



OHIO LEGISLATIVE SERVICE COMMISSION

Conference Committee Synopsis

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Am. Sub. S.B. 8 132nd General Assembly

The Conference Committee recommends the bill as passed by the House of Representatives with the following changes:

Topic	Senate Version	House Version	Conference Committee Recommendation
1:1 School Facilities Option Program	Establishes the 1:1 School Facilities Option Program to provide limited facilities funding to school districts that have not previously participated in any state facilities program in lieu of participating in a larger program. Districts may use the funding to construct, make additions to, or repairs to any feature of a classroom facility that meets state specifications. <i>(R.C. 3318.39.)</i>	Same as Senate but permits districts that received funding under the Emergency Assistance Program to participate in the 1:1 Program. <i>(R.C. 3318.39.)</i> Note, the 1:1 Program in the House version of S.B. 8 is identical to the version enacted into law in H.B. 49 of the 132nd General Assembly, effective September 29, 2017.	Same as House.
	Permits a district to avail itself of the 1:1 Program when it is eligible for either the Classroom Facilities Assistance Program (CFAP) or Vocational School Facilities Assistance Program (VFAP) based on annual wealth percentile rankings.	Same as Senate. <i>(R.C. 3318.39(A).)</i>	Same as House.

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	<p><i>(R.C. 3318.39(A).)</i> Specifies that an eligible district may receive up to the greater of:</p> <p>(1) 10% of what it would receive in state funding under CFAP or VFAP; or</p> <p>(2) \$1 million. <i>(R.C. 3318.39(B).)</i></p> <p>Designates the School Facilities Commission as the state agency to administer the 1:1 Program. <i>(R.C. 3318.39.)</i> H.B. 49, which was enacted after S.B. 8 passed the Senate, abolished the School Facilities Commission and transferred its duties to the Facilities Construction Commission.</p>	<p>Same as Senate. <i>(R.C. 3318.39(B).)</i></p> <p>Designates the Facilities Construction Commission as that the state agency to administer the 1:1 Program, which conforms to current law as enacted in H.B. 49. <i>(R.C. 3318.39.)</i></p>	<p>Same as House.</p> <p>Same as House.</p>
<p>School district tangible personal property (TPP) reimbursement payments</p>	<p>No provision.</p>	<p>No provision.</p>	<p>Increases the payments to be made to certain school districts for their fixed-rate operating TPP tax losses in FYs 2018 and 2019, as follows:</p> <p>-- In FY 2018 for city, exempted village, and local school districts and in FYs 2018 and 2019 for joint vocational school districts, guarantees that the payment will not be less than the preceding year's payment minus 3.5% of its total resources if current law would result in a smaller payment. Current law's payment equals the preceding year's payment</p>

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	No provision.	No provision.	<p>reduced by the amount a $\frac{5}{8}$-mill levy would yield from the three-year average property valuation from 2014 to 2016 (equivalent to $\frac{1}{16}$% of that valuation). The amendment supplements current law's payment by whatever amount is required to equal the guaranteed level.</p> <p>-- In FY 2019 for city, exempted village, and local school districts that received such a supplemental payment, current law's phase-down amount (the $\frac{5}{8}$-mill yield described above) will be subtracted from the total payment the district received in FY 2018, including the amendment's supplemental payment.</p> <p>In FY 2020 and thereafter, payments will be based on the amount a district received in FY 2019, excluding the supplement, less the $\frac{5}{8}$-mill phase-down. (<i>Section 4.</i>)</p> <p>For the purposes of the school funding formula, adds to a city, local, or exempted village school district's limitation base for FY 2019 the amount of any FY 2018 supplemental payment described above. (In effect, counteracts lower FY 2019 state aid that would otherwise occur for some school districts due to the interaction of the</p>

