



GOVERNMENTAL POLICY GROUP, INC.

17 SOUTH HIGH STREET - SUITE 245

COLUMBUS, OHIO 43215-3413

PHONE: 614-461-9335

FAX: 614-461-9336

**Automotive Service Association of Ohio
Legislative Activities Report
November 2014**

The 2014 General Election saw a wave of Republican support at both the state and federal level as the GOP claimed sweeping victories that exceeded their own expectations. In Ohio, Democrats, despite facing Republican-drawn legislative districts as well as a significant fundraising disadvantage, had hoped for success in a few targeted races. Nevertheless, the challenges they faced at the top of the ticket races, primarily the troubles facing Democratic gubernatorial candidate Ed FitzGerald, proved too much for them to overcome. At the federal level, Republicans captured at least seven U.S. Senate seats, giving them firm control over Congress.

Leading the ticket for the Ohio GOP was Governor John Kasich, who defeated opponent Ed FitzGerald by a resounding 64%-33% margin. All other statewide offices will also remain under Republican control as Attorney General Mike DeWine, Auditor Dave Yost, Secretary of State Jon Husted, and Treasurer Josh Mandel all successfully defended their seats against their Democratic challengers. Republicans also claimed the two Ohio Supreme Court seats up for grabs on election night, giving the GOP a 6-1 majority on the high court. Justice Sharon Kennedy, who has served on the Ohio Supreme Court since December 2012, defeated opponent and current House member, Representative Tom Letson (D-Warren). Justice Kennedy won with roughly 72% of the vote. Justice Judith French had a more contested race, narrowly defeating Cuyahoga County Common Pleas Court Judge John O'Donnell with 56% of the vote.

The wave of Republican support was also evident in the Ohio House and Senate races, as Republicans picked up five seats in the House and successfully defended their majority in the Senate against strong Democratic challengers. Republicans are poised to have 65 seats in the Ohio House next General Assembly, this will be the largest majority ever since the current 99-member House and 33-member Senate were formed in the 1960's. In the Senate, Democrats hoped to upset Dayton-area Senator Bill Beagle, and Republicans saw a chance to win the heavily Democratic 9th District in Cincinnati. However, neither effort was successful and Senate Republicans will maintain their 23-10 majority.

With the election now behind them, legislators will return their focus to legislative work as they begin the hectic lame duck session. Lawmakers are scheduled to return to session on November 12th and will have until the end of December to pass legislation. Any legislation left pending at the end of the year will have to be reintroduced next session. This often leads to numerous bills moving through the legislative process quickly as legislators, especially those leaving office, try to wrap up work on issues they have been working on all session.

The Automotive Service Association of Ohio (ASA Ohio) will be extremely active during lame duck session, as we have been involved in a number of bills that are still pending in the Ohio General Assembly. ASA Ohio's primary focus will be on SB 232, which would register mechanical repair facilities with the state. This important piece of legislation is pending in the Senate Commerce and Labor Committee where it has received five hearings. Over the summer, ASA Ohio worked on changes to the bill in order to address concerns that were raised during the committee process. The bill appears to be poised to move through committee; however, considering the short timeframe, gaining enough support to pass the House (where it has yet to receive a hearing) will be a challenge. It will take involvement by all ASA Ohio members throughout the state to garner enough support within the legislature to ensure its passage. Also on ASA Ohio's radar during lame duck are a pair of towing reform bills that have been heavily debated during the 130th General Assembly. HB 382 and SB 274 are both pending in the Senate State Government Oversight and Reform Committee. Senate President Keith Faber has indicated that he would like to pass one of the bills. He also expressed that he would be open to merging certain components of both bills. We will be monitoring these bills closely, but for different reasons - SB 274 includes language impacting the process repair shops use to obtain titles to unclaimed vehicles and HB 382 includes sweeping reforms that could affect a repair facility's ability to tow a vehicle. ASA Ohio is also involved in legislation that would open Ohio's salvage motor vehicle market to more people. Ohio's salvage motor vehicle laws have been debated for years; however, a compromise has never occurred. This session, Rep. Barbara Sears believes she has the solution in the form of HB 468. HB 468 was passed by the House but has been left pending in the Senate without a committee hearing. We'll see if this bill is able to gain enough traction to move through the chamber before the end of the year.

