

**Ohio Library Council
BOARD OF DIRECTORS**

ITEM NO.: **5.F.1**

MEETING DATE: **July 17, 2020**

SUBJECT: **Government and Legal
Services Report**

SUBMITTED BY: **Jay Smith**

REPORT FOR INFORMATION

PLF

The Ohio Department of Taxation (ODT) posted the July 2020 PLF distribution of \$38,541,614 – which is \$1.5 million (- 3.68%) below ODT’s original estimate that was issued in July 2019. Surprisingly, the actual July distribution came in + \$4,985,168 (+ 14.86%) above ODT’s latest estimates that were just issued at the end of June.

A look at the PLF distribution for the past three years and a link to an Excel spreadsheet listing each county’s distribution total for July 2020 can be found on the [OLC website](#).

According to the Office of Budget and Management (OBM), overall state tax receipts for the month of June came in at \$2.23 billion and were just \$50.5 million (or – 2.2%) below estimates. The state closed out Fiscal Year (FY) 2020 on June 30 in a much better position than expected and did not have to utilize the Budget Stabilization Fund (BSF). However, the state plans to use the BSF/Rainy Day Fund in FY 2021.

In an interview with reporters on July 7, OBM Director Kim Murnieks stated, “We were able to get through this final quarter of FY 2020 without having to access it. It is likely that we will need to rely on that source in FY 2021 and even into the next biennium. Economists are projecting a protracted recovery; we’re not expecting to rebound quickly.”

ODT Posts Final CY 2020 PLF Certification Update

The Ohio Department of Taxation (ODT) issued their final estimates for the Public Library Fund (PLF) distributions for each county for Calendar Year 2020 (CY 2020).

Overall, ODT is now estimating the total CY 2020 PLF distribution will be \$382,603,481, which is \$31,989,227 (- 7.7%) less than the original ODT certification issued in July 2019, and \$31,614,367 (- 7.6%) less than the certification update issued in December 2019.

ODT has stated that their updated CY 2020 forecast does take into account the Office of Budget and Management’s (OBM) updated state revenue forecast for Fiscal Year 2021, which begins on July 1.

ODT’s month-by-month cash flow breakdown for each county (Excel file): <http://olc.org/odt-plf-cy-2020-estimates-jun-2020/>

ODT’s county-by-county certification estimates distributed to county auditors (PDF): <http://olc.org/wp-content/uploads/2020/06/PLF-Certs-CY2020-Final-June-Update.pdf>

Please read the certification letter for your county entitlement carefully. The entitlement estimates are based on 1.70 percent of projected revenues (net of the transfers) from state’s General Revenue Fund (GRF) tax sources, multiplied by your county’s computed share of the total PLF for the July-December 2020 period at that same temporary rate. These are county-by-county estimates and not detailed down to the library system or building level. As you know, each county has a

5.F.1: Government and Legal Services Report

different distribution formula. Therefore, neither OLC nor the ODT can issue estimates for each individual library system.

As a reminder, by statute, ODT is required to provide an initial certification in July for the following calendar year. That certification is then updated later that year in December and a final update is required in June of the actual calendar year. Therefore, the final statutory required certification for CY 2020 was just provided and no further updates are planned by ODT for the CY 2020 estimates. The next certification issued by ODT will be in July 2020 for CY 2021.

House Bill (HB) 450 - Fiscal Officer Succession Guidelines

The bill, sponsored by Rep. Jason Stephens (R-Kitts Hill) requires fiscal officers of certain political subdivisions, including library fiscal officers, to prepare a certificate of transition for their successor upon leaving their position or elected office. The certificate would contain specific documents, account information, and any other information prescribed by the Auditor of State. The Auditor of State would also have the authority to “test the accuracy” of the certificate and may report discrepancies or findings as provided under law. In addition, the county treasurer or fiscal officer must sign and certify the certificates.

HB 450 was passed out of the House on June 9 by a vote 92-0 and now proceeds to the Senate for further action.

Amended Substitute Senate Bill (SB) 10 - Theft in Office

SB 10, sponsored by Sen. Steve Wilson (R-Maineville) increases the penalty for the offense of “theft in office” when the value of property or services stolen is \$150,000 or more. The maximum penalty under current law is a third degree felony if the value of property or services stolen equals \$7,500 or more. Under the bill, the penalty would be raised to a second degree felony if the value of stolen property equals \$150,000 - \$749,999.99. If the value exceeds \$750,000, then the level of the offense would be raised to a first degree felony. The bill further requires the offender to pay restitution for the costs of auditing any public entity that suffered a loss as a result of the theft.

Am. Sub. SB 10 was passed out of the House on June 9 by a vote 90-0 and now awaits concurrence by the Senate.

