



## Ohio Township Association

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## Legislative Update

Friday, May 1, 2009

MONDAY, APRIL 27 2009

### **NEW BILLS TARGET RED LIGHT CAMERAS, ESTATE TAX, COLLEGE GRADUATES, DROPOUT RECOVERY, HOUSING SLUMP, RACIAL PROFILING**

House Republicans touted new bills to ban red light cameras, slash the estate tax, and create a tax credit for college graduates - a small sample of the prodigious legislative offerings the four caucuses have generated in recent weeks.

Rep. Courtney Combs (R-Hamilton) is carrying Republicans' latest attempt to limit municipalities' use of traffic monitoring cameras that have been proliferating in Ohio.

The measure (HB 143) would ban the devices, but would not apply to "home rule" cities due to a 2008 Ohio Supreme Court ruling, Rep. Combs said in a recent news release.

"The companies with contracts to install and maintain the red light cameras in Ohio are making millions off Ohio citizens and on top of that the money is being taken out of state," he said. "It is time to put a stop to the invasion of our privacy and having big brother looking over our shoulders."

Rep. Jay Hottinger (R-Newark) and Rep. Cheryl Grossman (R-Grove City) are promoting another familiar Republican idea - cutting the estate tax. The pair jointly sponsored a proposal that would increase the tax credit amount, authorize local governments to exempt estate property on the local level, and allow residents to propose or repeal an exemption by initiative (HB 61).

"Ohio is one of only 23 states that still levy this egregious tax on death," Rep. Grossman said in a statement. "Of these states, we have the smallest estate tax deduction. It is time to lay the statewide estate tax to rest and allow our citizens to determine if they want to continue this tax locally."

Sen. Bill Seitz (R-Cincinnati) and Sen. Eric Kearney (D-Cincinnati) touted a bipartisan measure they say would help reverse the slump in the housing market by allowing local governments to extend a three-year tax credit for the purchase of a home that has been vacant for at least one year (SB 90).

"There are many potential benefits of this legislation," Sen. Seitz said. "As we bring homeowners back into vacant properties, business owners will see more customers in the area, local governments will find relief from the added costs of maintaining abandoned properties, and residents of neighborhoods across Ohio will see an improvement in property values."

Other recently introduced legislation includes bills that would:

- Allow counties to participate in a state employee health insurance plan (HB 146; Rep. Hagan).
- Exempt developer-owned homes from property taxes until the unit is sold (SB 109; Sen. Bob Gibbs, R-Lakeville).

### **SINGLE MILD CASE OF SWINE FLU LISTED IN OHIO, HEALTH DEPARTMENT SETS UP INFORMATION LINE**

The Ohio Department of Health on Monday established a toll-free information line for persons with questions about swine flu, one day after confirming a mild case of the disease in Lorain County.

The information line - 1-866-800-1404 - is open from 8 a.m. to 5 p.m. Monday through Friday. The department said it would reassess hours of operation as the situation warrants.

Thus far the only confirmed patient in Ohio is a nine-year-old boy said to be recovering at home.

Both the department and local health departments were working with physicians and hospitals to determine if there were other cases.

Health care providers who see flu-like symptoms, from patients who had recently traveled to Mexico or parts of Southern California or Texas, were advised to have nasal swab samples tested.

The department said no information about possible additional patients in Ohio was expected before mid-afternoon Tuesday.

Forty laboratory-confirmed cases have been reported in the United States.

Dr. Richard Besser, acting director of the Centers for Disease Control and Prevention, said Monday he was aware of only one individual who was hospitalized. The median age of the patients is 16 years, with a range from seven to 54 years old.

"(As) I've been trying to stress, as we continue to look I expect that we will see cases in other parts of the country, and I will fully expect that we'll see a broader range in terms of the severity of infection," Dr. Besser said.

"Thankfully, so far we have not seen severe disease in this country as has been reported in Mexico," he said.

### **COLLEGE EDUCATED WORKERS EARN \$26,000 MORE THAN HIGH SCHOOL GRADUATES, CENSUS BUREAU SAYS**

While Ohio policymakers debate overhauling the state's education system, the U.S. Census Bureau released data Monday showing workers with a bachelor's degree earned about \$26,000 more on average than those with a high school diploma.

U.S. workers with a high school degree earned an average of \$31,286 in 2007, while those with a bachelor's degree earned an average of \$57,181, according to information from Educational Attainment in the United States: 2008.

The data also show an increase in the number of adults that obtained degrees.

As of last year 29% of U.S. adults 25 and older obtained a bachelor's degree, and 87% completed high school, according to the Census Bureau. Ten years earlier 24% of adults had a bachelor's degree, and 83% had completed high school.

Asians had the highest rate of educational attainment with 53% holding a bachelor's degree or higher. Meanwhile, 33% of whites, 20% of blacks, and 13% of Hispanics reached the same level of education.

### **HOUSE COMMITTEE HEARING**

#### **Finance & Appropriations**

HB 1 STATE BUDGET (Sykes) To make operating appropriations for the biennium beginning July 1, 2009, and ending June 30, 2011, and to provide authorization and conditions for the operation of state programs. (Possible amendments & vote)

#### **REPORTED-AMENDED**

TUESDAY, APRIL 28 2009

### **STRICKLAND OK WITH HOUSE CHANGES TO BUDGET, USE OF HIGHER REVENUE FIGURES; HARRIS COOL TO ADDITIONAL SPENDING**

Gov. Ted Strickland gave a general thumbs-up Tuesday to the revamped \$54 billion biennium budget measure, saying the House was right to bolster social services spending in the plan.

Mr. Strickland said he did not have a problem with the House using more optimistic revenue estimates to facilitate more appropriations even though the monthly revenue reports from his administration's budget office have not been pretty and may require further adjustments yet in the current fiscal year.

"We've been in quite close consultation with leaders of the House and members of the finance committee as different changes have been discussed. So I think they've done some good work and I support what the House has done," Mr. Strickland told reporters after an event Tuesday.

"They did terrific work on the education piece of the budget and now they've made some other adjustments that I think are going to be very helpful and well received."

The House Finance & Appropriations Committee completed its work on the budget early Tuesday morning. The bill (HB 1) was set for a floor vote Wednesday following the addition of several amendments that pumped up spending by another \$91 million.

Senate President Bill Harris (R-Ashland) raised concerns Tuesday afternoon about the overall spending levels in the bill, particularly with the increases included during the House committee process; The all-funds budget total has grown by more than \$1.5 billion since the bill was first introduced.