We have been tracking the following legislation that has been introduced during the 130th Ohio General Assembly:

HB34 WORKERS' COMPENSATION BUDGET (HACKETT R) To make appropriations for the Bureau of Workers' Compensation for the biennium beginning July 1, 2013, and ending June 30, 2015; and to provide authorization and conditions for the operation of the Bureau's programs.

Current Status: 3/26/2013 - **SIGNED BY GOVERNOR**; Eff. 3/26/2013

HB55 UNEMPLOYMENT ELIGIBILITY-MILITARY SPOUSE (PILLICH C, TERHAR L) To permit persons who quit work to accompany the person's spouse on a military transfer to be eligible for unemployment compensation benefits.

Current Status: 2/27/2013 - House Commerce, Labor and Technology, (Third Hearing)

HB59 BIENNIAL BUDGET (AMSTUTZ R) To make operating appropriations for the biennium beginning July 1, 2013, and ending June 30, 2015; to provide authorization and conditions for the operation of state programs.

Current Status: 6/30/2013 - **SIGNED BY GOVERNOR**; Eff. 6/30/2013; Some Eff. 9/29/2013; Others Various Dates

HB107 CAREER EXPLORATION INTERNSHIPS-TAX CREDIT (BAKER N) To authorize a tax credit for businesses that employ high school students in career exploration internships.

Current Status: 3/26/2014 - **SIGNED BY GOVERNOR**; Eff. 6/25/2014.
Section 2 Eff. 3/26/2014

HB128 MOTOR VEHICLE SALVAGE DEALER LAW (HOTTINGER J, CARNEY J) To permit salvage motor vehicle auctions and pools to auction and sell salvage motor vehicles to persons other than motor vehicle salvage dealers, and to make other changes in the motor vehicle salvage dealer law.

Current Status: 4/17/2013 - Referred to Committee House Insurance

HB177 NONFUNCTIONAL MOTOR VEHICLE AIR BAG (PELANDA D) To prohibit the manufacture, import, or sale of a counterfeit or nonfunctional motor vehicle air bag that causes the vehicle's diagnostic system to inaccurately indicate that the vehicle is equipped with a functional air bag.

Current Status: 12/19/2013 - **SIGNED BY GOVERNOR**; Eff. 3/20/2014

HB194 AUTO INDUSTRY MONTH (LUNDY M, ADAMS J) To designate the month of November as "Auto Industry Month."

Current Status: 6/25/2013 - House Transportation, Public Safety and Homeland Security, (First Hearing)

HB278 FREEWAY TRAVEL-VEHICLE GROSS WEIGHT (SLABY M) To require that a vehicle with a gross vehicle weight rating or an actual gross vehicle weight of more than 10,000 pounds be driven only in either of the two right-hand lanes of a freeway with three lanes of travel in the same direction, except in limited circumstances.

Current Status: 11/12/2013 - House Transportation, Public Safety and Homeland Security, (Third Hearing)

HB365 BUSINESS TAX OVERPAYMENT (STINZIANO M, DUFFEY M) To require the Tax Commissioner to notify a taxpayer that the taxpayer has overpaid certain business taxes.

Current Status: 12/4/2013 - Referred to Committee House Ways and Means

HB382 MOTOR VEHICLE NONCONSENSUAL TOWING PENALTIES-PROCEDURES (DUFFEY M, BISHOFF H) To revise the procedures and penalties

governing the nonconsensual towing of motor vehicles and to require the Public Utilities Commission to adopt certain rules regarding a for-hire motor carrier engaged in the towing of motor vehicles.