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			school funding formula's cap offset payment and the additional TPP fixed rate operating payment amounts from limiting TPP reimbursement losses in FY 2018 to 3.5% of a district's total resources.) (<i>Sections 265.220 and 265.233 of H.B. 49.</i>)
Community school sponsors	No provision.	No provision.	In the case of a community school sponsor that (1) received a score of "3" or a "B" or higher on the academic performance component for the 2015-2016 school year, and (2) has appealed its overall rating for that year, requires the sponsor's rating for the 2015-2016 school year to be considered "ineffective" and prohibits the State Board of Education from taking any further action on the eligible sponsor's appeal. Specifies that the amendment does not affect the operation of the sponsor rating system and any rating the sponsor receives under it after the 2015-2016 school year. (<i>Section 3.</i>)
School Employee Retirement System (SERS) – cost-of-living adjustments	No provision.	No provision.	For a recipient of a School Employees Retirement System (SERS) allowance, pension, or benefit that commences on or after January 1, 2018, makes the recipient eligible for an

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			annual cost-of-living adjustment (COLA) only after the number of anniversaries of the allowance, pension, or benefit determined by the SERS Board (currently a recipient is eligible after receiving the allowance, pension, or benefit for 12 months). <i>(R.C. 3309.374.)</i>
College credit for comparable coursework	No provision.	No provision.	<p>Repeals current law provisions, enacted in H.B. 49 that do the following:</p> <p>(1) Prohibit state institutions of higher education from refusing to accept college credit earned in Ohio within the past five years as a substitute for comparable coursework offered at the institution; and</p> <p>(2) Require state institutions to allow students to take a competency-based assessment in the relevant subject area, and if the student passes the assessment, to excuse the student from completing the course and grant the student credit for that course. <i>(R.C. 3345.58.)</i></p>
Applied bachelor's degree programs at state two-year institutions of higher education	No provision.	No provision.	Removes a current law provision enacted in H.B. 49 that creates a second pathway for approval of an applied bachelor's degree program offered by a two-year state institution of higher education

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			<p>under which the Chancellor of Higher Education may approve a program that does not meet the prescribed conditions, if it clearly demonstrates a unique approach to benefit the higher education system or the state. (R.C. 3333.051(B).)</p>
Transportation between county jail and courts	No provision.	No provision.	<p>Permits municipal courts and county courts to contract with county sheriffs for the transportation of persons from the county jail to the municipal court or county court and provides that each contract of this sort must provide for the costs of transportation and must not last for more than four years. (R.C. 311.29, 1901.321, and 1907.531.)</p>
Ex officio bailiff services	<p>No provision.</p> <p>No provision.</p>	<p>No provision.</p> <p>No provision.</p>	<p>Requires every deputy sheriff of a county to serve ex officio as a deputy bailiff of a municipal court within the county and to perform without additional compensation any duties with respect to cases within the court's jurisdiction as assigned by the judge, the clerk, or a bailiff or deputy bailiff of the court. (R.C. 1901.32.)</p> <p>Requires every deputy sheriff of a county to serve ex officio as a bailiff of a county court within the county in which a bailiff has been appointed, but prohibits</p>

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			the deputy sheriff from performing court services similar to those performed by the sheriff for the court of common pleas unless the services are requested by the court. (<i>R.C. 1907.53.</i>)
Transportation financing districts	No provision.	No provision.	Modifies the law governing transportation financing districts – a tax increment financing-like method of funding Regional Transportation Improvement Projects (RTIPs) – by placing the authority to use the method directly with the RTIP board; permitting the method to be used without approval by other taxing units if they will be fully compensated for the resulting property tax diversion; requiring leftover funds from the financing district to be distributed among such taxing units; and changing how other leftover RTIP funds are to be distributed upon the dissolution of the RTIP. (<i>R.C. 5595.04, 5595.13, 5709.48, 5709.49, and 5709.50.</i>)
Rural growth investment credit	No provision.	No provision.	Authorizes a nonrefundable tax credit for insurance companies that make loans to or investments in "rural business growth funds" certified by the Development Services Agency, which invest in or lend to certain types of businesses

