

# NAIOP

COMMERCIAL REAL ESTATE  
DEVELOPMENT ASSOCIATION

NAIOP OF OHIO

**NAIOP Weekly Legislative Report**  
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**Report created on May 16, 2011**

## 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:* 5/11/2011 - House Ways and Means, (Third Hearing)  
*All Bill Status:* 3/30/2011 - House Ways and Means, (Third Hearing)  
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:* 5/12/2011 - House Financial Institutions, Housing and Urban Development, (Second Hearing)  
*All Bill Status:* 5/4/2011 - House Financial Institutions, Housing and Urban Development, (First Hearing)  
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 5/9/2011

- HB223 EMERGENCY SERVICE TELECOMMUNICATORS (PATMON B)** To require certification of emergency service telecommunicators and modify training requirements.
- HB224 ABSENT VOTER'S BALLOTS (DOVILLA M, STINZIANO M)** To permit uniformed services and overseas voters to request ballot applications and absent voter's ballots by electronic mail or internet delivery, to specify that a Federal Write-In Absentee Ballot submitted by such a persons may be used as the person's voter registration form and absent voter's ballot, to establish emergency election procedures for such persons involved in armed conflicts, troop mobilizations, or other emergencies, and to add daughters-in-law and sons-in-law to the list of family members who may request an absent voter's ballot on behalf of a uniformed services or overseas voter.

- HB225 COUNTY AUDITORS** (PETERSON B, LANDIS A) To vest in county auditors responsibility for reviewing and approving property tax exemption applications for some publicly owned property, to authorize county auditors and boards of township trustees to adopt a direct deposit payroll policy, and to authorize counties to increase the amount credited to "rainy day" reserve balance accounts to one-sixth of the expenditures made in the preceding fiscal year from the fund in which the reserve balance account is established.
- HB226 POLICE DOGS** (SPRAGUE R) To allow a police dog to accompany its handler in places to which the general public is invited.
- HCR16 SUCCESSFUL OPERATION AGAINST BIN LADEN** (BUTLER, JR. J, ROSENBERGER C) To commend and honor the members of the United States Armed Forces, including the United States Special Forces, the national security agencies and intelligence community in conducting the successful operation against Osama bin Laden on Sunday, May 1, 2011.
- SB167 COLLEGE-PREPARATORY BOARDING SCHOOL FACILITIES** (CATES G) To permit the establishment of public college-preparatory boarding schools for at-risk students to be operated by private nonprofit entities and to establish the College-Preparatory Boarding School Facilities Program.
- SB168 AGGREGATES/INDUSTRIAL MINERALS** (WILSON J) To designate the third week of July as "Ohio Aggregates and Industrial Minerals Awareness Week."
- SB169 CHARITABLE ELECTRONIC INSTANT BINGO** (GRENDALL T) To permit veterans, fraternal, and sporting organizations to conduct charitable electronic instant bingo.
- SB170 WITHDRAWAL/USE OF LAKE ERIE WATERS** (GRENDALL T) To establish a program for the issuance of permits for the withdrawal and consumptive use of waters from the Lake Erie basin.
- SR57 INSECTICIDE PROPOXUR** (KEARNEY E) To urge the Administrator of the United States Environmental Protection Agency to grant an emergency exemption for the use of the insecticide Propoxur to control bedbugs in Ohio.
- SR69 TRANSCANADA KEYSTONE COAST EXPANSION PROJECT** (WAGONER M) To urge Congress to support the continued and increased importation of oil derived from Canadian oil sands and urge Congress to take the U.S. Secretary of State to approve the TransCanada Keystone Coast Expansion pipeline project.

## Week in Review

Friday, May 13, 2011

### ABORTION

Anti-abortion and abortion rights supporters met at dueling rallies at the Statehouse on Tuesday, with two dozen Republican lawmakers gathering on the South steps to advocate for HB125, the "heartbeat" legislation, while Senate Minority Leader Capri Cafaro (D-Hubbard) and Rep. Nickie Antonio (D-Lakewood) rallied an opposing crowd, touting prevention-first legislation from the Democrats.