Adding to his worries, he said, is the possibility that April revenue figures won't be strong.

"I'll just say a lot of that spending ought to go away," he said, adding that the Senate will be cautious with the revenue estimates it uses. "We want to be fiscally responsible."

Citing the constitutional requirement for a balanced budget, he said: "We can't spend what we don't have."

Along with tapping more federal matching money and other sources to add funding for nursing homes, child welfare and other programs, the House over the last week replaced the Office of Budget and Management's revenue forecast for the upcoming fiscal year 2010-2011 biennium and instead employed some of the Legislative Service Commission's more optimistic figures to gain another \$200 million-plus for appropriations.

That move came on the heels of signals that the latest baseline FY 2009 estimates aren't holding up, and followed the governor's executive order for agencies to reduce contracted services spending and reel in other costs.

Mr. Strickland said he didn't want to downplay the state's economic circumstances but noted that even the economic experts he regularly consults with don't have a consensus on where things may be heading considering the recent turmoil.

"These are folks who have no particular ax to grind but they are professional individuals who have expertise in making forecasts based on the experience of their companies and so on," he said. "There is no unanimity, even among these professional economic forecasters, so I think it's legitimate for the House to have used the LSC numbers.

"Estimates are estimates," he said. LCS's are "a little more optimistic than our budget office had, but I don't think it's any less legitimate or credible. We just took a fairly conservative estimate.

"I think it's impossible for our budget office or the LSC or any other individual or entity to know for sure what is going to happen in the long term certainly and even in the short term," Gov. Strickland added. "The situation is very fluid and may well change in unexpected ways."

The governor acknowledged, however, that the continuing slump may require more short-term budget adjustments. "We are in a constantly changing economic environment, so we're just going to have to deal with these matters as they unfold," he said.

### **STRICKLAND ORDER SETS STAGE FOR RECEIPT OF SWINE FLU MEDS; OHIO AGENCY ADVISES FARMERS TO TAKE PRECAUTIONARY MEASURES**

Gov. Ted Strickland on Tuesday signed a proclamation to further prepare the state for the shipment of medicine and supplies to treat individuals who develop confirmed cases of the swine flu virus.

Mr. Strickland's proclamation authorizes state agencies and personnel to assist in the reception, storage and transportation of the materials "necessary to protect the lives, safety and health of Ohioans."

The governor's action follows the federal government's emergency declaration that was described as a "standard operating procedure to ensure agency readiness" to respond.

The Ohio Department of Health said it continues to report one case of swine flu in the state. The agency said the number would not change Tuesday.

In Atlanta, the Centers for Disease Control and Prevention said Tuesday that 64 laboratory-confirmed cases have been reported in the United States, up from 40 listed Monday.

Dr. Richard Besser, the agency's acting director, said he fully expects to see deaths occur from the infection.

"They're seeing many deaths in Mexico, and we're trying to learn more about that and why the situation in Mexico is different from here. And as we continue to investigate cases here, I expect that we will see deaths in this country," he said at a media briefing.

Separately, the Ohio Department of Agriculture said that while no pigs have been found infected with the virus in the United States, producers should take precautionary measures to prevent the influenza in their herds.

"As news spreads across the state about the unique strain of the swine influenza virus, it is important to remind Ohio swine producers to implement strict bio-security measures on their farms to protect the industry as well as industry workers," said Robert Boggs, the department director.

"At this point in time, restricting visitor access to swine facilities is extremely important," he said in a news release.

Mr. Boggs also underscored for consumers that pork is safe. "The swine influenza is not transmitted through meat consumption," he said.

Columbus Public Schools said that while no cases of swine flu have been reported in Central Ohio, the district is monitoring reports of the outbreak.

"We are also working closely with our federal, state and local health department officials to continue to provide the latest available information on the district's website," said Superintendent Gene Harris.

### **COUGHLIN BALLOT ISSUE WOULD EXPAND APPORTIONMENT BOARD FOR DRAWING STATE LEGISLATIVE DISTRICTS**

For the second time in two weeks, a Senate panel Tuesday heard a Republican seeking nomination to statewide office outline a plan to change the way boundaries of state legislative districts are drawn.

Sen. Kevin Coughlin (R-Cuyahoga Falls) said the proposed constitutional amendment he wants to place before voters in the Nov. 3 election would provide "a simple, attainable solution that will increase fairness" in the creation of General Assembly districts.

Sen. Coughlin, the only announced candidate thus far for the GOP gubernatorial nomination next year, said changing the process has been a topic of discussion for three decades. Voters have twice rejected proposals placed before them.

"Certain groups want to get politicians out of drawing these lines. They want to get politics out of it," Sen. Coughlin told the Senate State & Local Government & Veterans Affairs Committee.

However, his proposal (SJR 4), on which he and co-sponsor Sen. Gary Cates (R-West Chester) offered joint initial testimony, would expand the existing five-member Apportionment Board.

The panel is currently made up of a governor, state auditor, secretary of state, and two legislative appointees from each political party.

Under Sen. Coughlin's amendment, the board would consist of a governor, auditor, and secretary of state, the House Speaker and minority leader, and the Senate President and minority leader.

The amendment also would require a supermajority vote of at least five in order to establish boundaries for General Assembly districts.

"It is a human process. It is a political process. It can sometimes be an ugly process. And it works," Sen. Coughlin said.

A separate proposal that Sen. Jon Husted (R-Kettering) outlined last week would transfer responsibility for drawing district boundaries from the Apportionment Board to a new, bipartisan redistricting commission.

Commission members could not hold state or federal elective public office. Sen. Cates disagreed with the approach contained in Sen. Husted's amendment.

"I do not subscribe to the notion that we are better served by having people appointed ... to draw lines, not knowing those persons' agendas or biases," Sen. Cates told the committee. "People want a fair, transparent process."

He said the resolution he is co-sponsoring with Sen. Coughlin is a modified version of one he introduced last session.

The Coughlin-Cates resolution - unlike that of Sen. Husted - would leave with the General Assembly the responsibility of drawing districts from which members of Ohio's delegation to the U.S. House are elected.

"The framers wanted us to do that," Sen. Coughlin said.

### **INTRODUCED IN THE HOUSE**

**HB 153 POLICE DEPARTMENTS (Yuko)** To authorize regional water and sewer districts to establish police departments.  
Am. 109.71, 109.73, and 109.77 and En. 6119.60, 6119.61, 6119.62, 6119.63, and 6119.64

WEDNESDAY, APRIL 29 2009

**PARTISAN DIFFERENCES EVIDENT AS HOUSE SENDS MAIN BUDGET BILL TO SENATE**

Mirroring the partisan rift in Congress over the federal stimulus and President Barack Obama's spending proposal, Wednesday's Ohio House floor debate on the state biennium budget - and the end result - fell along party lines.