Current Status: 5/21/2014 - Senate State Government Oversight and Reform, (First Hearing)

HB458 MOTOR VEHICLE IDLING (FOLEY M) To regulate the idling of motor vehicles.

Current Status: 3/11/2014 - Referred to Committee House Transportation, Public Safety and Homeland Security

HB468 SALVAGE-JUNK MOTOR VEHICLES (SEARS B, MCGREGOR R) Relative to salvage motor vehicles and junk motor vehicles.

Current Status: 5/21/2014 - Referred to Committee Senate State Government Oversight and Reform

HB472 MBR-MID-BIENNIUM BUDGET REVIEW (MCCLAIN J) To make operating and other appropriations and to provide authorization and conditions for the operation of state programs.

Current Status: 3/26/2014 - House Ways and Means, (Third Hearing)

HB483 MBR-OPERATION OF STATE PROGRAMS (AMSTUTZ R) To make operating and other appropriations and to provide authorization and conditions for the operation of state programs.

Current Status: 6/16/2014 - **SIGNED BY GOVERNOR**; Eff. 6/16/2014 Other Sections Eff. on Other Dates

HB492 MBR-TAXATION (SCHERER G) To provide authorization and conditions for the levy and administration of taxes in this state.

Current Status: 6/16/2014 - **SIGNED BY GOVERNOR**; Eff. 9/17/2014

HB526 AUTO INSURERS-VEHICLE REPAIR (LYNCH M, HAGAN R) To prohibit auto insurers from requiring, recommending, or suggesting that a claimant on a policy have the claimant's vehicle repaired at a particular repair shop or by a particular person unless the claimant requests a recommendation or suggestion.

Current Status: 5/13/2014 - House Insurance, (First Hearing)

HB592 UNCLAIMED TOWED VEHICLES (GONZALES A) To authorize towing companies to obtain title to vehicles removed from private tow-away zones that remain unclaimed.

Current Status: 11/6/2014 - Referred to Committee House Commerce, Labor and Technology

SB73 INSURANCE POLICY-CREDIT HISTORY (TAVARES C) To prohibit an insurer's use of a credit score, credit history, or credit report in fixing a premium rate for, or the

terms and conditions of, an insurance policy, or in determining whether to issue, continue, or renew an insurance policy.

Current Status: 4/10/2013 - Senate Insurance and Financial Institutions, (First Hearing)

SB161 MOTOR VEHICLE HEADLIGHTS (HUGHES J) To require motor vehicle headlights to display a white light.

Current Status: 4/10/2014 - **SIGNED BY GOVERNOR**; Eff. 7/10/2014

SB232 MOTOR VEHICLE REPAIR BOARD (UECKER J) To extend the jurisdiction of the Motor Vehicle Repair Board to persons who perform motor vehicle mechanical repairs, to require motor vehicle repair facilities to register with the Board, and to create the Motor Vehicle Repair Operator Vendor's License Suspension Fund.

Current Status: 5/28/2014 - Senate Commerce and Labor, (Fifth Hearing)

SB260 MOTOR VEHICLE LICENSES (PATTON T) To prohibit the Registrar of Motor Vehicles from issuing a motor vehicle dealer's license or motor vehicle leasing dealer's license to a motor vehicle manufacturer for the retail sale or lease of new or used motor vehicles.

Current Status: 6/5/2014 - **SIGNED BY GOVERNOR**; Eff. 9/4/2014

SB274 TOWING MOTOR VEHICLE LAW (HUGHES J) To authorize towing companies to obtain title to vehicles removed from private tow-away zones that remain unclaimed, and to make changes in the law governing towing motor vehicles.

Current Status: 5/28/2014 - Senate State Government Oversight and Reform, (Third Hearing)

SB289 USED TIRES SALES (PATTON T) To regulate the sale of used tires and provide notice to consumers of the age and history of purchased used tires.

Current Status: 4/2/2014 - Senate Commerce and Labor, (Second Hearing)