### AUDITOR OF STATE

Ohio Auditor Dave Yost unveiled the SkinnyOhio.org website -- an online clearinghouse of strategies devoted to streamlining government -- during a news conference at the Statehouse Museum Monday. He said the website shares ideas and best practices from performance audits conducted across the state and nationally. Subject areas range from staff and facility planning to vehicle fleet operations and maintenance to financial forecasting, energy management and technology.

Auditor Dave Yost's office said a regional auditor's laptop containing information from audits in Northwest Ohio was stolen from his Findlay home. The regional auditor got a 15-day suspension because he had attached his password to the laptop, a violation of Yost's technology policy.

## **BALLOT ISSUES**

The Ohio Education Association (OEA) took the anti-SB5 campaign to the next level Friday, approving a special union dues assessment on all of its nearly 130,000 members. The goal? To raise \$5 million to overturn collective bargaining reform.

## **FY12-13 BUDGET**

Long-term care drew consistent attention from lawmakers when Office of Health Transformation Director Greg Moody and other cabinet directors testified in the Senate Finance Committee about Gov. John Kasich's proposals to overhaul Medicaid. Moody and the others held firm on the need for provider rate cuts for both PASSPORT and nursing homes, though he expressed a willingness to revisit proposed service utilization caps for the former.

Interim Superintendent Stan Heffner told the Senate Finance Committee that House changes to charter-school provisions in HB153 (Amstutz) are "at odds" with the push for greater oversight. Robert Sommers, director of the Governor's Office of 21st Century Education, said the administration would prefer to address areas the House delved into after the frenzy of the budget, saying House members "did the best they could do in the time that they had."

## **CORRECTIONS**

The Ohio Department of Development (ODOD) announced a new program to assist ex-offenders who may be promising entrepreneurs: "How to Start a Business as a Restored Citizen." This all-day seminar set for May 16 will include representatives of Small Business Development Centers of Ohio, Minority Business Assistance Program, Capital University, Telhio Credit Union, Artsafe, and professional business owners providing in-depth overviews of programs and services to assist potential entrepreneurs and business owners in all stages of starting a new enterprise.

## **DEATH PENALTY**

The Ohio Supreme Court ruled twice Wednesday against condemned inmate Daniel Bedford, rejecting a request for a stay under a post-conviction appeal, as well as claims that an IQ test result of 70 during his adolescence raises questions about whether he's mentally retarded and thus not eligible for the death penalty. On Friday, the governor denied him clemency.

The Ohio Parole Board unanimously recommended a commutation to life in prison without parole for condemned inmate Shawn Hawkins, citing the possible involvement of others in the double murder he was convicted of committing and the conflicting statements and later conviction of a key witness, among other concerns.

## **ECONOMIC DEVELOPMENT**

Mark Kvamme, director of job creation in the governor's office, told Ohio Public Radio he's moving to Ohio. His previous lack of Ohio residency status forced him to vacate his original appointment as director of the Department of Development.

## **EDUCATION**

The State Board of Education weighed a number of hot-button issues Monday as it moves ahead with a state superintendent search and reevaluates statewide diversity recommendations for Ohio schools. On this latter issue, the Capacity Committee reopened its discussion of a study produced jointly by the state board and the Ohio State University Kirwan Institute, "Interim Report: Diversity Strategies for Successful

Schools," which had been scheduled for possible adoption by the full board in April until several members suggested that the demographic plurality envisioned by the study might not be possible in many of Ohio's rural and regional schools. Using these "interim" recommendations, the board will ultimately craft a model school diversity policy for the state that would include certain provisions not subject to local control including federal standards around race and gender.

Innovation Ohio and former Rep. Stephen Dyer, the think tank's education fellow, released a report criticizing poor performance by e-schools and lax government oversight of those schools, while acknowledging a need for greater use of distance learning in education.

## **ELECTIONS**

Secretary of State Jon Husted announced two new initiatives aimed at getting high school seniors registered to vote and younger Ohioans interested in the electoral process: Grads Vote is an outreach initiative that provides graduating high school seniors with the information needed to become an active Ohio voter, while the Elect Your Sticker initiative invites Ohioans of all ages to help select the next I Voted Today sticker.

