

# NAIOP

COMMERCIAL REAL ESTATE  
DEVELOPMENT ASSOCIATION

NAIOP OF OHIO

**NAIOP Weekly Legislative Report**  
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## Supported Bills

- HB1**      **JOBSONIO** (DUFFEY, M) To authorize the Governor to create JobsOhio, a nonprofit economic development corporation.
- Current Status:* 2/18/2011 - **SIGNED BY GOVERNOR**; Eff. 2/18/2011
- All Bill Status:* 2/17/2011 - Sent to Governor for Signature  
2/16/2011 - Consideration of Senate Amendments; CONCURRED 60-35  
2/16/2011 - **PASSED BY SENATE**; Vote 31-2  
2/16/2011 - Bills for Third Consideration  
2/16/2011 - **REPORTED OUT AS AMENDED**, Senate Finance, (Fourth Hearing)  
2/15/2011 - Senate Finance, (Third Hearing)  
2/9/2011 - Senate Finance, (Second Hearing)  
2/8/2011 - Referred to Committee Senate Finance  
2/8/2011 - Senate Finance, (First Hearing)  
2/1/2011 - **PASSED BY HOUSE**; Vote 59-37  
2/1/2011 - Bills for Third Consideration  
1/27/2011 - **REPORTED OUT AS AMENDED**, House Finance and Appropriations, (First Hearing)  
1/26/2011 - Re-Referred to Committee  
1/26/2011 - **REPORTED OUT AS AMENDED**, House State Government and Elections, (Second Hearing)  
1/25/2011 - **SUBSTITUTE BILL ACCEPTED**, House State Government and Elections, (First Hearing)  
1/11/2011 - Referred to Committee House State Government and Elections  
1/11/2011 - Introduced
- HB10**      **REMEDICATION OF CONTAMINATED SITE** (SEARS, B) To authorize refundable tax credits for the completion of a voluntary action to remediate a contaminated site and for the return of such sites to productive use, and to exempt persons through 2017 who have issued covenants not to sue under the Voluntary Action Program from certain fees and penalties for one year after the issuance of such a covenant.
- Current Status:* 3/2/2011 - House Ways and Means, (Fifth Hearing)
- All Bill Status:* 2/23/2011 - House Ways and Means, (Fourth Hearing)  
2/16/2011 - House Ways and Means, (Third Hearing)  
2/9/2011 - House Ways and Means, (Third Hearing)  
2/2/2011 - House Ways and Means, (Second Hearing)  
1/26/2011 - House Ways and Means, (First Hearing)

1/11/2011 - Referred to Committee House Ways and Means  
1/11/2011 - Introduced

**HB17**      **TAX CREDIT FOR HIRING UNEMPLOYED** (BAKER, N) To authorize a \$2,400 income tax withholding credit for an employer that hires and employs a previously unemployed individual.

*Current Status:* 1/11/2011 - Referred to Committee House Ways and Means  
*All Bill Status:* 1/11/2011 - Introduced

**HB18**      **TAX CREDIT - EXPANDING BUSINESSES** (BAKER, N) To authorize a nonrefundable tax credit for a business that increases payroll and expands into a vacant facility.

*Current Status:* 2/23/2011 - House Ways and Means, (Fifth Hearing)  
*All Bill Status:* 2/16/2011 - House Ways and Means, (Fourth Hearing)  
2/9/2011 - House Ways and Means, (Third Hearing)  
2/2/2011 - House Ways and Means, (Second Hearing)  
1/26/2011 - House Ways and Means, (First Hearing)  
1/11/2011 - Referred to Committee House Ways and Means  
1/11/2011 - Introduced

### Oppose

**HB50**      **TYPE-II ANNEXATION** (SNITCHLER, T) To require that a political subdivision owner be included in determining the number of owners needed to sign a petition for an expedited type-II annexation.

*Current Status:* 3/1/2011 - House Local Government, (Second Hearing)  
*All Bill Status:* 2/22/2011 - House Local Government, (Second Hearing)  
2/15/2011 - House Local Government, (First Hearing)  
2/1/2011 - Referred to Committee House Local Government  
1/26/2011 - Introduced

### Monitoring

**HB134**      **CAPITAL GAINS INVESTMENTS** (SCHURING K) To reduce the income tax rate on capital gains reinvested in Ohio-based investments.

