



Legislative Update

The Ohio Legislature concluded an unusually busy election year spring session on June 13, 2012. This heavy workload was mainly due to the Governor-initiated mid-biennial review plan (MBR) introduced in late March. The MBR included a number of reforms to energy policy, education, and provisions designed to help local governments be more efficient.

The following are a few bills that OACAA continues to follow and work on:

SB 69

DRUG TESTING (Schaffer): To establish a drug testing requirement for adults who apply for need-based programs that provide cash assistance, medical assistance, housing assistance, food assistance, or energy assistance.

SB 69 is currently being heard in the Senate Health, Human Services and Aging Committee where it has not been heard since November 30, 2011. However, the House added this bill to the MBR, but then the Senate deleted it. This issue will most likely arise in the lame duck session, which will begin after the November elections, most likely during the week of November 12th, and will probably last through the second or third week in December.

SB 314

DEVELOPMENT PROGRAMS (Wagoner): To rename the Department of Development the "Development Services Agency"; to establish the Office of TourismOhio within the Development Services Agency, create the TourismOhio Advisory board, and establish a pilot program to test a new funding mechanism for the state's travel and tourism marketing; to modify the operation of JobsOhio; to make changes to the Capital Access Loan program Fund and to allow transfers to the Capital Access Loan

program Fund from the Minority business enterprise Loan fund; to increase the membership of the Ohio Tax Credit Authority and provide for projects that were started prior to receiving a tax credit; to modify reporting requirements under the Voluntary Action Program; to require the director of Development Services to administer federal funds received for Brownfields revitalization purposes; to terminate the Water and Sewer Commission; to terminate the Development Financing Advisory Council as of July 1, 2012; to increase the membership of the Third Frontier Commission; and to make an appropriation.

SB 314 was signed by the Governor on June 26, 2012. Most importantly, community action funding was listed in the line items. However, the language referring to the Division of Community Services did not make it in the passed bill.

We have been communicating with the Governor's Office and the DSA on this issue and they have assured us this will be corrected in the lame duck session.

HCR 33

WORKFORCE INVESTMENT ACT (Derickson and Newbold): To urge the Congress of the United States to take action on the federal Workforce Investment Act to allow states greater flexibility to address current economic realities.

HCR 33 passed the House on April 18, 2012 by a vote of 92-0. The resolution was then reported out of the Senate Ways & Means & Economic Development Committee on June 12, 2012. It now awaits full Senate action, which should occur in the fall.



SB 251

DEBT SETTLEMENT (Beagle): To require the licensure of, and otherwise regulate, providers of debt settlement services. Am. 4710.01 and to enact sections.

SB 251 has received three hearings before the Senate Financial Institutions Committee, the last being on January 25, 2012.

The bill would:

- 1) Prohibit debt settlement companies from negotiating secured debt, such as mortgages and auto loans.
- 2) Require the firms to register with and be licensed by the Ohio Department of Commerce.
- 3) Require the companies to maintain a surety bond of \$10,000-\$50,000 as determined by DOC.
- 4) Specify that no fee may be charged until at least one debt has been settled and the consumer consents to the fee-for-service contract.
- 5) Specify how fees are calculated under FTC guidelines.
- 6) Provide for actions and penalties by DOC.

The bill would also stipulate that if a company is unlicensed it is automatically considered to be “unfair and deceptive” for the purposes of DOC regulations and the Consumer Sales Practices Act.