Companion election-reform bills in the House and Senate, HB194 (Mecklenborg-Blessing) and SB148 (Wagoner), that had been set for committee votes will now wait another week. Local elections officials expressed concern in the House State Government and Elections Committee about a lack of authorization for satellite early-voting centers, shortening of the in-person absentee voting period and a prohibition on sending unsolicited absentee ballot applications to voters. Democrats convened a press conference to argue that the bill will restrict voter access, a charge Rep. Bob Mecklenborg (R-Cincinnati), a bill sponsor, labeled "the politics of distraction." The Senate Government Oversight and Reform Committee introduced a substitute version of SB148 that eliminates special elections in February and August, among other changes.

Reps. Mike Dovilla (R-Berea) and Michael Stinziano (D-Columbus) introduced HB224 to make changes to voting for military and overseas voters to more accurately reflect recommendations in the federal Voting Assistance Program.

The Ohio Elections Commission unanimously dismissed two complaints against House Republicans and the Ohio GOP that alleged they improperly coordinated with a Virginia-based political nonprofit in 2010 House races and conspired to plant a mole in the campaign operations of Rep. Debbie Phillips (D-Athens). Commission members said the evidence was too thin to support the complainants' attorney's request for a grant of discovery to seek evidence to bolster his case. The Republicans' attorneys argued the complaints were in fact motivated by the desire for a grant of discovery to gain access to sensitive, internal political documents.

## **ELECTIONS 2012**

Local school districts put fewer issues on the ballot this spring but drew the same level of voter support as last year. Ohioans passed 86 of 146 property levies, bonds, income taxes and combination issues for a success rate of 59 percent, mirroring May 2010.

## **EMPLOYMENT/UNEMPLOYMENT**

The national Bureau of Labor Statistics offered a mixed bag in its assessment of the nation's economy Friday, announcing that 244,000 jobs were added in April, while unemployment rose to 9 percent, up from 8.8 percent in March.

## **ENERGY**

Gov. John Kasich announced he'll convene a summit on energy and economic development at Ohio State University in September, saying in a statement that Ohio "essentially has no energy policy."

## **GAMING**

Rock Ohio Caesars, the joint venture developing casinos in Cleveland and Cincinnati, announced a suspension of construction at the casino sites because of "uncertainty" regarding how the Commercial Activity Tax will be applied to the casinos. A spokesman for Penn National Gaming, which is developing casinos in Columbus and Toledo, said it has no immediate plans to follow suit.

Penn National Gaming named Richard St. Jean as general manager of its planned Hollywood Casino Toledo.

## **GENERAL ASSEMBLY/STATEHOUSE**

With both Sen. Keith Faber (R-Celina), sponsor of SB3, and Rep. Lynn Wachtmann (R-Napoleon), sponsor of HB69, saying they're skeptical of the pension systems assumptions of 8 percent investment returns over the long term, House Speaker William Batchelder (R-Medina) said Thursday he wants outside experts to evaluate the retirement systems.

The Joint Committee on Agency Rule Review (JCARR) permitted the Public Utilities Commission of Ohio and the State Board of Pharmacy to proceed to rescind controversial rules that brought private commercial vehicles weighing between 10,001 and 26,000 pounds under the commission's jurisdiction and that prevented consumers from transferring prescriptions to a different pharmacy more than once.

The Controlling Board allowed Ohio Attorney General Mike DeWine to proceed to outsource DNA testing to a public lab in Ohio, continuing his efforts to speed up testing in the state. In addition, the board approved payment of attorney fees in a lawsuit against the state over the funding of a spillway replacement project in Mercer County and the renewal of a contract between the Ohio Department of Job and Family Services and Jewish Employment and Vocational Services of Philadelphia to provide fiscal management for the HOME Choice Demonstration Project and the Access Success program.

The House unanimously passed HB121 (Rosenberger), which would help active military members in child custody cases by preventing courts from taking away custody because of active service.