Republicans decried the increased levels of spending and majority Democrats defended their plan as an appropriate government response to trying economic times.

As with the committee vote of earlier in the week, the bill (HB 1) passed with only Democratic support. Following a more than four-hour debate and the addition of a handful of relatively minor amendments, the bill was passed by a 53-46 vote. All Democrats were in favor and all Republicans opposed.

The vote came shortly after the U.S. House similarly passed a \$3.5 trillion budget resolution on party lines.

Rep. Vernon Sykes (D-Akron) said the state budget was designed to help citizens "in the midst of an economic crisis" of home foreclosures, job losses, declining state revenues and increased costs. "Yet the times are too demanding to avoid making tough decisions," he said.

The budget, he said, will set the state up for economic recovery. "It will invest in education and keep college education affordable, and it will protect those who have been hardest hit by the supervening economic crisis," he said.

"Substitute House Bill 1 will align Ohio's investments with our priorities. It will also leverage federal resources to deliver a balanced and responsible budget during a time of economic crisis. It will cut government waste by preventing deeper service cuts at a dangerous time for many Ohioans. It will avoid reversing the course of tax reform, which promise increased economic activity and revenue in our future. Our priority in this budget is to spur economic growth in Ohio."

Rep. Ron Amstutz (R-Wooster) said he didn't blame the majority for siding with the Democratic governor in most areas of the budget, but he predicted the results wouldn't be pretty in future years.

"Unfortunately, that leaves us today...with the Titanic," he said. "We have gaping holes inside the ship and we need to fix those and chart a different course if we're going to avoid a catastrophic" incident ahead.

"The good ship is sailing forward and it's going into an iceberg," Rep. Amstutz added. "The first step to recovery is to admit we have a problem."

Rep. Amstutz said the proposal entails an all-funds increase of nearly 10% over current levels, and would result in an \$8 billion increase over three years - mostly in the Medicaid entitlement.

"I don't think 9.5% passes the smell test and I don't think it does with our citizens either," he said. The lawmaker went on to describe the large amounts of one-time money in the budget, including billions in federal stimulus funds, as an "artificial bubble" that would eventually "multiply the pain" and require massive tax hikes and program cuts to offset in the future.

"Overall, that cannot be described, my friends, as a lean budget. It does not make difficult decisions. It does not even come close to being sustainable. For this reason and many others it is irresponsible."

Much of the debate centered on the rewrite of Ohio's school-funding system as proposed by Gov. Ted Strickland and significantly altered, at least for the short term, by the Democratic caucus.

The House majority substantially changed the plan, which aims to shift some of the funding burden to the state and align school allotments to educational inputs under an "evidence-based" approach, by extending the phase-in to 10 years and making other formula changes. The result muted some huge financial gains for property-wealthy districts.

"This is an historic moment," declared Rep. Steve Dyer (D-Green), the architect of the House changes.

The plan "has been significantly improved by the changes we made in the House," he said. "This plan is infinitely better than the current way we fund our schools."

Rep. Randy Gardner (R-Bowling Green) questioned how delaying full implementation of the new system over so much time differs from past GOP plans the Gov. Strickland declared to be unconstitutional residual budgeting.

Why doesn't the budget fully fund the mandates and other aspects of the new system, he asked rhetorically. "Because we don't have the money."

"This is a Pied Piper's wild-eyed plan that cannot be sustained in any objective analysis," Rep. Gardner said.

During the committee process, House Democrats also expanded the use of state and federal money in the measure for a variety of programs and attached some major policy initiatives, such as an insurance mandate for autism services (HB 8).

Gov. Strickland said Tuesday that he was pleased with the House's work, as the core of his proposals for education and other parts of the budget remain mostly intact. He also supported the chamber's use of more optimistic revenue and Medicaid caseload estimates as a way to finance more appropriations for nursing homes, hospitals and social services.

On the House floor, Democrats amended the bill with some additional earmarks and other changes. Those amendments would:

- Allow landowners and their families to hunt on their land without a license (Pryor).

Minority Republicans, who offered more than 40 amendments in committee only to see nearly all tabled without debate, trimmed those proposals to less than a dozen in offering up changes to the bill on Wednesday. Their fate, however, was mostly the same.

Among the failed GOP amendments were proposals to eliminate the new hospital franchise fee (Burke) and scrap several other fee hikes in the bill (Bubp); require General Assembly approval for Medicaid expansions (Amstutz); separate federal stimulus funds from educational state aid (Gardner); impose changes to the Medicaid entitlement (Sears); remove the autism insurance mandate from the bill (McGregor); and make permanent hold harmless provisions for local government entities impacted by the elimination of the tangible personal property tax (Jones).

Rep. Danny Bubp (R-West Union) said it was the wrong time to be increasing fees for energy extraction, vital statistics, construction and demolition debris disposal, and video services. The new levies, he said, "Will cost our state jobs when we need to work toward job creation."

"We don't want to be increasing all these fees on Ohioans in a time of economic peril," Rep. Bubp added.

Rep. Timothy DeGeeter (D-Parma) said Democrats had already reduced or eliminated some of the fees proposed in the executive plan, including a tire fee to fund the vehicle emissions testing program, or E-Check, which would instead be funded with general revenue funds. The amendment was tabled on party lines without further debate.

Republicans also unsuccessfully sought to amend a government reorganization plan (HB 25) into the bill, with Rep. John Adams (R-Sidney) arguing that the consolidations could save the state \$1 billion a year.

The bill at hand does nothing to address the states economic problems and instead only serves to expand government, he said. "Now is the time to streamline government. If not now, when?"

Rep. Tyrone Yates (D-Cincinnati) said before the tabling that the proposal was too extensive to enact without further study. "All of us want no more government than is necessary to do the job," he said. "But surely, this is not the way."

**Budget Numbers:** Because of the decision to separate some federal aid to poor districts from the general revenue fund, the House's GRF budget actually dropped from the governor's proposed level of about \$54.37 billion to \$54 billion, according to the Legislative Service Commission's spreadsheet.

However, due mostly to the more extensive draw-down of federal Medicaid match to give hospitals and nursing homes more funding through FY 2011, the "all-funds" total in the plan was increased from about \$112.7 billion to \$114.3 billion.

Nearly \$1.2 billion of that increase was in the budget of the Department of Job and Family Services, which administers the Medicaid entitlement.

