

NAIOP

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NAIOP OF OHIO

NAIOP Weekly Legislative Report
Prepared by: Law Offices of Matthew G. Kallner
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Supported Bills

- HB10** **REMEDIATION 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)

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
- HB198 PROPERTY TAX COMPLAINTS (COLEY II W)** To permit property tax complaints to be initiated only by the property owner.
Current Status: 5/5/2011 - House Financial Institutions, Housing and Urban Development, (First Hearing)
All Bill Status: 4/12/2011 - Referred to Committee House Financial Institutions, Housing and Urban Development
4/12/2011 - 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
3/9/2011 - Introduced

Bills Introduced Since 4/18/2011

- HB205 HYBRID COMMUNITY SCHOOLS (DERICKSON T)** To permit the establishment of hybrid community schools that provide both remote technology-based and classroom-based instruction.
- HB206 COMMUNITY SAFETY PROGRAMS (STINZIANO M)** To allow taxpayers to contribute a portion of their income tax refunds to community policing efforts and to grant a nonrefundable income tax credit for taxpayers who donate to community safety programs.
- HB207 OHIO COAL MINERS WEEK (BALDERSON T, LETSON T)** To designate the first week of April of each year as "Ohio Coal Miners Week."
- HB208 SCHOOL ANTI-BULLYING POLICIES (STINZIANO M, ANTONIO N)** To require that school anti-bullying policies prohibit harassment, intimidation, or bullying that is based on any actual or perceived trait or characteristic of a student.

- SB150** **RATE-CASE EXPENSES FOR WATER/SEWER** (HUGHES J) To limit recovery of rate-case expenses for certain water-works and sewage disposal system companies.
- SB151** **ACTIVE DUTY MILITARY PARENTS-CUSTODY** (LAROSE F) Regarding child custody and visitation rights of parents called to active military service.

Week in Review

Friday, April 29, 2011

AGRICULTURE

The Ohio Livestock Care Standards Board has completed work on initial rulemaking set out under the law implementing the constitutional amendment that established the board. The most recently approved rules are slated for a late May or early June hearing in the Joint Committee on Agency Rule Review.

U.S. Sen. Sherrod Brown's office said the U.S. Department of Agriculture has put into practice an amendment he sponsored to the 2008 Farm Bill allowing state-inspected meats to be transported across state lines, which he said will help expand Ohio agriculture markets.

BALLOT ISSUES

We Are Ohio, the campaign coalition seeking a referendum to overturn SB5, put on signature-gathering events in nine cities, while the Ohio Liberty Council and the Ohio Project announced they had gathered more than 300,00 signatures in a separate campaign to put a constitutional amendment to block aspects of the federal health care law on the ballot.

BUDGET

The latest report from the National Conference of State Legislatures on the fiscal picture in the 50 states shows revenue stabilizing and even growing, but fiscal conditions remaining weak and budget gaps continuing to persist.

FY12-13 BUDGET

The House Finance and Appropriations Committee version of the budget, Sub HB153, came out on time Thursday, a tad heftier in terms of pages -- 3,224 pages to 3,490 pages -- and in terms of appropriations -- \$55.8 million more spent in Fiscal Year (FY) 2012 and nearly \$14 million more in FY13 for a biennial increase of \$69.8 million. Among the major changes: the criminal sentencing changes were dropped to be pursued in standalone legislation; the estate tax was eliminated effective Jan. 1, 2013; \$40 million/year was added to the primary and secondary education school funding formula meaning an increase of \$23/pupil for all districts thus blunting the major cuts many districts saw under the "as introduced" version of the bill; the tangible personal property/electric generation assessment rate phase-out was ended after two years; the proposed 2 percent shift of retirement system contributions to employees was eliminated; and a \$50 million/year program to encourage local governments to pursue shared services has been added.

CHILDREN

The Ohio Department of Job and Family Services and Ohio Supreme Court said they would expand the Differential Response program for child abuse and neglect cases to include eight additional counties, based on the success of a pilot project.

COLLECTIVE BARGAINING

At the request of Gov. John Kasich, the Department of Administrative Services sent a letter to tens of thousands of state employees explaining "key facts" about SB5 (Jones).

Gov. John Kasich reacted sharply to criticism from President Barack Obama concerning what he sees going on in Wisconsin and Ohio around collective bargaining, with Obama saying there should "be a shared sacrifice and one set of people should not be targeted." Kasich responded that the president can have an opinion about what is going on in Ohio when he addresses the \$13 trillion national debt and gets the national budget balanced.

CRIMINAL JUSTICE

The Ohio Criminal Sentencing Commission debated the possibility of simplifying OVI statutes, with commission Director David Diroll saying members of the Senate had suggested the possibility to him.