Senate President Tom Niehaus (R-New Richmond) said Senate Republicans will take applications through close of business on May 16 from those interested in filling the Senate seat to be vacated by Sen. Gary Cates (R-West Chester), who was appointed senior vice chancellor at the Board of Regents. Both Rep. Tim Derickson (R-Springboro) and Rep. Bill Coley (R-West Chester) confirmed their intention to seek the seat. Meanwhile, Rep. Courtney Combs (R-Fairfield), whose also district overlaps Cates', said he won't seek the appointment but instead will see through his legislative proposals and committee chairmanship, then run for Butler County commissioner when term limits force him out of the House next year.

The House passed two gun-rights bill Wednesday: HB45, the controversial "guns in bars" bill to allow concealed carry in establishments serving alcohol; and HB54, which addresses restoration of civil firearm rights. The former sparked lengthy debate and a final vote of 56-40 with three Democrats in favor and six Republicans opposed. The Senate has already passed companion versions of both bills, but House Speaker William Batchelder (R-Medina) said it has not been decided which will be the vehicles.

Sen. Tim Grendell (R-Chesterland) and Rep. Lynn Wachtmann (R-Napoleon) introduced legislation to implement the Great Lakes Compact in Ohio. The Coalition for Sustainable Water Management, a coalition of business groups including the Ohio Chamber of Commerce, endorsed the measure.

Among other legislative action this week, the House Local Government Committee reported out HB138 (Gerberry), which deals with training for humane society agents; the House Commerce and Labor Committee reported out HB102 (Young), which deals with project labor agreements; the House Education Committee reported out HB96, which would establish a pilot program to provide services for children with dyslexia; the House Health and Aging Committee reported out HB215 (Dovilla), which designates an "Elder Abuse Awareness Day," and HB32 (Amstutz), which deals with sewage treatment systems; the House Ways and Means Committee reported out SB71 (Manning), which allows tax exemptions for

municipal stadiums housing independent minor league baseball teams; the Senate Health, Human Services and Aging Committee reported out HB93 (Burke-Johnson), which deals with prescription drug abuse; and the Senate Civil Justice Committee reported out HB5, which consolidates court costs and fees into a single section of the Revised Code.

## **GOVERNOR**

Gov. John Kasich said at the Ohio Chamber of Commerce annual meeting that if the budget comes out well and the economy continues to improve, he'll try to cut taxes in 2012, though he declined to elaborate on what rates he'd look to lower.

## **HEALTH & HUMAN SERVICES**

The U.S. Department of Health and Human Services released a report showing that few families without health insurance can afford to pay potential hospital bills, and that on average uninsured families only have assets sufficient to cover 12 percent of hospital stays they might experience.

## **JUDICIAL**

The Supreme Court of Ohio is seeking comments on new rules that provide for court-appointed "parenting coordinators" to advise "high-conflict," challenged parents on their parental rights and responsibilities. Parenting coordination is considered a "child-focused" alternative form of dispute resolution. Proposed Rules 90-93 of the Rules of Superintendence of the Courts of Ohio define a parenting coordinator's role, qualifications he or she should possess, and the need for courts to adopt local rules on parental coordination. The rules also define the kinds of issues present in a parent-child relationship when a court orders parenting coordination.

President Barack Obama nominated Jeffrey Helmick of Toledo for a seat on the U.S. District Court for the Northern District of Ohio. Helmick's nomination was recommended by a bipartisan commission convened by U.S. Sen. Sherrod Brown (D-OH) and former U.S. Sen. George Voinovich (R-OH).

## **LIEUTENANT GOVERNOR**

Lt. Gov. Mary Taylor co-hosted an event with General Electric Company, the National Federation of Independent Businesses (NFIB/Ohio), and the Ohio Chamber of Commerce -- the 2011 GE Small Business Supplier Symposium -- to bring GE together with Ohio small businesses to identify contracting opportunities and other potential partnerships.