### **SPEAKER SAYS HOUSE'S BUDGET A 'STRONG DOCUMENT'; FLOOR COMMENTS RUN THE POLICY, POLITICAL GAMUT**

The biennium budget measure passed Wednesday by House Democrats includes a school-funding system overhaul that's either "transformational" or an "absurdity," according to assessments from opposite sides of the political aisle.

The former evaluation came from Speaker Armond Budish (D-Beachwood), who told reporters after his chamber sent the bill onto the Senate that he was pleased with the result considering the dire economic circumstances. The latter came from a Republican lawmaker who served as the ranking member on the budget subcommittee dealing with K-12 education issues.

"It's a strong document given the difficult times we find ourselves in," Speaker Budish said.

"As we said from the outset, these are tough economic times. They are tough for the people of Ohio and they are tough for those of us trying to build a balanced, fiscally responsible budget."

"I feel very pleased that we were able to continue our efforts which have been our top priority, and that is to create jobs and foster an improving business environment here in Ohio," Mr. Budish continued. "Our budget sets a great variety of tax credits and various programs that should help create jobs and retain our existing jobs."

"We've also been investing in education. Our K-12 education program, I believe, is truly transformational. The fact is, the status quo is no longer acceptable and needs to be changed."

"We've also been able to maintain the tuition freeze for fiscal year 2010 and the 3.5% cap for fiscal year 2011 even given the tough economic times, and have been able to, I believe, maintain the safety net even though we had to make some serious cuts," Mr. Budish said.

Other comments from the largely civil House floor debate:

Rep. Lynn Wachtmann (R-Napoleon): "The bill always comes due," he said in characterizing the measure as "an outrageous spending plan" that will lead to tax hikes. "If passed as-is, we're looking at somewhere between a four and seven billion tax increase that the Democratic caucus is asking us to pay for."

Rep. Randy Gardner (R-Bowling Green), in arguing for an amendment to separately report state and federal money for education in the plan: "We have cut state aid to every school district in Ohio. Every single one."

Rep. Steve Dyer (D-Green), after responding that it was appropriate to delineate the different K-12 funding streams: "There's one thing that this (school-funding) system has never been called: constitutional."

Rep. John Domenick (D-Smithfield): "The stimulus package will work because we're putting Ohioans back to work." He added of Rep. Amstutz's budget growth analysis: "All we're doing is blowing smoke."

Rep. Ted Celeste (D-Grandview Hts.) in defending the inclusion of language prohibiting insurance companies from excluding coverage of autism services: "These parents are only asking us to level the playing field," he said. "We cannot afford not to act today to support our constituents.... Our children's future depends on us."

Rep. Shannon Jones (R-Springboro) in seeking support for protecting local entities against TPP tax revenue loss: "We at least out to have the courage to insulate local governments from the train wreck that's coming two years down the pike."

Rep. Bill Coley (R-West Chester), on the fee increases in the measure: "We are going to take \$1 billion out of the hands of Ohioans and thus are going to retard" economic growth.

Rep. Seth Morgan (R-Huber Hts.) in urging for a "continuation budget" and more discussion on school funding and other aspects: "I believe we all know the absurdity in our hearts of the governor's quote-end-quote evidence-based" school-funding model. "We have now added a new category of unfunded," he added: "unfunded promises."

Rep. Jennifer Garrison (D-Marietta), who said in response to Rep. Morgan that the House had held regional hearings on K-12 and had heard from hundreds of witnesses: "It has been vetted. We have the evidence," she said. "This education plan, quite frankly, is phenomenal" because it prices out the costs of education and sets the state on the path to fully implementing a constitutional system.

Rep. Michael DeBose (D-Cleveland) on being proud of the budget: "To help people is good. To not help people is a shame. I'm ashamed at some of the comments I've heard today."

Rep. Brian Williams (D-Akron), a former city schools superintendent, in commenting to the education component and early learning initiatives: "I've been waiting for this day for upwards of 45 years I've been in education."

Minority Leader Bill Batchelder (R-Medina), a three-decade veteran of the legislature, before predicting what kinds of tax increases will be necessary in two years: "I have seen this pattern before."

Also, Mr. Batchelder said in regards to Rep. Bob Hagan's (D-Youngstown) suggestion that he not comment after four hours of debate so members could "get the something out of here": The Republican said he usually listens to his longtime friend's advice "except on matters of government and politics and things like that."

### **GOVERNOR: MORE SPENDING CUTS POSSIBLE AS FISCAL YEAR WINDS DOWN**

Another set of spending cuts is possible in the next two months as the state moves closer to the end of the fiscal year, Gov. Ted Strickland said Wednesday.

"I've got a responsibility to end the year with a balance, and I will do that," he said after a Statehouse Vietnam Day event.

Mr. Strickland said he and others in his administration are closely watching state income, and will have a better grasp on potential future actions when April revenues - which include a large portion of personal income tax collections - are finalized.

"When the data is in regarding the receipts this month, we certainly will know more," he said. "I remain concerned...that this economy is continuing to be sluggish."

Mr. Strickland said, however, the state would be far worse off had it not been for President Obama's efforts to provide federal funds to shore up state revenues.

"Ohio would be in very difficult circumstances without the stimulus dollars," he said, noting that state government would have been slashed, tuition would have increased, teachers would have been laid off and Ohioans would have been removed from Medicaid roles.

He also answered critics' assertions that the pending budget bill (HB 1) is unsustainable in the long term because it includes a significant amount of one-time money. "I'll cross that bridge when I come to it," he said. "My responsibility right now is for the 2010-2011 budget."

The governor invited critics to offer their own suggestions on how the budget should be balanced. "I'm always willing to talk and listen and learn," he said. "Someone else might have a good idea. And if they do, I'll use it."

Mr. Strickland said he's hopeful that other state employee unions will agree to a contract that resembles the deal that state negotiators struck with the Ohio Civil Service Employees Association.

"These are tough times that call for unprecedented action," he said. "I believe that the leaders of the other unions, and the members of the other unions understand the difficulty of what we are dealing with."

"I do not take any joy in having the workers who serve the state take unpaid days, furlough days, but I think it was necessary," he noted.

Separately, Mr. Strickland said he is confident that he'll be able to agree with the legislature on a revised plan to fund school operations.

"Sometimes the rhetoric gets a little heated," he said. "But I continue to believe that we have a good plan" that is now headed to formal considerations in the Republican-controlled Senate.

"I remain hopeful that we will come out with an education plan that will meet the criteria that I have laid out," he said.

