

Byers, Minton and Associates

This Week at the Statehouse

March 22, 2019

Around the Square

State Operating Budget

This week the Ohio House began hearing testimony on the state's biennial operating budget. Testimony in the House Finance committee took place on Tuesday, Wednesday, and Thursday, with a number of state agency directors detailing Governor DeWine's proposed budget for their agencies. Testimony was delivered by the Office of Budget Management, the Legislative Service Commission, Department of Taxation, Department of Medicaid, Job and Family Services, Department of Developmental Disabilities, Mental Health and Addiction Services, Department of Aging, Department of Health, Rehabilitation and Corrections, Department of Youth Services, Higher Education, and the Department Education. House Finance will reconvene next week for further deliberations. All testimony can be found at the link below.

<http://www.ohiohouse.gov/committee/finance>

Political News and Notes

Transportation Budget

On Thursday the Ohio Senate voted 24-6 to approve their own version of the transportation budget, House Bill 62. The full Senate vote was taken a few hours after it passed out of the Senate Transportation, Commerce & Workforce Committee. The passed Senate transportation budget further cut Governor DeWine's proposed 18 cent gas tax increase to just a 6 cent increase, compared to the 10.7 cent increase the House approved. The Senate also voted to cut the diesel fuel tax increase to 6 cents compared to 20 cents approved by the House. The passed Senate transportation bill cuts the total budget by \$904 million, for a \$7.94 billion total transportation budget. These drastic changes mean the House and Senate will have major work to do in a conference committee next week before the bill goes to Governor DeWine to be signed or vetoed.

Revenue Estimates

This week in House Finance, Ohio Legislative Service Commission (LSC) Director Mark Flanders delivered testimony with the agencies predictions for Ohio's revenue over the next two years. LSC, who works for the House and Senate, has estimated the state will receive \$708 million dollars less in revenue over the next several years than Governor DeWine's team estimated. They estimate the state will receive \$200 million less in revenue than DeWine's Office of Budget Management (OBM) predicted for the remainder of this fiscal year, \$347 million less in revenue next year, and \$161 million less in 2021. These differences were brought to light during House Finance, concerning many members of the committee. While these differences amount to a small percent of the budget, it can still drastically impact budget funding. LSC and OBM have stated that the two groups plan to meet to discuss the varying predictions.

We encourage you to follow BMA (@ByersMinton) on Facebook, Twitter, and Instagram for continued updates throughout the week.