ECONOMIC DEVELOPMENT

The Ohio Film Office said the state has attracted a yet-untitled Paramount Pictures movie to be shot in Cleveland and elsewhere in Ohio. The project will receive a \$4.7 million tax credit under the state's film tax credit program.

The Third Frontier Advisory Board heard from a panel of regional representatives that are part of the Entrepreneurial Signature Program (ESP), offering a review of its progress and funding levels. The ESP was designed under Gov. Ted Strickland to increase technology-based entrepreneurial commercialization throughout defined geographical regions of the state, and to focus the effort on strategic technology-based sectors, such as advanced energy and biomedical industries, that offer strong economic development prospects for the region and ultimately the state.

EDUCATION

The Controlling Board approved a \$2.94 million request from the Ohio Department of Education for a contract with Battelle for Kids to do work with value-added testing data related to the state's Race to the Top proposal.

The College Board listed 25 Ohio school districts among those that have expanded access to Advanced Placement exams while maintaining or improving the rates at which students earn credit by taking the exams.

Ohio fell from fifth to 23rd nationally in preschool funding since former Gov. Ted Strickland stripped the Early Learning Initiative (ELI) from the current biennial budget, and now meets the smallest number of quality standards for state-funded preschool in the U.S., according to a study from the National Institute for Early Education Research (NIEER). Only 2.4 percent of four-year-olds are enrolled in state-funded preschool and only 1.1 percent of three-year-olds.

State Superintendent of Education Deborah Delisle issued her last weekly newsletter before stepping down on April 30 and bringing to a close her 36-year career in Ohio. Delisle noted the unique abilities and needs of each of Ohio's 1.8 million K-12 students, and said unspecified "challenges" to public education will only bring more opportunities to make a difference in children's lives. She has not indicated whether she is seeking or has another job inside or outside of Ohio.

Gov. John Kasich signed HB21 (Combs) which opens the way for Teach for America (TFA) teachers to come into Ohio as soon as the 2012-13 school year. Calling passage of the bill a way to lift the profession of education, Kasich said TFA is not an effort to undermine current teachers but to "add to their great ranks."

Ohio School Facilities Commission (OSFC) Director Richard Hickman Jr. said Thursday that the commission is continuing to implement a resolution that generally bans the use of project labor

agreements (PLA) and will be informing at least seven districts that their construction projects should go forward without use of the agreements.

The State Board of Education is seeking renewed feedback on a proposed diversity policy for local schools after the board pulled the Kirwan Institute study from a scheduled vote this month. Some members questioned recommendations that would add "sexual orientation" and race-based "student assignment zones," among other proposals. In a memo dated April 26, board Vice President Thomas Gunlock, a Kasich appointee, asks educators and stakeholders for specific input on whether they "oppose or have concerns about any of the specified recommendations," on "barriers" to implementation, on the budgetary impact at the district or school level, and on "additional strategies" that should be inserted in the diversity plan.

The full impact of Gov. John Kasich's FY12-13 budget proposal on local levies remains to be seen, with school issues scheduled for Tuesday's primary ballot trailing their number in last year's May primary election. Fifty-two of Ohio's 88 counties have scheduled bonds, levies, income taxes or some combination of the three in this year's primary, totaling 148 school issues in all. They are led by 113 tax levies, compared to 114 this time last year. The 2010 election also included nine bond issues, 32 tax changes and 22 combination ballot questions, totaling 176 school issues -- 19 percent more than this May.

ELECTIONS 2012

Former Secretary of State Ken Blackwell told *Roll Call* he is considering a bid for U.S. Senate but will not announce a decision until after his book is released in May.

ENERGY

Mark Shanahan, the soon-to-retire executive director of the Ohio Air Quality Development Authority, said he was not given any explanation by the Department of Development on why the Kasich administration is seeking to transfer the coal-development office from his agency to the department.

A report from the National Wildlife Federation says that the Midwest has the ingredients to be a leader in the clean energy economy, but will need to step up its efforts to compete effectively.

The U.S. EPA recognized Ohio State University for its efforts to help the Big Ten Conference win the agency's Green Power Challenge.

The U.S. Enrichment Corporation Inc. (USEC) announced that it has reached a significant step in the company's application for a \$2 billion loan guarantee from the U.S. Department of Energy (DOE) for the American Centrifuge Plant (ACP). According to USEC, DOE's Loan Guarantee Program Office has substantially completed the due diligence and negotiation stage of the application process and has advanced the ACP application to the next phase.

Former Michigan Gov. Jennifer M. Granholm, senior policy advisor to the Pew Clean Energy Program, delivered a keynote address at the 5th Annual Conference of the University Clean Energy Alliance of Ohio (UCEAO), saying that clean energy policies can have an impact on economic development and job creation, enhancing America's competitiveness in the global clean energy race. "Policy does matter," Granholm said repeatedly during her speech to university and energy industry representatives.