Senate President Bill Harris said it is his understanding that the House "totally revamped" the governor's initial education proposal.

"I think there are some things that are improved on. There are things that are not improved on," Sen. Harris said. "I could accept the fact that the House has made the governor's plan better. I think we will take action to make the House and the governor's plan much better."

Mr. Strickland said thought he was close to making an announcement regarding a running mate for the 2010 election, but said he "put things on the back burner" as state budget deliberations heated up.

"It will happen, and when it does, it's going to be a huge surprise," he said.

The governor noted that he discouraged U.S. Rep. Tim Ryan from considering the prospect of running for lieutenant governor, saying the lawmaker appears poised to have a productive career in Congress.

"I have said to him throughout this entire process, that Tim, you're 36 years old, you're on the House Appropriations Committee, you're well liked by leadership, you are a bright, savvy guy. That's a lot to think about giving up."

### **MORGAN TO SUPREME COURT: APPOINT MEDIATOR IN DISPUTE WITH GOVERNOR; STRICKLAND: WHAT'S TO MEDIATE?**

Taking a cue from Justice Paul Pfeifer, Rep. Seth Morgan (R-Huber Heights) asked the Ohio Supreme Court on Wednesday to appoint a mediator in his public records dispute with Democratic Gov. Ted Strickland.

Mr. Strickland told reporters in response: "I'm not sure that there is a problem to be mediated."

Rep. Morgan said in filing his request with justices that he "has been essentially blocked from access" to documents pertaining to the governor's evidence based school funding model.

The funding proposal is contained in the House version of the governor's proposed two-year state budget (HB 1).

Last Friday, the court issued a 7-0 opinion in which it held that Mr. Strickland had acted reasonably in responding to Rep. Morgan's request.

However, justices also told the governor to continue to review the material and provide it "within a reasonable time.

Justice Pfeifer said in a separate concurring opinion that the dispute "cries out for mediation."

Rep. Morgan told justices Wednesday that "whether or not Governor Strickland is willing to be cooperative," the legislator is willing to participate in the court's mediation process.

"These public records, that pertain to the governor's proposed 'evidence based' education funding model ... are vital to the current debate over this proposal," Rep. Morgan said.

"The individual members of the General Assembly, as well as the media and all Ohioans have a right to review public records in a timely manner," he said. "Accordingly, (Morgan) respectfully requests that this court rapidly consider this petition for mediation, before the public's right to know is irretrievably lost."

Later on Wednesday, Gov. Strickland recalled that the court had concluded that "we were responding to the good representative and they told us we should continue to do so. And so that's what we're doing. I don't know exactly what there is to mediate."

Mr. Strickland said he was not ruling out the possibility of mediation. "I'm just not sure what the problem is that needs to be re-mediated," he said.

### **PASSED IN THE HOUSE**

HB 1 STATE BUDGET (Sykes) To make operating appropriations for the biennium beginning July 1, 2009, and ending June 30, 2011, and to provide authorization and conditions for the operation of state programs.  
53-46 (Amended)

### **INTRODUCED IN THE HOUSE**

HB 159 UNIVERSAL HEALTH CARE (Skindell, Hagan) To establish and operate the Ohio Health Care Plan to provide universal health care coverage to all Ohio residents. Am. 3922.01 to 3922.15, 3922.21 to 3922.28, 3922.31, 3922.32, and 3922.33

### **SENATE COMMITTEE HEARING**

#### **Environment & Natural Resources**

SB 110 HOUSEHOLD SEWAGE (Niehaus) To revise the Household Sewage and Small Flow On-Site Sewage Treatment Systems Law, and to declare an emergency. (1st Hearing-Sponsor)

#### **CONTINUED**

Sen. Niehaus provided sponsor testimony, saying the bill gives homeowners more control over which sewage systems they want to use, establishes a uniform, cost-effective and sustainable treatment system, sets clear and consistent vertical separation

distances to protect consumers and their property values, provides flexibility for communities and local health districts to work together to help ensure system maintenance and provides specific, measurable standards for what constitutes a public health nuisance.

"This legislation will not cause dramatic increases in system costs," Mr. Niehaus said. "It maintains reasonable costs for homeowners consistent with prices available today."

SB 100 HOUSEHOLD SEWAGE (Grendell) To revise the Household Sewage and Small Flow On-Site Sewage Treatment Systems Law, to establish the Household Sewage Treatment System Revolving Loan Program and the Household Sewage Treatment System Grant Program in the Department of Health, to make appropriations, and to declare an emergency. (1st Hearing-Sponsor)  
CONTINUED

Sen. Grendell said in sponsor testimony that the bill is based on objective science rather than theoretical approaches and reduces the role of the Ohio Department of Health while giving more power to local county health boards.

"SB 100 seeks a common sense, objective science based approach to the household septic system issue that protects the public from real 'public health nuisances' through vigilant local county health boards, without bankrupting Ohio homeowners," Mr. Grendell said. "SB 110...is based on risk perception, theoretical 'scoring,' and the assumption that the failure to meet theoretical standards...will per se cause a public health nuisance when in actuality it does not."

Chairman Schaffer said that the bill gives ODH the authority to establish provisions to guidelines for septic systems and asked if Mr. Grendell was confident the process would be based on objective scientific information. Mr. Grendell said he believes the language would specify that and avoid theoretical approaches. HB 100 sets the bar at the state level, and applies it at the local level, he said.

Sen. Gibbs asked Mr. Grendell if SB 100 and/or SB 110 require the use of an engineer and soil scientist to look at a property. Mr. Grendell said SB 100 avoids this, but SB 110 may not. "SB 110 gives a lot of power back to ODH," he said. "The devil is in the details."

*Township officials please note that the State Association has agreed to support SB 110 introduced by Senator Niehaus, as the bill is taken directly from recommendations of an HSTS Task Force that OTA Executive Director Michael Cochran was a member. While the OTA likes some of the measures in Senator Grendell's bill, the OTA stands behind their commitment to SB 110, as the bill is a compromise between all interested parties.*

THURSDAY, APRIL 30 2009

### **STRICKLAND CALLS BUDGET ADVANCE 'HISTORIC LEAP'; GOP SAYS 'TOUGH DECISIONS' REMAIN**

The House's partisan dispatch of the biennium budget bill Wednesday prompted praise from Democratic Gov. Ted Strickland and a signal that major changes are inevitable from Republicans who can now work their will in the Senate.

Gov. Strickland said his Democratic colleagues in the House took a major step in making Ohio's school-funding system constitutional.