*Current Status:* 3/30/2011 - House Ways and Means, (Third Hearing)  
*All Bill Status:* 3/23/2011 - House Ways and Means, (Second Hearing)  
3/16/2011 - House Ways and Means, (First Hearing)  
3/2/2011 - Referred to Committee House Ways and Means  
3/1/2011 - Introduced

**SB89**      **LABOR REQUIREMENTS** (JORDAN K) To prohibit state agencies from requiring or prohibiting certain labor requirements as a condition of performing public works and prohibit the appropriations of state funds for public works when political subdivisions require or prohibit certain labor.

*Current Status:* 3/8/2011 - Referred to Committee Senate Joint Committee on Agency Rule Review  
*All Bill Status:* 2/23/2011 - Introduced

**SB115**      **PROPERTY SALE GAINS** (KEARNEY E) To exempt from income taxation any gains from the sale of Ohio property used in a trade or business and held for at least two years.

*Current Status:* 3/24/2011 - Senate Ways & Means & Economic Development, (First Hearing)  
*All Bill Status:* 3/15/2011 - Referred to Committee Senate Ways & Means & Economic Development

**Bills Introduced Since 3/28/2011**

- HB175** **HIGHWAY NAME DESIGNATION** (PETERSON B) To designate a portion of State Route 104 within Ross County as the "David A. Gibson Memorial Highway."
- HB176** **PUBLIC IMPROVEMENT CHANGE ORDERS** (BECK P) To limit the magnitude of change orders on public improvements required to be competitively bid.
- HB177** **MILITARY LICENSE PLATES** (STEBELTON G, GONZALES A) To permit the surviving spouse of a recipient of the Congressional Medal of Honor, Silver Star, Bronze Star, or Purple Heart who was issued or was eligible to be issued the specified license plates to retain or obtain such license plates until the death or remarriage of the surviving spouse.
- HB178** **MOTOR VEHICLE INSPECTION** (YOUNG R) To provide authority for the implementation of a decentralized motor vehicle inspection and maintenance program through June 30, 2017.
- HB179** **VIETNAM VETERANS DAY** (MURRAY D) To designate March 29 as "Vietnam Veterans' Day."
- HB180** **MASSILLON TIGER LICENSE PLATE** (SCHURING K) To create the "Massillon Tiger Football Booster Club" license plate.
- HB181** **FORECLOSURE NOTIFICATION** (CELESTE T, FOLEY M) To require that notice of foreclosure and related sale of residential rental property be given to tenants at that property and to specify that a rental agreement for a residential property that is sold pursuant to a foreclosure action converts to a month-to-month rental agreement.
- HB182** **SYRINGE EXCHANGE PROGRAM** (FOLEY M, ANTONIO N) To authorize the establishment of syringe exchange programs.
- HB183** **LIQUOR PERMITS** (WILLIAMS S) To prohibit the transfer of ownership or the transfer of location of a C-1, C-2, or C-2x liquor permit in, or to a premises located in, a municipal corporation or the unincorporated area of a township in which the number of that class of permits actually issued exceeds the number of that class of permits allowed to be issued under population quota restrictions.
- HB184** **MULTIPLE SYSTEM ATROPHY** (MARTIN J) To designate March as "Multiple System Atrophy Awareness Month."
- HCR10** **F-35 JOINT STRIKE FIGHTER** (BUBP D, MARTIN J) To urge the Congress of the United States to continue the full funding and production of the F-35 Joint Strike Fighter.
- SB133** **OHIO CHILDREN'S TRUST FUND** (BACON K, BROWN E) To permit the Ohio Children's Trust Fund to obtain public and private funds for the purpose of child abuse and child neglect prevention.
- SB134** **VIETNAM VETERANS' DAY** (WAGONER M) To designate March 29 as "Vietnam Veterans' Day."
- SB135** **CRANIOFACIAL ACCEPTANCE MONTH** (KEARNEY E) To designate the month of September as "Craniofacial Acceptance Month."
- SB136** **PAYMENT FOR HEALTH CARE SERVICES** (OELSLAGER S, CAFARO C) To make changes to the law regarding preapproval of and payment for health care services.
- SB137** **COAL MINING LAWS** (STEWART J) To revise the coal mining laws regarding permit application and set-back requirements.
- SB138** **ALZHEIMER'S ASSOCIATION** (HUGHES J) To allow taxpayers to contribute a portion of their income tax refunds to the Alzheimer's Association.
- SB139** **PROFESSIONAL EMPLOYER ORGANIZATION LAW** (HUGHES J) To establish certain financial capacity requirements for professional employer organizations, clarify rights and liabilities of professional employer organizations and client employers, and make other

changes to the professional employer organization law.

**SB140 BITTERING AGENT IN ENGINE COOLANT** (BACON K, SKINDELL M) To require the inclusion of a bittering agent in engine coolant and antifreeze.

