

5970 Wallings Road | North Royalton, OH 44133

Honorable Dan Langshaw Substitute House Bill 110 Testimony
Ohio Senate Finance Committee
June 3, 2021

Chairman Dolan, Vice Chair Gavarone, Ranking Member Sykes, and Senate Finance Committee members. My name is Dan Langshaw, I am a former North Royalton City Councilman and former Treasurer for the Northeast Ohio City Council Association. Thank you for the opportunity to testify on Sub. H.B. 110 the State Operating Budget for FY 2022 and FY 2023.

Since my testimony before the House Finance Committee back on March 11, 2021 on Sub. H.B. 110. *(See attached March 11, 2021 House Testimony)* The House has made many positive improvements to the overall biennium budget, however, I would like to draw the Committee's attention to three main areas of the budget that warrant amending and or a second look due to the impact it will have on local governments and communities throughout Ohio including my community of North Royalton.

Additional Oversight of the Ohio Department of Health

The House removed Governor Mike DeWine's original budget proposal for a \$50 million ad campaign however the Governor is now wasting \$5 million dollars through the Ohio Department of Health by using federal Coronavirus Relief Funds to have Vax-A-Million Drawings. Members of the General Assembly from both parties such as Representative Powell and Representative Sykes have spoken out against this. Using millions of dollars in relief funds in a drawing is a grave misuse of money that could be going to respond to this ongoing pandemic. I do hope people continue to get the vaccine if that is something they choose to do and help our state reach herd immunity but I believe we can achieve this same goal without this high priced incentive. If there is anything that can be done in this next biennium to provide additional oversight of the Ohio Department of Health, I urge you all to explore additional options so this does not happen again.

Interstate 71 Transportation Study

The House added to Sub. H.B. 110 a requirement for the Ohio Department of Transportation to perform a traffic study of highways and other roads in Brunswick, Strongsville, and North Royalton, three communities off of Interstate 71. *(See attached Sub. H.B. 110 Amendment HC2079)* This amendment was a good addition to the budget as traffic has increased over the last decade in this area that some of you on this committee represent. Such a study will help improve public safety, address infrastructure needs, and future economic development for all of these

communities including my community of North Royalton. I respectfully ask for you to keep this in the budget.

Local Government Fund (LGF)

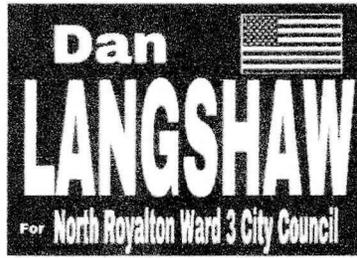
Since 2011, the state has made deep cuts to the Local Government Fund by slashing it in half from 3.68% to 1.66% today. Last biennium budget back in 2019 in which I testified, it was positive to see the General Assembly approve HB 166 with a slight increase to LGF. However, this biennium the Governor proposed \$425 million in FY 2022 and \$440 million in FY 2023 to the LGF. Disappointingly this is going backwards on the progress made by HB 166 by returning the Local Government Fund to the statutory level of 1.66%. *(See attached LSC February 4, 2021 Revenue Forecast page 11)* As a result, my own city of North Royalton has experienced approximately over \$7 million dollars in state local government funding cuts since 2011. *(See attached is a chart of a breakdown of those cuts since 2011)*. On top of a 2021 city budget for my community factoring in the impacts of the pandemic with a -3% decrease in 2020 income taxes and additional decrease this year of -1.5% decrease or about \$235,000 less is a big impact on any local government in Ohio. *(See attached North Royalton City Budget 2021 Projected Revenues)* I propose that this committee approve the amendments to the budget offered by Representative Skindell in the House that would restore the LGF back to 3.68% or at a minimum just keep the FY 2020 and FY 2021 LGF Levels in place for this biennium or higher than the 1.66%. Providing the proper support to Ohio's local governments is key to our state's overall COVID-19 economic recovery. *(See attached H.B. 110 Amendment HC0789, Sub. H.B. 110 Amendment HC1646, and Sub. H.B. 110 Amendment HF2103)*

In closing Senators, the decade of cuts in the local government fund and the negative economic impact of COVID-19 pandemic all highlights the importance that the General Assembly include as much COVID-19 relief in this budget so Ohio can successfully recover whether you are a small business, local government, or just an ordinary Ohioan.