The majority forced through the package (HB 1), which includes a 10-year phase-in of a new K-12 finance system, without a single Republican vote of support.

"While today marks a step forward in the budget process, it marks a significant and historic leap toward the establishment of a thorough and efficient system of education," Gov. Strickland said in a statement.

"This is the first time since the Ohio Supreme Court declared Ohio's education system unconstitutional that a legislative chamber has voted to support a transformational education reform plan that will ensure every Ohio child receives a world-class education, regardless of where they live."

"This budget makes wise use of federal stimulus resources by using them exactly as intended - to create and save Ohio jobs and prevent devastating cuts to the critical health and safety services that Ohioans rely upon," the governor added. "As budget discussions continue, I am hopeful that members of the Ohio Senate will give careful consideration to these worthy goals."

Senate President Bill Harris (R-Ashland), who previously signaled his concerns over the increased spending in the measure, echoed some of the comments from House Republicans who during the floor debate warned that the plan was setting the state up for major financial difficulties down the road.

"We are approaching our budget work with eyes wide open, understanding the significant challenges we face and the tough decisions that will need to be made in order to ensure our state is on strong footing, not only for the next two years, but for years to come," he said.

"Our primary focus will be to prevent the need for a tax increase two years from now; to preserve the ability of Ohio families to have quality choices when it comes to education and health care, and to continue our efforts to make Ohio more attractive for growing jobs and revitalizing our economy."

Senate Democrats countered with criticisms of the House GOP, declaring in a statement that the caucus had "no ideas" beyond saying "no."

"While they were in control of the legislature, Republicans made cosmetic changes to keep a broken system going," Sen. Teresa Fedor (D-Toledo) said. "But, in order to give Ohio's school children a world class education system we need a complete overhaul, and that's what we're doing."

Sen. Tom Sawyer (D-Akron) said, "There have been only a few times in our state's long history that Ohio has undertaken comprehensive and fundamental education reform to meet the needs of our changing world, and this is one of those times."

House Minority Leader Bill Batchelder (R-Medina) struck a conciliatory tone while suggesting that the policy leanings contained in the massive document would ultimately shift toward the center as budget deliberations progress through June.

"I have been here in the Ohio House through a lot of budgets, and I can say that I have seen this pattern before. During desperate times when unemployment is high, legislators have made judgments about what measures needed to be taken, and although I didn't always agree with these decisions, I've stood by my colleagues earnestly," he said.

"I understand that people viewing the same scenario have very different perspectives. But as we will see in the coming months, our economy is not expanding as we had hoped it would and difficult decisions will inevitably have to be made. In these occasions of great difficulty, I have seen people rise to do what needs to be done, in cooperation with one another."

### **BWC BOARD LIMITS DRUG-FREE DISCOUNTS TO NON-GROUP EMPLOYERS, APPROVES PREMIUM REDUCTION, INVESTMENT PLANS**

The Bureau of Workers' Compensation Board of Directors agreed to eliminate discounts through the drug-free program for group-rated employers, approved revisions to the agency's investment policy, and signed off on a new premium reduction program Thursday.

The board approved several components of the BWC's plan to revise its overall rate structure, including a new rule limiting financial incentives through the Drug Free Workplace Program to non group-rated employers only.

Under the new regulations, group-rated companies may no longer "stack" discounts from the group-rating and drug-free programs, spokeswoman Maria Smith said.

"Non-group-rated employers are eligible to get the discount still," she said. "Group-rated employers can still benefit from the program getting the educational information, they just can't take the group discount and the safety discount."

Proposed changes to the Drug Free Workplace Program sparked some debate in the legislature recently when House Republicans sought repeatedly to amend the bureau's budget (HB 15) to impose a two-year moratorium on making any revisions. However, majority Democrats successfully tabled the proposal.

While board members discussed a proposal during a previous hearing to refrain from making any changes to the drug-free program for a year, they also directed BWC staff to get input from group-rating sponsors and third-party administrators on the proposed changes to rates, Ms. Smith said.

"After staff had gone to the groups and the TPAs to get their input, they were satisfied that this is something that the group community was in agreement with," she said.

Meanwhile, the board previously moved to reduce the maximum discount available through the group-rating program from the current 85% to 77%, which goes into effect starting July 1.

In other developments, the board approved a new Group Retrospective Rating Program that will allow sponsoring organizations to create homogeneous groups to enable members to join forces to improve safety and manage claim costs, the agency said. Participants can receive premium adjustments based on the combined claims performance of their group in the previous year.

The new program will become active July 1. Sponsors must enroll members and submit their application for the upcoming policy year by June 26.

Further, board members voted to eliminate the Premium Discount Program, which BWC said was found to be underutilized and ineffective.

Another rule change imposes a 100% cap on increases to an employer's experience modifier for employers rated 1.01 or higher, and who agree to follow the 10-Step Business Plan for Safety, according to the agency.

Commenting on the new rules, Administrator Marsha Ryan said, "We've made great strides toward improvements to ensure each employer pays the appropriate premiums that match their individual risk."

The average base rate for private employers is now lower than it has been in over 30 years, she said. "Additionally, the introduction of new alternative rating programs and the modification of existing offerings are placing a renewed emphasis on the importance of safety education and training in Ohio workplaces."

### **SENATE DEMOCRATS WANT GOP AUDITOR TO TESTIFY IN PERSON ON BUDGET; TAYLOR AGAIN QUESTIONS MEDICAID SAVINGS PLANS**

Democrats asked Republican State Auditor Mary Taylor on Thursday to make a personal appearance before a Senate budget panel after she sent her senior policy advisor to testify in her place about the pending biennial spending bill.

Sen. Shirley Smith (D-Cleveland), the assistant minority leader, requested the Republican auditor's presence next week as the Senate Finance & Financial Institutions Committee heard testimony on the proposed budget of the auditor's office and other agencies.

Sen. Dale Miller (D-Cleveland), ranking minority member on the panel, began his questioning of Tim Keen, a top aide to the auditor, asking why she was not there in person to testify considering the public statements she has made recently about the budgeting process.

Earlier this month, Ms. Taylor claimed that Democratic Gov. Ted Strickland's proposed \$54 billion budget (HB 1) would create an \$8 billion imbalance two years from now. And on Wednesday, the auditor accused state policy makers of continuing to overlook her recommendations that could generate \$122 million worth of savings in the Medicaid program.

Mr. Keen told Sen. Miller that Ms. Taylor was not in Columbus on Thursday, and pointed out that she also did not testify in the House. Sen. Smith suggested the Senate panel cancel its hearing on the auditor's budget until next week.