## **Week in Review**

Friday, April 1, 2011

### **ABORTION**

Local Right to Life organizations and past leaders of Ohio Right to Life voiced their disagreement with the current Ohio Right to Life leadership on Rep. Lynn Wachtmann's (R-Napoleon) "heartbeat bill," HB125, which would ban abortions if a fetal heartbeat can be detected. Ohio Right to Life has not taken a position on the bill out of fear that it would be ruled unconstitutional under the current makeup of the U.S. Supreme Court. The House Health and Aging Committee, chaired by Wachtmann, passed the bill by just one vote Wednesday, with Reps. Mike Duffey (R-Worthington) and Richard Hollington (R-Chagrin Falls) joining all Democrats in voting against the bill.

### **AGRICULTURE**

The Ohio Department of Development and Ohio Department of Agriculture said they will be working more closely to provide export assistance to Ohio agribusinesses as ODAg closes its international trade programs and transfers staff to the ODOG Global Markets Division.

### **AUDITOR OF STATE**

Auditor Dave Yost released the state single audit, identifying more than \$100 million in questioned costs, mostly in the Department of Job and Family Services.

### **FY12-13 BUDGET**

Rep. Ron Amstutz (R-Wooster), the chairman of the House Finance and Appropriations Committee, laid out the House's budget process timetable. Subcommittees are to meet this week and next, followed by public testimony in the full committee April 12-14. Amendments will be due April 15, and staff will then take two weeks to prepare a substitute bill, expected to be accepted April 28, followed by public testimony April 29 and May 2. A committee vote is expected Tuesday, May 3, with a full House vote to follow on Thursday, May 5.

The Legislative Service Commission provided an "all funds" comparison between the current biennial budget and Gov. John Kasich's FY12-13 proposal, showing a total budget of \$120.35 million for the operating, transportation, BWC and Industrial Commission budgets in FY10-11, compared to \$119.54 million in FY12-13.

The Ohio Academy of Nursing Homes warned that proposed funding cuts to nursing homes in Gov. John Kasich's budget proposal will force facilities to close and patients to go without care. The Ohio Association of Area Agencies on Aging praised the shift away from nursing homes and toward at-home care, but said other cuts in aging programs could jeopardize the ability to provide services.

Policy Matters Ohio released a report analyzing \$7 billion worth of tax expenditures for the next two fiscal years from 128 exemptions, credits and deductions, noting that such tax breaks generally receive little scrutiny and saying their elimination could offset some budget cuts.

The House Finance and Appropriations Committee accepted a substitute version of the budget bill reflecting Gov. John Kasich's executive proposal, replacing previous placeholder language. The bill is 3,224 pages.

Gov. John Kasich joined a conference call of thousands of AARP Ohio members to pitch his budget proposal, saying he wants to revitalize the economy while protecting the most vulnerable.

The Office of Budget and Management released several additional documents on the administration's proposed changes to local school district funding, which are available on the HB153 bill page on the *Hannah News* website.

The Department of Mental Health and Department of Alcohol and Drug Addiction Services presented their budget proposals Thursday to the House Finance and Appropriations Health and Human Services Subcommittee, with Mental Health Director Tracy Plouck again defending her department's decision to steer resources to revamping a Summit County hospital rather than building a new one in Cleveland. She and Alcohol and Drug Addiction Services Director Orman Hall both noted that what looks like large cuts for their departments in FY13 actually reflects transferring Medicaid spending into the Department of Job and Family Services.

## **COLLECTIVE BARGAINING**

Gov. John Kasich signed SB5 Thursday after the House passed a version with numerous changes to it and the Senate concurred with the amendments Wednesday. Attention now turns to a statewide referendum that Democrats and labor leaders have promised in an attempt to overturn the law. They would need 231,147 petition signatures within 90 days of the bill being filed with the secretary of state's office to mount a referendum. With such a campaign coming, Republicans launched SB5Truth.com to gather support for the bill and address what they deemed "misrepresentation" by bill opponents.

Changes made in the House Commerce and Labor Committee included allowing safety forces to negotiate for equipment, removing prescribed jail time for illegal strikes, and prohibiting "fair share" wage deductions for public employees who don't join a union. Democrats and labor leaders said the changes made the bill worse, not better, and the Legislative Black Caucus and House Democratic Women's Caucus said the bill would be particularly harmful to minorities and women. House Democrats also released a point-by-point criticism of changes to SB5, complaining it will lead to loss of local control, among other things. Americans for Prosperity-Ohio and the Ohio Liberty Council had called for the bill to be strengthened before the committee vote. Union workers and their supporters rallied at the Statehouse Tuesday and Wednesday and packed the galleries in both the House and Senate for the floor vote. Their chanting, singing and booing led House Speaker Bill Batchelder (R-Medina) to order the gallery cleared after the House vote, and led Senate President Tom Niehaus (R-New Richmond) to threaten to do so.

