

\_\_\_\_\_ moved to amend as follows:

1        In line 85360, delete "applicable"; after "rate" delete the  
2 balance of the line

3        In line 85361, delete "(C) of this section" and insert  
4 "that the director of budget and management shall determine"

5        In line 85363, delete "applicable"

6        In line 85364, after "rate" delete the balance of the line

7        In line 85365, delete "this section" and insert "that the  
8 director of budget and management shall determine"

9        Delete lines 85368 through 85390

10       In line 85473, after "organizations" insert "and to make  
11 payments to counties and transit authorities as required under  
12 division (D) of this section"

13       Between lines 85479 and 85480, insert:

14       "(C) On or before August 10, 2017, the tax commissioner  
15 shall determine and certify to the director of budget and  
16 management a proportion for each qualifying subdivision, the  
17 numerator of which is the total receipts from the permissive  
18 sales tax levied by the subdivision remitted on the basis of  
19 transactions described in division (B)(11) of section 5739.01 of

20 the Revised Code from April 1, 2016, to March 31, 2017, and the  
21 denominator of which is the total receipts from the permissive  
22 sales tax levied by that subdivision remitted on the basis of  
23 transactions described in division (B)(11) of section 5739.01 of  
24 the Revised Code from April 1, 2016, to March 31, 2017.

25 (D) The director of budget and management, on or after the  
26 forty-fifth day after the end of each month, beginning on August  
27 14, 2017, shall transfer seventeen million five hundred thousand  
28 dollars from the health insuring corporation franchise fee fund  
29 to the permissive tax distribution fund created under section  
30 4301.423 of the Revised Code. The tax commissioner shall, on or  
31 before the twentieth day of the month in which such transfer is  
32 made, provide for payment of such amounts to the county  
33 treasurer and to the fiscal officer of each qualifying  
34 subdivision in an amount equal to seventeen million five hundred  
35 thousand dollars multiplied by the proportion certified for that  
36 subdivision under division (C) of this section.

37 (E) As used in this section:

38 (1) "Qualifying subdivision" means a county or transit  
39 authority levying a permissive sales tax on July 1, 2017.

40 (2) "Permissive sales tax" means a tax levied by a county  
41 or transit authority under section 5739.021, 5739.023, or  
42 5739.026 of the Revised Code."

43 Delete lines 133088 and 133088a

**HC2647**

44 In line 133090, subtract \$207,000,000 from fiscal year 2018

45 In line 133096, delete "\$2,577,800,000 \$2,653,900,000" and

46 insert "\$2,787,800,000 \$2,863,900,000"

47 In line 133103, add \$210,000,000 to fiscal year 2018 and

48 fiscal year 2019

49 In line 133107, add \$3,000,000 to fiscal year 2018 and add

50 \$210,000,000 to fiscal year 2019

51 Delete lines 133187 through 133349

52 In line 134176, delete "allocate that"

53 Delete lines 134177 through 134180

54 In line 134181, delete everything before "transfer"

55 The motion was \_\_\_\_\_ agreed to.

56 SYNOPSIS

57 **HIC franchise fee: county/transit authority payments**

58 **R.C.5168.76 and 5168.85**

59 Requires the Director of Budget and Management to determine  
60 the rate that is to be used to determine the franchise fee the  
61 bill imposes on health insuring corporations instead of  
62 specifying the rate in statute.

63 Distributes \$17,500,000 each month (or \$210,000,000 each  
64 fiscal year) of health insurance corporation (HIC) franchise fee  
65 proceeds to counties and transit authorities that levied a  
66 permissive "piggyback" sales tax on Medicaid HICs before such  
67 tax was discontinued. The payment to each such subdivision  
68 equals the proportion of total Medicaid HIC piggyback sales tax  
69 receipts collected on the basis of that subdivision's piggyback

70 sales tax during fiscal year 2017 – the last fiscal year during  
71 with Medicaid HIC premiums were subject to sales tax.

72 **Medicaid Local Sales Tax**

73 **Sections 387.10, 387.20, and 512.50**

74 Removes the appropriation of \$207 million in FY 2018 to the  
75 Medicaid Local Sales Tax Transition Fund (Fund 7104,  
76 appropriation item 110997) from the bill, and removes provisions  
77 for distribution of these funds to counties and transit  
78 authorities. Increases the appropriation to Permissive Sales Tax  
79 Distribution (Fund 7063, appropriation item 110963) by  
80 \$210 million in FY 2018 and FY 2019. Removes the transfer of  
81 \$207 million from the FY 2017 year-end GRF balance to Fund 7104.