Chairman John Carey (R-Wellston) said executive elected officials have the option of whether to testify in person or to send representatives. "I think your request is a legitimate one," he told Sen. Smith, although he declined to postpone the budget hearing.

Sen. Smith then asked Mr. Keen if it was possible that the auditor could testify in person next week. He said he would relay the request.

After the hearing, Mr. Keen described the auditor's decision not to appear before legislative budget committees as "purely a matter of scheduling." "It's purely a matter of her feeling that I would be capable of adequately presenting our budget and answering any questions about our budget that might come up," he said.

Asked if Ms. Taylor's schedule would permit her to appear next week at Sen. Smith's request, Mr. Keen said: "We will have to see."

Sen. Carey pointed out later that the governor did not testify in person about the budget for his office.

"It's nice that Attorney General Cordray and other state officeholders chose to be here. But it's really up to the officeholder. You can't really compel them," Sen. Carey said in an interview.

"I think Tim answered the questions that the committee had, so I think it was OK. I don't think it's really that big a deal, one way or the other," he said.

During his testimony, Mr. Keen said appropriations recommended for the auditor in the governor's budget would require careful management and a focus on efficiency.

"Auditor Taylor welcomes this challenge," he said.

Mr. Keen said the impact of the proposed budget levels on the auditor's staff and operations cannot be determined yet pending resolution of other matters such as employee compensation.

"However, I think it is fair to say that there will be fewer ... employees to carry out the office's existing responsibilities than there were in the current biennium," he said.

Separately, Auditor Taylor said Wednesday the House had disregarded her proposal to implement several money-saving Medicaid recommendations.

"I have been asked, 'What would you cut?' to solve the state's budget crisis," she said in a news release.

"Since I took office, I have discussed practical solutions and proven practices from the Medicaid Performance audit that could result in hundreds of millions in program savings. Unfortunately my solutions to save tax dollars and make Medicaid more efficient and effective continue to be ignored," Ms. Taylor said.

Her proposals included full implementation of a statewide electronic prescribing program, implementing a disease management program for certain recipients, and coordination of benefits for Medicaid recipients who also belong to a private health insurance plan.

#### **INTRODUCED IN THE HOUSE**

HB 166 TRANSPORTATION AUTHORITIES (Carney, McGregor) To authorize the creation of transportation innovation authorities by specified governmental entities and to establish the powers and duties of such authorities. Am. 5501.03, 5501.311, 5531.09, and 5531.18 and to enact sections 5539.01, 5539.02, 5539.03, 5539.031, 5539.04, 5539.05, 5539.06, 5539.07, 5539.08, 5539.09, 5539.10, and 5539.11

#### **INTRODUCED IN THE SENATE**

SB 120 SMOKING BAN (Schuler) Regarding exemptions from the smoking ban. Am. 3794.01 and 3794.03

SB 121 TRANSPORTATION AUTHORITIES (Niehaus) To authorize the creation of transportation innovation authorities by specified governmental entities and to establish the powers and duties of such authorities. Am. 5501.03, 5501.311, 5531.09, and 5531.18, 5539.01, 5539.02, 5539.03, 5539.031, 5539.04, 5539.05, 5539.06, 5539.07, 5539.08, 5539.09, 5539.10, and 5539.11

FRIDAY, MAY 1 2009

#### **LOTTERY PROFITS LAG ESTIMATES AS KENO FAILS TO LIVE UP TO BILLING**

As if slumping tax revenues aren't doing enough to drag down the state's bottom line, lottery profits that partially fund K-12 education programs have also taken a dive this year.

Last month's transfer of about \$67 million in profits from the Ohio Lottery to the Education Fund was nearly \$6 million, or 8%, short of expectations, the Office of Budget and Management reported.

Through April, the lottery's profits are below estimates by more than \$38 million, or 6%. OBM has recorded \$583 million in transfers for the fiscal year to date when more than \$621 million was expected.

The main culprit for the shortfall is the state's relatively new keno game, which arrived with much fanfare as part of a budget repair plan announced in early 2008 only to fall short of expectations.

State officials originally projected keno sales would generate \$224.5 million by the end of April, but actual sales to date totaled only \$81.7 million, according to lottery spokeswoman Mary Kotynski. Retailers began offering the new product Aug. 4.

Keno's sluggish performance can be attributed to the ongoing economic recession, she said.

"Basically just people have fewer discretionary dollars to spend towards luxuries, like going out, entertainment, lottery, that sort of thing," she said.

Currently there are 1,118 vendors offering keno in Ohio, according to the agency.

OBM said April's lottery sales were bolstered by a growing Mega Millions jackpot and that instant ticket sales are also better than last year.

"However, these increases are not enough to offset the original Keno sales projection," the agency reported in a memorandum. "Nevertheless, Keno sales continue to average around \$2.4 million per week, which is below the original projections but represents an improvement over the first couple of months."

#### **CONFIRMED SWINE FLU CASES REMAIN AT 1, STATE SAYS; PROBABLE CASES AT 4**

Ohio continued to report one confirmed case of a new strain of influenza, and had four other probable cases in three counties as of Friday afternoon, state health officials said.

State Health Director Alvin Jackson said the single confirmed Lorain County case continues to be Ohio's only certain case of the influenza A H1N1 virus, also known as swine flu.

Two probable cases have been reported in Franklin County and one case each in Holmes and Portage counties, the director said.

"It's been a busy week," he said, noting that state and local health officials have worked closely to share information on possible cases.

While Mr. Jackson said Ohioans shouldn't be afraid of the flu, he said it is a serious matter facing the state. Individuals, he said, can help control the spread by washing hands frequently, controlling coughs and sneezes and seeking medical care quickly if they experience certain flu-like symptoms.

Recounting those instructions in Spanish during a media conference call, he said the agency is also reaching out to the state's Spanish-speaking community.

The director said the state has received a portion of national supply stockpiles, and is working on staging and distribution of medicine and personal protective equipment.

He noted that a state hotline focusing on the flu has received more than 1,000 calls this week.

"When we are dealing with a new virus, there is unpredictability and things change over time," he said, saying the state doesn't want to assume that the "mild" situation won't turn serious. "We only know what is happening in Mexico," he said.

"Our goal is to keep the public prepared and informed so that they can make appropriate decisions," he noted. "What we don't want to do is frighten the public."

#### **OHIO OFFICIALS ANXIOUSLY MONITORING CHRYSLER BANKRUPTCY**

Ohio officials and union leaders are hopeful that the state can avoid any major layoffs stemming from the Chrysler LLC bankruptcy announced this week.

