392	\$130,970
MORROW	\$50,123	\$112,172	\$162,295
MUSKINGUM	\$68,022	\$153,097	\$221,119
NOBLE	\$39,874	\$88,841	\$128,715
OTTAWA	\$63,339	\$141,857	\$205,196
PAULDING	\$42,658	\$95,222	\$137,880
PERRY	\$68,607	\$153,179	\$221,786
PICKAWAY	\$57,084	\$128,081	\$185,165
PIKE	\$45,783	\$102,301	\$148,084
PORTAGE	\$119,465	\$247,088	\$366,553
PREBLE	\$52,195	\$116,948	\$169,143
PUTNAM	\$49,319	\$110,417	\$159,736
RICHLAND	\$84,232	\$190,429	\$274,661
ROSS	\$72,747	\$163,069	\$235,816
SANDUSKY	\$59,072	\$132,719	\$191,791
SCIOTO	\$62,328	\$140,172	\$202,500
SENECA	\$55,676	\$124,909	\$180,585
SHELBY	\$64,735	\$122,876	\$187,611
STARK	\$235,165	\$509,787	\$744,952
SUMMMIT	\$307,251	\$694,859	\$1,002,110
TRUMBULL	\$127,272	\$287,396	\$414,668
TUSCARAWAS	\$80,555	\$159,076	\$239,631

SB 9	HB 377	TOTAL
\$60,676	\$136,840	\$197,516
\$47,193	\$105,507	\$152,700
\$40,113	\$89,432	\$129,545
\$147,146	\$333,948	\$481,094
\$70,621	\$158,487	\$229,108
\$79,363	\$178,879	\$258,242
\$50,130	\$112,254	\$162,384
\$110,904	\$227,809	\$338,713
\$54,109	\$98,483	\$152,592
\$9,000,000	\$20,000,000	\$29,000,000
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Source: Ohio Secretary of State