



The House and Senate are debating the Governor's biennial budget, discussing amendments and substitute bills, etc.. In the meantime, things keep on going with abortion and related issues, guns and related issues, as well as education funding.

[Ed Board Panel To Analyze Dropout Prevention School Rules](#)

A newly created work group has longer than initially expected to recommend changes to the state's regulations on dropout prevention and recovery schools. The State Board of Education voted unanimously at its April meeting on a resolution forming a new panel to review the schools, which receive different Department of Education-issued report cards than traditional school districts and other charter schools. The vote on the resolution, which was put forward earlier this year by District 5 board member Lisa Woods, came after the BOE accepted an amendment from District 8's John Hagan that moved the workgroup's reporting deadline from Oct. 1 to Dec. 9.

[JEOC Begins Look At School Report Cards](#)

A majority of parents find state-issued report cards for school districts and individual schools valuable even if aspects can be confusing, two witnesses told the Joint Education Oversight Committee on Thursday. Chairman Rep. Robert Cupp (R-Lima) said the panel was starting an "in-depth look" at the Department of Education's report card system by reviewing two previous attempts to gather feedback on the documents from Ohio parents.

[Householder: School Funding Plan Needs Work, Might Not Make It Into Budget](#)

An ambitious House proposal to overhaul Ohio's school funding system likely will have to be developed outside of the budget process, Speaker Larry Householder said Tuesday. If the plan is kept out of the budget (HB 166), the House could instead make some tweaks to Gov. Mike DeWine's school funding proposal, according to the Glenford Republican.

[Budget Provisions Set Battle Lines For Traditional, Charter School Advocates](#)

A new program to fund "quality" charters and process for merging charter schools are among the aspects of Gov. Mike DeWine's budget proposal driving debate among education groups. The executive budget (HB 166) recommends the state put \$30 million in lottery profits per year toward supporting charters that earn the "community school of quality" designation. While charter advocates argue the funding could lead to the creation of more high-performing schools, critics contend the charter school sector has problems that need to be addressed before the state puts more money toward it.



[School District Takeover Overhaul Clears House Committee](#)

A House committee unexpectedly passed a measure aimed at replacing the state's current system for intervening at poorly performing school districts late Tuesday night.

Although the measure (HB 154) was not scheduled for a vote on the House Primary & Secondary Education Committee's agenda, Chairman Rep. Louis Blessing (R-Cincinnati) announced at the tail end of the four-hour long meeting the panel would take action on the bill. The panel voted 11-2 in favor, with Rep. Kyle Koehler (R-Springfield) and Rep. Todd Smith (R-Germantown) opposing the measure.

HOUSE SPEAKER'S APPOINTMENTS

UNDERGRADUATE MISSION STUDY COMMITTEE: APPOINT LAUREN MCMILLS, BRUCE MCPHERON, DANIEL PALMER AND REPS. CARFAGNA (CO-CHAIR), KELLER AND INGRAM (GROWS OUT OF LAST YEAR'S LEGISLATION)

[Senate Higher Education \(Testimony & Documents\)](#)

(Chair [Kunze, S.](#), [\(614\) 466-5981](#)), Grant Hearing Rm., 10:00 am Wednesday

- Invited testimony from Supreme Court/Judiciary, Inter-University Council, Assn. of Independent Colleges & Universities and Association of Community Colleges and public testimony

[Senate Higher Education \(Testimony & Documents\)](#)

(Chair [Kunze, S.](#), [\(614\) 466-5981](#)), North Hearing Rm., 9:30 am Thursday

- Public testimony

• **SB 121**

- **HEALTH STANDARDS** ([SYKES, V.](#), [KUNZE, S.](#))
- To require the State Board of Education to adopt health education standards and to require that only statewide venereal disease education standards and curriculum be approved by the General Assembly. --1st Hearing-Sponsor

• **SB 34**

- **SCHOOL EMPLOYMENT** ([KUNZE, S.](#))
- Regarding school employee employment and educator licensure and conduct. --5th Hearing-All testimony-Possible amendments