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			operating in counties with populations less than 200,000. (R.C. 107.036, 122.15 to 122.156, 122.174, 5725.98, and 5729.98.)
Sales tax exemption for eyeglasses and contacts	No provision.	No provision.	Exempts corrective eyeglasses and contact lenses from sales and use tax beginning July 1, 2019. (R.C. 5739.01(JJJ).)
Tourism development district revenue	No provision.	No provision.	<p>Makes the following changes to the manner in which a county (Stark County) may divert existing tax revenue streams to fund tourism development in a "tourism development district":</p> <p>(1) Permits county lodging taxes collected throughout the county and normally payable to a convention and visitors' bureau (CVB) to instead be spent to develop tourism in the TDD with CVB's consent. (Currently, only lodging taxes collected within the TDD are diverted.) (R.C. 5739.09(N).)</p> <p>(2) Diversion of lodging taxes must be consistent with any agreement entered into by several local governments and other persons to develop capital projects in a TDD. (R.C. 307.678(D).)</p> <p>(3) Specifically permits Stark County to divert special lodging tax revenue to further secure the payment of debt issued to</p>

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			<p>finance capital projects in a TDD. <i>(R.C. 307.678(B)(2)(b) and (E)(1)(a) and 5739.09(A)(11).)</i></p> <p>(4) Prohibits the county from pledging or using property taxes to fund capital improvements or tourism development in a TDD <i>(R.C. 307.678(A)(25)).</i></p> <p>(5) Expressly prohibits any revenue from a county sales tax levied to fund criminal and administrative justice services from being diverted to develop tourism in a TDD. <i>(R.C. 5739.213(A)(2)(a).)</i></p> <p>(6) Expressly authorizes the county to specify an end date for diversion of its incremental sales tax growth in the TDD to fund tourism development there. <i>(R.C. 5739.213(B)).</i></p>
<p>Business income deduction for PEO-paid compensation</p>	<p>No provision.</p>	<p>No provision.</p>	<p>Specifies that a pass-through entity (PTE) investor who is paid wages or guaranteed payments by a professional employer organization hired by the PTE may claim the business income deduction and apply the 3% flat tax rate with respect to such income, provided the investor holds at least a 20% interest in the PTE, and states that the provision is intended to clarify existing law and that, therefore, the</p>

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			provision applies retrospectively to taxable years beginning in or after 2013 - the first year the business income deduction was allowed. <i>(R.C. 5733.40 and Section 5.)</i>
Veterans organizations grant program	No provision. No provision. No provision.	No provision. No provision. No provision.	Repeals the requirement that the Director of Budget and Management receive a report from the Director of Veterans Services before releasing funds to a veterans organization. <i>(R.C. 129.211.)</i> Requires the Director of Veterans Services to release funds and process payments to veterans organizations when a veterans organization properly submits a required report, instead of only advising the Director of Budget and Management that a report has been submitted, who then releases the funds. <i>(R.C. 5902.02.)</i> Removes a temporary law provision that permits the Director of Budget and Management to release the money in each appropriation item to the designated veterans organization. <i>(Section 413.50 of H.B. 49.)</i>

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VoAg program funding (Department of Education)	No provision.	Appropriates \$162,200 in FY 2018 and \$162,000 in FY 2019 to GRF line item 200545, Career-Technical Education Enhancements, to support VoAg programs in one at-risk nonvocational school in both the Cleveland Municipal School District and the Cincinnati City School District. <i>(Sections 2, 3, and 5.)</i>	Same as House.
4-H Club program funding (Department of Higher Education)	No provision.	Appropriates \$141,244 in FY 2018 and \$148,136 in FY 2019 to GRF line item 235511, Cooperative Extension Service, and, of those amounts, earmarks \$134,244 in FY 2018 and \$141,136 in FY 2019 to support salaries and benefits for staff for one 4-H Club at an elementary school in both Cleveland and Cincinnati and \$7,000 in each fiscal year for expenses related to the clubs. <i>(Sections 2, 4, and 5.)</i>	Same as House.
Wright State University earmarks (Department of Higher Education)	No provision.	Amends H.B. 49 to redirect an earmark of \$50,000 each fiscal year from GRF line item 235591, Co-op Internship Program, for Wright State University's Center for Liberal Arts Student Success to, instead, the University's Model United Nations Program. <i>(Section 381.371 of H.B. 49.)</i>	Same as House.