Rep. Tracy Heard (D-Columbus) called on House Speaker Bill Batchelder (R-Medina) to apologize after he cursed Wednesday while discussing with the House clerk the recognition of Rep. Debbie Phillips (D-Athens) for a point of personal privilege after the SB5 floor vote, then said "Now that the intellectuals have left the chamber, we'll recognize Rep. Philips ..." after he ordered the gallery cleared.

A group of pastors released a poll commissioned by Faith in Public Life and conducted by Public Policy Polling showing that people of faith reject Gov. John Kasich's budget proposals and restrictions on collective bargaining.

## **CORRECTIONS**

Gov. John Kasich traveled to Marion to tout his plan to sell five state prisons, including two facilities in Marion, saying it will bring revenue to the state and lead to new jobs at one of the Marion facilities, a now-closed juvenile prison.

## **ECONOMY**

The Ohio Department of Job and Family Services said the composite index of leading indicators for February increased 0.4 percent to 89.9, indicating employment will grow in the spring.

## **EDUCATION**

The State Board of Education's executive committee recommended Stan Heffner, associate superintendent for curriculum and assessment, as the interim replacement for Superintendent Deborah Delisle, who will step down April 30 under pressure from the Kasich administration. The committee also recommended that it be designated as the search committee for a permanent replacement, and that the Department of Education staff handle the search rather than a private search firm, which will allow the board to move more quickly and save money.

In a speech at the Bureau of Workers' Compensation Safety Congress Expo, Gov. John Kasich suggested the idea that part of the proceeds from a potential lease of the Ohio Turnpike could be used for low-interest loans or loan forgiveness for college students who pledge to stay in Ohio.

## **ELECTIONS**

The Ohio Elections Commission scheduled consideration of a proposal from All Children Matter, a group that the commission fined \$5.2 million in 2008 for improper PAC transfers, to resolve its case. However, the commission delayed the matter at its Thursday meeting.

Secretary of State Jon Husted announced the availability of federal funding for the development of programs to improve accessibility and participation for voters with disabilities. Husted's office is seeking proposals for uses of the funding.

## **ELECTIONS 2012**

Former Sen. Kevin Coughlin (R-Cuyahoga Falls) said he is considering a race for the U.S. Senate, while several Tea Party and conservative groups issued a statement saying they want to draft Treasurer Josh Mandel into the race.

## **FEDERAL**

U.S. Sen. Sherrod Brown (D-OH) announced he'll be the new chairman of the U.S. Senate Agriculture Subcommittee on Jobs, Rural Economic Growth and Energy.

## **GENERAL ASSEMBLY/STATEHOUSE**

Rep. John Carey (R-Wellston) introduced a proposal to use 20 percent of casino licensing fees to create a new Career Training Workforce Development Grant program for career college and proprietary school students to be trained in various fields. Carey said it would make up for Ohio College Opportunity Grant funding cuts in the previous budget.

The Controlling Board approved funding for the Ohio Department of Natural Resources to hire a Nebraska company to treat parts of Grand Lake St. Marys in an effort to kill toxic algae that plagued the lake last summer.

The Joint Committee on Agency Rule Review approved the second of three planned rule packages from the Ohio Livestock Care Standards Board on topics of general care such as feeding, transportation, health and management.

The House put off a concurrence vote on Senate changes to HB36, the calamity days bill, after Democrats strongly objected to language dealing with transportation issues and questioned allowing districts to use online classes to make up for lost days. The bill was informally passed, and House Speaker Bill Batchelder (R-Medina) said he's unsure there were sufficient votes for the bill's emergency clause, without which the legislation couldn't take effect yet this school year. The chamber also passed

HB5 (Huffman), which consolidates court costs in one section of the Revised Code, and which was amended to address bankruptcy exemptions; and passed SB80, which would rename a highway after the fallen son of Sen. Tom Patton (R-Strongsville).

Aside from its collective bargaining vote Wednesday, the Senate also voted to concur with House amendments to SB4 (Schaffer), the performance audit bill; to pass SCR4 (Daniels), which urges the federal government to approve a loan guarantee for a Piketon uranium enrichment facility, and SB132 (Patton), which would name the new I-90 bridge in Cleveland after George Voinovich; and to confirm Gov. John Kasich's appointment of Jack Marchbanks to the Transportation Review Advisory Council.