• **SB 102**

- **DYSLEXIA SCREENING** ([BRENNER, A.](#), [LEHNER, P.](#))
- To establish the Dyslexia Screening Program for school districts and other public schools. --2nd Hearing-Proponent

• **SB 89**

- **CAREER-TECH EDUCATION** ([HUFFMAN, M.](#))



- With regard to career-technical education and the compensation of joint vocational school districts located in enterprise zones. --3rd Hearing-All testimony

• **SB 26**

- **EDUCATOR TAX DEDUCTION (KUNZE, S.)**
- To authorize a state income tax deduction for teachers' out-of-pocket expenses for professional development and classroom supplies. --4th Hearing-All testimony-Possible vote

HB 154

ACADEMIC DISTRESS (Miller, J., Jones, D.)

To dissolve academic distress commissions and to instead require the creation of community learning centers for buildings in low-performing school districts.

Committee Hearing in House Primary & Secondary Education (REPORTED-AMENDED (See separate story)) ([Agenda](#))

HB 164

RELIGIOUS EXPRESSION (Ginter, T.)

Regarding student religious expression and to entitle the act the "Ohio Student Religious Liberties Act of 2019."

Committee Hearing in House Primary & Secondary Education (CONTINUED) ([Agenda](#))

Budget Picks Up Numerous Policy, Tax Changes On Way To House Floor OHIO REPORT WEDNESDAY, MAY 8

The House is poised to wrap up its work on the biennial budget Thursday after receiving unanimous support from the House Finance Committee Wednesday evening.

The two-year spending outline (**HB 166**) picked up a handful of new amendments, including an **omnibus** that featured significant tax changes among a host of tweaks.

With a 33-0 vote, the measure attracted the backing of all the panel's Democrats, although majority Republicans did reject several amendments offered by the minority party.



Before the vote, **Rep. Jack Cera** (D-Bellaire) said there were "things we like, and there are things we don't like," but that it includes policies to help working people, small businesses, schools and people with addiction.

"This will be the first budget that I will vote for as a member of the minority party, and I do so proudly because of the work that's been done by members of both sides of the aisle," he said.

The tax overhaul in the bill, the highlight of last week's substitute, was modified again in the omnibus.

The measure now eliminates the income tax on income below \$22,250 and provides a 6.6% reduction in every other tax bracket.

That tax cut is offset primarily by further changes to the business income tax deduction. The deduction is reduced from \$250,000 to \$100,000, as in the sub bill. The omnibus also eliminated the 3% flat rate on business income over \$250,000, meaning that income will now be taxed at the top rate of 4.667%.

Speaker Larry Householder (R-Glenford) told reporters after the meeting that the elimination of the 3% flat tax allowed lawmakers to make more significant changes to the personal income tax.

"What we're trying to do is we're trying to reduce income tax for all Ohioans. If you look at this tax plan that we've put forward, if you paid taxes last year and your income hasn't changed dramatically, you're going to get a tax cut," he said.

"We're trying to get away from special tax breaks for people and move more toward a fair playing field and an overall tax reduction across the board," he added.

As for the business income deduction, the changes in which drew complaints from business groups, the speaker said the change won't affect most people who claimed it, the majority of whom claimed less than \$20,000.

"We tried to narrow it to the people we thought were taking advantage of the situation," he said. "We still recognize that small businesses are out there creating jobs. We're trying to take care of exceptions that were out there."

The omnibus also included several changes to health care price transparency provisions added to the bill in last week's substitute that drew concerns from provider groups.

Those changes stem in part from lengthy conversations with health care providers, the speaker said.



"We had agreement on some things and some things we're going to continue to work on, but I felt very good about where we were going," he said. I think everyone is trying to head in the right direction in terms of transparency and those other issues that are important. There's a little bit of work to do in some of the areas that are important. We've agreed to move forward to the Senate and work on some of the things."