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<p>Site and Museum Operations and State Historical Grants funding (Ohio History Connection)</p>	<p>No provision.</p> <p>No provision.</p>	<p>No provision.</p> <p>No provision.</p>	<p>Increases GRF appropriation item 360502, Site and Museum Operations, by \$75,000 in each fiscal year and decreases GRF appropriation item 360508, State Historical Grants, by the same amount. <i>(Section 297.10 of H.B. 49.)</i></p> <p>Amends an earmark of \$100,000 each fiscal year from GRF appropriation item 360508, State Historical Grants, to modify the name of the organization receiving the funds from the Cleveland Museum of Art to the Cleveland Institute of Art. <i>(Section 297.10 of H.B. 49.)</i></p>
<p>Lupus Awareness (Department of Health)</p>	<p>No provision.</p>	<p>No provision.</p>	<p>Specifies that it is the intent of the General Assembly that GRF appropriation item 440481, Lupus Awareness, be used in FY 2019 for the sole purpose of providing outreach to patients diagnosed with lupus. <i>(Section 291.20 of H.B. 49.)</i></p>
<p>Ohio River Valley Jail Facility (Department of Rehabilitation and Correction)</p>	<p>No provision.</p>	<p>No provision.</p>	<p>Requires capital line item C501HE, Ohio River Valley Jail Facility, and related appropriation of \$1,250,000, to be used for either or both of the following: (1) development of the Ohio River Valley Jail Facility, (2) expenses related to the STAR Community Justice Center located in Franklin Furnace (current law requires</p>

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			the appropriation to be used for the development of the Ohio River Valley Jail Facility). <i>(Section 229.30 of S.B. 310 of the 131st General Assembly.)</i>
Lakes in Economic Distress Revolving Loan Program (Development Services Agency)	No provision.	No provision.	Specifies that the amount reappropriated for grants under appropriation item 195407, Travel and Tourism, from FY 2017 to FY 2018 must meet the same eligibility requirements as those governing loans for the Lakes in Economic Distress Revolving Loan Program. <i>(Section 259.100 of H.B. 49.)</i>
	No provision.	No provision.	Specifies that the amount reappropriated for appropriation item 195546, Lakes in Economic Distress Revolving Loan Program, from FY 2017 to FY 2018 are to be used for grants to support stormwater drainage infrastructure improvements at the Buckeye Lake Dam or for grants to support a stormwater drainage study at the Buckeye Lake Dam. (Current law does not specify that these eligible uses of the appropriation item are to be in the form of grants.) <i>(Section 259.100 of H.B. 49.)</i>

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Computer Expenses (Secretary of State)	No provision.	No provision.	Increases Dedicated Purpose Fund 5990 appropriation item 050603, Business Services Operating Expenses, by \$135,000 in each fiscal year. Requires this portion of the appropriation item to be used by the Secretary of State to pay the costs associated with the use of space in the Department of Administrative Services facilities at the State of Ohio Computer Center. <i>(Sections 395.10 and 395.20 of H.B. 49.)</i>
Trauma Assistance Program at Mt. Carmel West Hospital (Department of Mental Health and Addiction Services)	No provision.	Eliminates an earmark in H.B. 49 of \$75,000 each fiscal year from GRF line item 336421, Continuum of Care Services, for the Trauma Assistance Program located at Mt. Carmel West Hospital in Columbus. <i>(Section 337.50 of H.B. 49.)</i>	No provision.
Cash transfers to the General Revenue Fund from non-General Revenue Funds (Bureau of Workers' Compensation and Ohio Industrial Commission)	No provision.	No provision.	Removes the Bureau of Workers' Compensation (BWC) and Ohio Industrial Commission (OIC) from the agencies that operate funds from which the Director of Budget and Management may transfer cash to the General Revenue Fund (GRF). <i>(Section 512.12 of H.B. 49.)</i>