In other committee action this week, the Senate Agriculture, Environment and Natural Resources Committee reported out HB22 (Bubp), which deals with owners' liability for animals running at large; the Senate Education Committee reported out SB86 (Sawyer), which would allow establishment of a charter school for incarcerated individuals; the House Criminal Justice Committee reported out HB54 (Maag-Martin), which deals with civil firearm rights; the House Education Committee reported out HB139 (McKenney), which would rename the Northeast Ohio Universities Colleges of Medicine and Pharmacy as the Northeast Ohio Medical University; the House Public Utilities Committee reported out HCR4, which urges the federal government to approve a loan guarantee for a Piketon uranium enrichment plant; the House Transportation, Public Safety and Homeland Security Committee reported out HB128 (Carey), dealing with ambulance staffing, and HB99 (Damschroder-Garland), which would ban texting while driving; the Senate Health, Human Services and Aging Committee reported out SB72 (Lehner), which would ban post-viability abortions; the Senate Highways and Transportation Committee reported out SB36 (Hughes), which would allow emergency personnel to report traffic violations;

## **GOVERNOR**

Gov. John Kasich signed the transportation budget, HB114 (McGregor), and HB30 (Gardner), which dismantles many elements of his predecessor's education plan. Kasich focused on the benefits of authority for public-private partnerships in HB114 during a bill-signing press conference.

## **HIGHER EDUCATION**

Terra Community College's Board of Trustees approved a tuition increase over 3.5 percent for the fall, the maximum that would be allowed if Gov. John Kasich's budget proposal for a 3.5 percent tuition cap is adopted.

## **JUDICIAL**

Ohio Supreme Court Chief Justice Maureen O'Connor and Justices Judith Ann Lanzinger and Yvette McGee Brown were named to the leadership group for a program the Ohio Women's Bar Foundation is launching to enhance leadership skills among women attorneys.

The Ohio Supreme Court adopted a justice recusal process rule that will allow a party to request recusal and a justice to self-disclose if he feels there's a potential basis for disqualification. The Court also adopted amendments to attorney license reinstatement procedures.

Sanford Watson, former chief prosecutor for the city of Cleveland, was named to the Ohio Supreme Court Board of Commissioners on Grievances and Discipline.

## **NATURAL RESOURCES**

Environmental groups and state residents testified in opposition to SB108, Sen. Kris Jordan's (R-Powell) proposal for oil and gas drilling in state parks, in the Senate Agriculture, Environment and Natural Resources Committee, complaining of potential dangers to health and safety.

State wildlife officials say they have confirmed the first case of white-nose syndrome, a fungus first detected in New York in 2006 that has killed more than 1 million cave-hibernating bats in eastern North America. The case was detected in an abandoned mine in Lawrence County.

## **PENSION FUNDS**

The Ohio Public Employees Retirement System defended its assumption of 8 percent investment returns over the long term, releasing data showing it actually beat that assumption by almost a percentage point over the last 30 years. Sen. Keith Faber (R-Celina) and Rep. Lynn Wachtmann (R-Napoleon), the sponsors of pension legislation, have questioned the 8 percent assumption.

## **PEOPLE**

Cincinnati State Technical and Community College hired Jean Manning as its vice president for marketing and communications.

Commerce Director David Goodman announced several staff hires, including Matthew Close as chief of legislative affairs; Donell Grubbs as chief legal counsel; Lyn Tolan as chief of communications; Andrew Shuman as chief of human resources; Alan Shellhouse as chief information officer; and David Hannan Jr. as chief financial officer.

Pamela Dillon announced her retirement as chief of the Department of Natural Resources Division of Watercraft, effective April 30.

The Ohio Democratic Party hired Justin Barasky as press secretary.

## **UTILITIES**

Dominion East Ohio is seeking approval from the Public Utilities Commission of Ohio to accelerate its pipeline replacement program and nearly double spending to more than \$200 million annually.

## **WORKERS COMPENSATION**

Bureau of Workers' Compensation Administrator Stephen Buehrer discussed recent bureau investigations at the Board of Directors' monthly meeting, including bureau participation in a raid on the offices of Dr. James Lundeen Sr., who is suspected of operating a prescription drug "pill mill."

The Bureau of Workers' Compensation announced plans to continue and expand the Safety Council Rebate Incentive Program, which allows employers to earn rebates on premiums for participating in local safety councils and reducing workplace injuries.