Gov. Ted Strickland on Friday described the company's filing for Chapter 11 bankruptcy protection as "both good and bad news."

"The good news part is that Chrysler will continue," he said, citing the Obama administration's assurances that the bankruptcy proceedings will likely be short lived. If Chrysler can move through bankruptcy in 30 to 60 days, I think that is some reason to be hopeful."

The governor said federal officials have told him they believe the automaker's proposed partnership with Fiat SpA and its agreement with the union will remain intact through bankruptcy.

"But it's a precarious situation, obviously," he added. "No one knows exactly what the bankruptcy court will deem to do."

Ken Lortz, director of the United Autoworkers Region 2B in Ohio, said Chrysler employs thousands of workers in four plants in Toledo, Perrysburg, Streetsboro, and Twinsburg. He said UAW members were concerned about the future of their jobs.

"We took a major sacrifice in 2005, again in 2007 and again now. We think we've done everything we can possibly do and we think it's unfortunate that now the bondholders and bankers couldn't deliver after we did," he said. "They thought everybody else should take a hit and they shouldn't."

Mr. Lortz said the union was discussing various options with state officials. "We're exploring everything. I really can't get into the details."

## **STATES FACE 'JAW-DROPPING' BUDGET GAP TOTAL OF \$121 BILLION NEXT YEAR, NCSL REPORTS**

The latest sign that Ohio is far from alone in its budget woes comes courtesy of the National Conference of State Legislatures, which reports that states will see a cumulative revenue shortfall grow considerably in the next fiscal year and beyond.

After only the first few months of FY 2009, states saw the difference between their expected revenues and tax intake climb to \$62 billion. In its latest budget report, NCSL said that imbalance is now expected to grow to more than \$121 billion for FY 2010, which for Ohio begins on July 1.

"During this legislative session, legislators were left with only tough and unpopular options to balance state budgets," NCSL Executive Director William Pound said in a news release. "The situation will be even more difficult in the next two years given the serious cuts that have already been made. The easy adjustments have already been taken."

In Ohio, the gaps have largely been filled in the pending budget measure (HB 1) through the use of extensive federal bailout funds including an increased matching rate for Medicaid. The administration and House Democrats have defended the plan, which taps more than \$5.4 billion in "one-time" GRF sources, by underscoring the alternative: massive service cuts or tax hikes. Republicans have argued for adjustments to mitigate the difficulties Ohio will face two years from now.

NCSL Fiscal Program Director Corina Eckl used phrases such as "jaw-dropping" and "a bad horror movie" to describe the current circumstances, which because of the natural lag between economic stabilization and revenue recovery could continue for some time.

"Many states already see big gaps looming in 2011 and beyond," she said. "The fiscal situation facing states is like a bad horror movie. The details get more gruesome and the story never seems to end."

In the midst of a national recession of historic proportions, 31 states and Puerto Rico are now projecting budget gaps for FY 2011, NCSL found in its most recent survey of legislative fiscal officers. The cumulative shortfall for the 16 states that have put a number on the size of their holes is already \$44.5 billion.

"This means that FY 2011 will mark the fourth consecutive year for fiscal problems in many states, with no immediate end in sight," NCSL stated.

## **COMMITTEE SCHEDULE FOR WEEK OF MAY 4**

### **TUESDAY, MAY 5**

**Senate State & Local Government & Veterans Affairs**, (Chr. Hughes, 466-5981), South Hearing Rm., 10 a.m.

SB 7 FRAUD REPORTING (Wagoner) To require the Auditor of State to establish a fraud-reporting system for residents and public employees to file anonymous complaints of fraud and misuse of public funds by public offices or officials. (3rd Hearing-All testimony-Possible vote)

**Senate Finance & Financial Institutions**, (Chr. Carey, 466-8156), Finance Hearing Rm., 10 a.m.

HB 1 STATE BUDGET (Sykes) To make operating appropriations for the biennium beginning July 1, 2009, and ending June 30, 2011, and to provide authorization and conditions for the operation of state programs. (9th Hearing)

**Senate Insurance, Commerce & Labor**, (Chr. Buehrer, 466-8150), South Hearing Rm., 4 p.m.

SB 94 POLICE & FIRE CONDITIONS (Patton) To provide that a firefighter, police officer, or public emergency medical services worker who is disabled as a result of specified types of cancer or certain contagious or infectious diseases is presumed for purposes of the laws governing workers' compensation and the Ohio Police and Fire Pension Fund to have incurred the disease while performing official duties as a firefighter, police officer, or public emergency medical services worker. (1st Hearing-Sponsor)

### **WEDNESDAY, MAY 6**

**Senate Ways & Means & Economic Development**, (Chr. Gibbs, 466-7505), North Hearing Rm., 9 a.m.

SB 111 TAX PAYMENTS (Stewart) To make permanent the temporary reimbursements for local government and school district tangible personal property tax losses. (1st Hearing-Sponsor)

SB 109 PROPERTY TAXES (Gibbs) To exempt from real property taxation the value of single-family residential property owned by a developer or builder until the developer or builder transfers possession or title. (1st Hearing-Sponsor)

**Senate Finance & Financial Institutions**, (Chr. Carey, 466-8156), Finance Hearing Rm., 9:30 a.m.

HB 1 STATE BUDGET (Sykes) To make operating appropriations for the biennium beginning July 1, 2009, and ending June 30, 2011, and to provide authorization and conditions for the operation of state programs. (10th Hearing)

**Senate Environment & Natural Resources**, (Chr. Schaffer, 466-5838), North Hearing Rm., 11:15 a.m.

SB 110 HOUSEHOLD SEWAGE (Niehaus) To revise the Household Sewage and Small Flow On-Site Sewage Treatment Systems Law, and to declare an emergency. (2nd Hearing-Proponent)

SB 100 HOUSEHOLD SEWAGE (Grendell) To revise the Household Sewage and Small Flow On-Site Sewage Treatment Systems Law, to establish the Household Sewage Treatment System Revolving Loan Program and the Household Sewage Treatment System Grant Program in the Department of Health, to make appropriations, and to declare an emergency. (2nd Hearing-Proponent)

**House State Government.** (Chr. Gerberry, 466-6107), Rm. 017, 2:30 p.m.

HB 58 FRAUD REPORTING (McGregor) To require the Auditor of State to establish a fraud-reporting system for residents and public employees to file anonymous complaints of fraud and misuse of public funds by public offices or officials. (1st Hearing-Sponsor)

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