SB 308 & Amended Substitute HB 606 - Civil Immunity

Both SB 308, sponsored by Sen. Matt Huffman (R-Lima), and Am. Sub. HB 606, sponsored by Rep. Diane Grendell (R- Chesterland), seek to address civil liability for certain healthcare and service providers during a government-declared disaster. The legislation grants a person providing services for businesses and operations civil immunity for injury, death, or loss to person or property caused by the transmission of COVID-19. The bills do not provide immunity for those acting with malicious purpose, acting recklessly, or in bad faith.

SB 308 applies to “persons”, which include nonprofit institutions. This would cover association libraries in Ohio. It also includes within the definition of “person,” “governmental entities,” which includes public libraries. A “service provider” under the bill is any “person” providing any services, and so because a library is a “governmental entity” (or “nonprofit”), it is a “person” and therefore is also a “service provider” to whom the bill’s immunity provisions apply. SB 308 was passed out of the Senate by a vote 24-9 on June 3.

HB 606 generally prohibits actions related to COVID-19 against any “person.” “Person” is defined in HB 606, the same as in SB308, and so the analysis of coverage under the two bills is the same. Because the library is a governmental entity, it is a “person” and is covered by the immunity provision in HB 606.

5.F.1: Government and Legal Services Report

Am. Sub. HB 606 passed out of the Senate on June 30 and now seeks concurrence by the Ohio House.

Resolutions declaring Racism a Public Health Crisis in Ohio

Resolutions were recently introduced in both the House and the Senate with the intent to declare racism a public health crisis in Ohio. The resolutions would also call for the establishment of a working group that would promote racial equity in the state. In addition, the resolutions ask for the following actions to be taken:

- defining terms concerning racism and health equity
- starting educational efforts to address and dismantle racism as well as to expand the understanding of racism and how it affects individual and population health
- promoting community engagement on issues of racism
- committing to review codified ordinances with a racial equity lens
- committing to look at how the government hires and promotes its employees, selects vendors and chooses grant recipients with a racial equity lens
- promoting policies that prioritize the health of people of color and mitigate exposure to adverse childhood experiences or trauma
- requiring that elected officials, staff, funders and grantees receive training on workplace biases and how to mitigate them
- encouraging community partners and stakeholders in the education, employment, housing, and criminal justice and safety arenas to recognize racism as a public health crisis
- securing resources to successfully accomplish the above activities

Senate Concurrent Resolution 14 is sponsored by Sen. Hearcel Craig (D-Columbus) and Sen. Sandra Williams (D-Cleveland) and is now being heard in the Senate Health, Human Services and Medicaid Committee.

House Concurrent Resolution 31 is sponsored by Rep. Stephanie Howse (D-Cleveland) and Rep. Erica Crawley (D-Columbus) and has been referred to the House State and Local Government Committee.

HB 481 – Capital Reappropriations and Local Government CARES Act funding

After navigating an atypical political process, legislation reappropriating \$1.28 billion in capital funds and distributing \$350 million in federal coronavirus aid was passed as HB 481. The bill, originally focused on authorizing the conveyance of state-owned property, then was amended on the Senate floor to include some of the language the House had attached to SB 310. The House then voted to concur with the Senate amendments by a vote of 85-0. In addition, the bill included an amendment that would allow the DeWine administration to freeze pay for non-union state employees. The bill was signed by the governor on June 19 and became effective immediately.

Substitute HB 13 – Residential Broadband Expansion Program

The House passed HB 13, sponsored by Rep. Rick Carfagna (R-Westerville) and Rep. Michael O'Brien (D-Warren), seeking to expand broadband coverage to unserved residential areas around Ohio. The bill as passed by the House provides \$20 million from the Facilities Establishment Fund in the Ohio Development Services Agency to the newly-created Ohio Residential Broadband Expansion Grant Program Fund in the Ohio Department of Commerce. The bill encourages internet service providers to apply for grants to address the lack of broadband access in specific locations. These areas lacking broadband access can be identified by local governments and publicized by the Department of Commerce.

OLC has been a strong proponent of HB 13 from the beginning and has testified multiple times in the House in support of the legislation. The legislation passed the House by a vote 81-8 and now awaits further action by the Senate Energy and Public Utilities Committee.

Regional Advocacy Meetings being discussed by GRC and Leg. Network

The Government Relations Committee and the Legislative Network have scheduled a special meeting on July 24 to discuss plans for a strategy and potential advocacy meetings to be held this fall. Similar to the “Road Ahead Tour” approach used two years ago, the committee will focus on specific messaging and engagement opportunities for library advocates in preparation for next year’s biennial budget process.