A 10-year rate agreement between the Timken Company and American Electric Power's (AEP) operating company Ohio Power was approved by the Public Utilities Commission of Ohio (PUCO). The agreement establishes a special rate that will allow Timken to pursue investments in production and energy conservation. Under the terms of the agreement, Timken will receive a 15 percent discount off current electric rates at its Canton facilities during the first year of the agreement. The discount will decline by one percent during each of the next five years and by two percent during each of the last four years. In exchange, Timken will integrate its electricity conservation efforts into Ohio Power's energy efficiency and demand reduction programs.

The Office of the Ohio Consumers' Counsel (OCC) and additional customer groups filed a request at the Public Utilities Commission of Ohio (PUCO) to protect customers by stopping the collection of \$175 million in electric rates. The filing is in response to the Supreme Court of Ohio's recent unanimous decision that American Electric Power (AEP) was unlawfully allowed to increase several rates. According to the OCC, if no action is taken by the PUCO, AEP's customers will continue to pay \$22 million per month in unlawful charges or nearly \$175 million over the remaining eight months of the utility's rate plan.

ENVIRONMENT

A protest Tuesday at the Ohio State University Institute on Energy and Environment's conference on "Ohio Shale Development: Connecting Facts to Sound Decision Making" drew opponents to high volume horizontal hydraulic fracturing or "fracking." Led by the coalition of 50 grassroots and conservation groups "No Frack Ohio," they called for a moratorium on the process until further safeguards are put in place "to protect human health and the environment."

Sen. Tim Grendell (R-Chesterland), who has opposed residential drilling, joined the protest, saying, "It is premature to use this process, especially given the health and safety concerns that have been raised regarding Ohio's groundwater."

The American Lung Association (ALA) released its national "State of the Air" report showing half the nation lives in areas with dangerous levels of smog or soot pollution, and demonstrating why the nation continues to need the safeguards of the Clean Air Act. Ohio, known for having some of the highest levels of air pollution, showed improvements from 2009, with cities like Cincinnati, Cleveland, Steubenville and Dayton, among the 25 worst for air pollution, showing improvements in the 2011 report.

In an agreement with Ohio Environmental Protection Agency (Ohio EPA), the village of Put-in-Bay will complete three projects associated with the village's drinking water system. Two of the projects were first ordered by Ohio EPA in 2004 to protect the public water supply following a gastrointestinal illness outbreak in the outlying township.

FEDERAL

U.S. Sen. Rob Portman (R-OH) said he urged businesses in South Korea and India to invest in Ohio during an overseas trip on which he also visited U.S. troops in Afghanistan.

The Internal Revenue Service (IRS) is taking steps to stop tax preparers with criminal tax convictions or permanent injunctions from preparing tax returns, having registered more than 700,000 tax preparers nationwide. In that process, the IRS identified 19 tax preparers who either failed to disclose a criminal tax conviction or have been permanently enjoined from preparing tax returns. The IRS is now pursuing revocation of their registration.

GENERAL ASSEMBLY/STATEHOUSE

The Statehouse's Civil War-era cannon will be fired from the West and South Plazas on Friday, May 6 and Saturday May 7 as part of the annual Ohio Statehouse Encampment and in celebration of the Statehouse Sesquicentennial.

HEALTH & HUMAN SERVICES

A campaign by Dental Access Now, an affiliate of the Universal Health Care Action Network of Ohio, to add a new type of oral health provider that could perform some of a dentist's duties in under-served rural and urban areas released results of a survey showing 65.7 percent of respondents supported the idea of changing state law to allow new providers who could perform procedures such as drilling and filling cavities in order to address dental-care shortages.

HIGHER EDUCATION

Phillip R. Shriver, president emeritus of Miami University, died Saturday in Oxford at age 88.

Cleveland State University has appointed Sajit Zachariah dean of its College of Education and Human Services, effective Aug. 1.

Ohio State University announced Wednesday that long-time Ohio State leader Jeff Kaplan will be the new chief fundraiser for the university, taking over after Andrew A. Sorensen died unexpectedly earlier in April.

INSURANCE

The Department of Insurance said it will soon employ a new electronic licensing system as part of the implementation of 128-HB300.

The Ohio Department of Insurance's (ODI) missing life policy search service is a comprehensive search service that assists Ohio residents and the families of deceased Ohio residents locate lost insurance policies or annuity contracts purchased in the state and issued on the life of, or owned by, a deceased person.