Other health care changes included the removal of a provision added in the substitute that would have prevented hospitals from charging facility fees, and the removal of all provisions related to kinship care, to be explored in separate legislation. The omnibus also made changes surrounding health care certificates of need and the recoupment of claims by managed care organizations.

Speaker Householder said an overarching theme of the health care changes is patients' rights.

"I would say this is a very historic budget in that there's a lot of patients' rights in this," he said. "Whether it's the transparency or the changes in the quality requirements for nursing home care, clear across this budget you're going to see Ohio looking into communities and trying to protect our most vulnerable citizens."

The omnibus also included a provision prohibiting court action by nature or an ecosystem – language aimed at Toledo's Lake Erie Bill of Rights.

"I don't believe we think that a body of water is a person," Speaker Householder said.

Among numerous other amendments, the omnibus:

- Adds \$1.3 million per year for the FQHC Primary Care Workforce Initiative
- Requires the Department of Education to evaluate the cost of operating community schools on a per-pupil or other reasonable basis as a replacement for the discontinuation of a fixed per pupil formula amount
- Requires the Department of Agriculture to create a Propane Council
- Mandates county boards of developmental disabilities inform parents of all options regarding institutional care or home and community-based services
- Creates a program to reimburse counties for the costs of medication assisted treatment for substance use disorders in county jails
- Prohibits tax and bond issues from being levied in August special elections except for school districts trying to avoid fiscal emergency
- States a telephone number of a victim of crime, a witness to a crime or a party to a motor vehicle accident included in a law enforcement record is not a public record



- Prohibits Medicaid managed care organizations from requiring prior authorization for certain antidepressant and antipsychotic drugs under certain circumstances

The omnibus amendment also folds in language from several current or former House and Senate bills. Those include:

- Revisions to the Academic Distress Commission law (**HB 154**)
- Changes to how online travel companies collect and remit sales and lodging taxes (HB571, 132nd General Assembly)
- Requirements for local jurisdictions to pass resolutions and notify property owners regarding tax valuation complaints (**HB 75**)
- A tax exemption for developers on the "improved value" of subdivided land until lots are sold or construction begins (**HB 149**)
- State tax credits for investments in Opportunity Zones (**SB 8**)

The committee also accepted two amendments requested by the Department of Job and Family Services and described by Chairman **Rep. Scott Oelslager** (R-N. Canton) – one addressing concerns raised by child support enforcement agencies regarding compliance with the Temporary Assistance for Needy Families program, and one earmarking money for public children services agencies to allow for additional federal dollars.

The panel accepted one amendment offered by a Democrat. Offered by **Rep. Erica Crawley** (D-Columbus), it reinstates language requiring the Department of Health to establish pregnancy associated mortality review boards.

Amendments from Democrats that were rejected included proposals to provide first responders with more information about chemicals at industrial facilities in the event of fires; appropriate \$2.5 million for the 2020 Census; increase funding for the Ohio College Opportunity Grant; provide \$10 million more for food banks; repeal Medicaid work requirements; make changes to charter school laws and expand the homestead exemption.

As the House prepares to vote Thursday, attention will shift to the Senate, which has already begun its informal budget review. Speaker Householder said he hasn't discussed most of the changes with the other chamber.

"I've said before, I believe the House is the House and the Senate is the Senate," he said. "We've done our best to prepare a bill that we think is important moving forward for the next two years. It's a good budget. We'll see what the Senate comes up with."



Senate **President Larry Obhof** (R-Medina), speaking to reporters before the latest version of the House's plan was made public, largely declined to address the lower chamber's version. However, he did tout the elimination of two tax brackets.

He did defend the Motion Picture Tax Credit axed by the House in the budget but tweaked and passed (**SB 37**) by the Senate Wednesday.

"I think we'll have a collaborative process on this and many other issues over the next two months," Sen. Obhof said.

Speaker Householder said that might not be an issue where the chambers see eye to eye. "We may have a disagreement on this one," he said.