

Byers, Minton and Associates

This Week at the Statehouse

May 10, 2019

Around the Square

State Budget

On Thursday, the Ohio House passed a two-year, \$68.9 billion state operating budget, with only nine representatives voting against the bill. The budget includes income-tax cuts for many low-to-medium income earners, raises the purchasing age for tobacco products from 18 to 21, significantly increases funding for children's services, and eliminates Ohio's motion-picture tax credit. Notably, the Senate voted just this week to expand the motion-picture tax credit. In addition, the passed budget increases the Ohio College Opportunity Grant by 21%, alters the state report card system for determining how districts receive their overall grade, and eliminates the current process for state takeovers of struggling school districts. The legislation now goes to the Senate, where changes to the budget are expected to be made.

Political News and Notes

Energy Bill

This week the House Energy & Natural Resources Committee held testimony for House Bill 6, after it was referred out of the Energy Generation subcommittee last week. On Wednesday, during the bill's third hearing in the full committee, Dave Griffing, the vice president of government affairs for FirstEnergy Solutions, provided proponent testimony for HB 6. Griffing praised the legislation for expanding eligibility for the proposed "Clean Air Program" to include small wind facilities and for removing restrictions based on the location of a facility's meter. However, he was unable to respond to opponent testimony claiming that making energy efficiency standards optional would result in a net bill increase for customers.

State Revenue

In April, Ohio's tax revenues exceeded estimates by a staggering forty percent, or \$377 million dollars. The increased revenue came after taxes were due in April, as it provided a major correction to the personal income tax revenue category. Ohio's personal income tax revenue was lagging due largely in part to changed filer behavior related to federal tax law changes. Now, Ohio stands at \$551 million in tax revenue collected this fiscal year, which is three percent above original budget planning estimates. Ohio Budget Management Director Kimberly Murnieks said Ohio's tax revenue puts the state in a strong fiscal position to invest in education, workforce, and children's initiatives, as he proposed in the state budget.

Medicaid Waiver

Prior to the final budget vote on Thursday, language that made changes to the "Health Ohio" program were removed. The language changed guidelines for the program, and would have required some Medicaid enrollees to pay premiums and copays into modified health savings accounts. Critics said that the change would hinder access to care.

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