## **NATURAL RESOURCES**

The Ohio Environmental Protection Agency (Ohio EPA) announced Friday that it will treat Grand Lake St. Marys with aluminum sulfate and a buffering solution of sodium aluminate in an effort to prevent harmful algae blooms and to improve water quality at the lake. Recent heavy, prolonged rainfalls are contributing to high levels of nutrients and algae in the lake, resulting in revisions to the state's initial plan for a whole lake alum treatment.

The Ohio Department of Natural Resources (ODNR), Division of Geological Survey has released a digital version of Map EG-3, Known Abandoned Underground Mines of Ohio, on CD-ROM. Along with a PDF file of the map, which can be printed by users, the CD-ROM features geographic information system (GIS) data on abandoned underground mines throughout Ohio.

## **PENSION FUNDS**

The Ohio Retirement Study Council said it will hire outside experts to examine the five state pension systems and to recommend how they can be restructured to ensure long-term solvency. Further action

on pension-reform proposals in SB3 (Faber) and HB69 (Wachtmann) will have to await the outside experts' report.

## **PEOPLE**

William G. Batchelder II, father of Speaker of the House William G. Batchelder III, died at his home on Saturday at the age of 96. The funeral will be held Saturday, May 14 at noon at the Waite and Sons Funeral Home in Medina for the attorney, former county prosecutor, former head of the Medina City school board and former chairman of the Medina County Republican Party.

Melissa Fazekas, director of communications for the House Minority Caucus, tweeted that she has become the spokesperson for the We Are Ohio campaign -- the effort to put SB5, the overhaul of the state's collective bargaining law, on the November ballot.

Ohio Department of Agriculture (ODA) Director James Zehringer appointed Michael Bailey as executive director of the Office of Farmland Preservation, where he will administer the Clean Ohio Agricultural Easement Purchase Program, the Ohio Agricultural Easement Donation Program, and the Ohio Agricultural Security Area Program. He will continue to serve as executive director of the Ohio Livestock Care Standards Board.

Dinsmore Public Sector Advisors said it has hired Richard Bitonte as its new vice president of government affairs. Bitonte has more than 16 years of experience in government affairs in and around the Ohio Statehouse, as well as in Washington D.C.

Harry Meshel, a member of the Youngstown State University (YSU) Board of Trustees, former president of the Ohio Senate and a long-time fan of jazz, has donated sculptures by artist Ed Dwight of three legendary musicians -- Charlie Parker, Dizzy Gillespie and Miles Davis -- to the Jazz Studies program in YSU's Dana School of Music.

The Department of Insurance named Steve Martindale its chief regulatory officer.

The Ohio Republican Party named Christopher Maloney as communications director.

John McClelland, former communications director at the Ohio GOP and recently a communications specialist at the secretary of state's office, was named press secretary for Senate Republicans.

The Ohio AgriBusiness Association named Christopher Henney as its news president and CEO.

## **POVERTY**

The Ohio Association of Community Action Agencies (OACAA) released its annual report on poverty in Ohio on Friday, showing rates creeping up to their highest in 17 years and estimating that federal guidelines on who is poor come nowhere close to earnings sufficient to meet basic needs. From 1999 to 2009, poverty in Ohio increased from 10.6 percent to 15.2 percent.

## **STATE GOVERNMENT**

The Ohio Parole Board granted a full hearing for Akron-area mother Kelley Williams-Bolar, who was convicted of two felony counts of tampering with records for enrolling her daughters in a school district where they did not live. The case caught the governor's attention, who had asked the board to look into it.

Officials from the Ohio Department of Natural Resources' Division of Mineral Resources Management were on hand for the signing of an agreement to protect mining employees between the Interstate Mining Compact, of which Ohio is a member, and the U.S. Department of Labor's Mine Safety and Health Administration.

## **WORKERS COMPENSATION**

The Bureau of Workers' Compensation Task Force led by Sen. Tim Grendell (R-Chesterland) convened again Thursday to resume its discussions of whether to privatize workers' compensation insurance in Ohio, and heard a presentation from Jones Day attorney Chad Readler on the constitutionality of private market competition. Readler would not disclose who had funded his study although Grendell said the committee did not have the funds to pay for his analysis.