JUDICIAL

A unanimous Supreme Court of Ohio ruled Wednesday that the four-year statute of limitations for filing a professional negligence lawsuit against a property appraiser begins on the date the negligent act is committed, not on the date the complainant suffers an actual loss from the appraiser's negligence. Applying that decision to a Hamilton County case, the Court affirmed lower court opinions dismissing as untimely a suit filed by a mortgage lender in 2008 against an appraiser for property valuations performed in 2001 and 2002.

PENSION FUNDS

An updated report on states' public pension liabilities entitled "The Widening Gap" released Tuesday by the Pew Center on the States shows Ohio with 66 percent of its \$171.2 billion in pension liabilities funded. Just 11 states have lower funding percentages, while New Jersey also has 66 percent of its liabilities funded. The numbers in the updated 2011 report, however, are based on Fiscal Year 2009 figures, the middle of the economic slump while in the 2010 report, which was based on FY08 figures prior to the economic collapse, Ohio had 86.8 percent of liabilities funded and was labeled "a national leader in managing its long-term liabilities." The state's five pension systems have reported stronger returns recently, although they've acknowledged that economic growth alone won't make up for losses from the economic collapse.

PEOPLE

The Ohio School Boards Association hired Crystal Davis Hutchins as deputy director of communication services.

Erick Sanchez, press secretary of U.S. Rep. Tim Ryan (D-Youngstown), is joining the We Are Ohio campaign as director of media relations.

The Department of Mental Health appointed Karen E. Woods-Nyce as CEO of Twin Valley Behavioral Healthcare, the state-run psychiatric hospital in Columbus.

Strategic Health Care and SGI Group in Ohio announced the hiring of Elise Geig, who recently was director of health policy for the Ohio Nurses Association.

Former Office of Budget and Management Director Pari Sabety will become vice chancellor and chief financial officer for Antioch University, effective May 31.

Mary Wachtel and Amy Bush Stevens have joined the staff of the Health Policy Institute of Ohio as senior health policy associate and research, evaluation and policy analyst respectively.

The Board of Regents has hired several new staff including Braden Oxender as legislative liaison, Spencer Waugh as policy liaison and Holly Hollingsworth as deputy director of communications.

Ellen Owens has been named interim executive director of the Ohio Division of Emergency Medical Services in the Ohio Department of Public Safety, succeeding Richard Rucker who has accepted a position with the Ohio State Highway Patrol.

Gov. John Kasich appointed Robert Klaffky to the Capitol Square Review and Advisory Board.

The *Lexington Herald-Leader* reported Wednesday that former Ohio Board of Regents Chancellor Eric Fingerhut is a candidate for president of the University of Kentucky.

The Ohio Ethics Commission removed the interim tag and named Paul Nick the commission's executive director during its meeting on Thursday. Nick has been serving as the interim director since January. He succeeds David Freel, who retired in December. Nick joined the commission in 1995 as an investigative counsel, and has been the chief investigative attorney since 2000.

Lisa Rankin has rejoined the lobbying team at Grant Street Consultants after spending time as an association executive with a professional trade association in Ohio.

Col. John T. Born of Greenfield Township (Fairfield Co.) and Stephen A. Schumaker of Springfield (Clark Co.) were appointed to the Ohio Peace Officer Training Commission.

PUBLIC SAFETY

Ohio Homeland Security Executive Director Robert C. Glenn announced that a new National Terrorism Advisory System (NTAS) replaces the previous color-coded Homeland Security Advisory System that the federal government has used since 2002. The new NTAS alerts will include summaries of the potential threat including geographic region, mode of transportation, or critical infrastructure potentially affected by the threat, actions being taken to ensure public safety, as well as recommended steps that individuals, communities, businesses and governments can take to help prevent, mitigate or respond to a threat. The alerts will be issued for a specific time period and will automatically expire but can be extended if new information warrants.

VETERANS

The state has paid out \$27.3 million so far to veterans of the Persian Gulf, Afghanistan and Iraq wars under a bond-funded bonus program approved by voters in 2009, the Ohio Department of Veterans Services reported. That means that 33,500 out of an estimated 200,000 veterans and their families have claimed the bonuses.

WORKERS COMPENSATION

The Bureau of Workers' Compensation announced a grant program to reduce occupational injuries and illnesses in the wholesale/retail trade sectors.

Gov. John Kasich signed HB123 (Hottinger) and HB124 (Hottinger), the budgets for the Bureau of Workers' Compensation and the Industrial Commission of Ohio, respectively.

Gov. John Kasich said he is seeking an overall 4 percent cut in workers' compensation base rates for total premium savings of approximately \$65 million annually. Presented to the Bureau of Workers' Compensation (BWC) Actuarial Subcommittee on Thursday, the BWC Board of Directors is expected to vote on it at its May meeting.