Thank you for the opportunity to advocate for these important issues that impact my community and others throughout Ohio. I am happy to answer any questions you may have for me at this time and am also available via email at danlangshawforward3@yahoo.com.

www.DanLangshaw.com

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5970 Wallings Road | North Royalton, OH 44133

Honorable Dan Langshaw House Bill 110 Testimony
Ohio House Finance Committee
March 11, 2021

Chairman Oelslager, Vice Chair Plummer, Ranking Member Crawley, and House Finance Committee members. My name is Dan Langshaw, I am a former North Royalton City Councilman and former Treasurer for the Northeast Ohio City Council Association. Thank you for the opportunity to testify on House Bill 110 the State Operating Budget for FY 22 and FY 23.

I testify today as an interested party regarding this next biennium budget. There are things that I believe are good for local communities like mine and there are things that I believe this committee should consider amending to make the budget better for local governments and communities throughout Ohio.

We all know first-hand the negative impact the COVID-19 pandemic has had on all Ohioans, businesses, and local governments. This budget reflects a very positive commitment by all of you here in the General Assembly to begin a historic relief process that our state has never seen before. There are three areas of the budget that I believe are extremely helpful. They are as follows:

Small Business

According to a survey done a few months ago by the US Chamber of Commerce, 43% of small businesses surveyed believe that they have less than six months until a permanent shutdown is unavoidable during this pandemic. In my city of North Royalton we have seen this sad statistic play out as we have lost a number of our small businesses due to the pandemic. We have also experienced an unemployment rate of 11.2% for 2020 verses a 4.2% in 2019. The proposed \$460 million in the budget would offer grants for small businesses hardest hit by the pandemic. Breaking it down further, the \$200 million would be catered towards bars and restaurants, \$150 million for small businesses, and \$20 million for new businesses will significantly help COVID-19 relief efforts.

Infrastructure

Many of you on this committee have served in local government at one time and can recall one of the most common questions your constituents would ask you is “Can you fix my street?” In Northeast Ohio where I am from, we get hit hard by Mother Nature during the winter. This takes a toll on our public roadways with potholes, in addition to the continued challenges of addressing

repairs on our aging infrastructure. On average, my community of North Royalton spends about \$1 million annually on repairing our local roads. However, with aging infrastructure needs those costs rose in 2019 causing the city to spend about \$2.8 million on road repairs. So the \$450 million in this budget for local infrastructure projects will greatly help during these tough economic times and provide some good shovel ready jobs in the process too.

Law Enforcement

Public safety makes up the largest part of any municipal budget throughout Ohio. When I served as Chair for the Safety Committee in my tenure on city council, I sponsored legislation in 2019 for my city for the first time to equip our 35 police officers with body cameras and 15 police vehicles with dash cameras in our city's history. The purchase of this equipment from BodyWorn will cost my city about \$247,100 over five years. *(See attached January 14, 2020 Cleveland.com article)* Many other communities throughout Ohio are in the same position. So the \$10 million proposed in this budget would fund a grant program to help local law enforcement agencies who do not have cameras. Both will help provide relief to local governments and improve public safety in Ohio.

There are two areas of the budget that stand out needing to be amended to improve the overall biennium budget and COVID-19 relief efforts. They are as follows:

Governor's Ohio Ad Campaign

Governor Mike DeWine in his original budget proposes \$50 million for an ad campaign trying to persuade people to move to Ohio, particularly from higher cost states. As a fiscal conservative and listening to fellow residents this just seems to be wasteful spending. Where such money could be better used to provide additional relief to small businesses, local governments, or direct relief to Ohioans. Please take this out of the budget, reallocate this funding to more urgent priorities, and urge the Governor to persuade the private sector to do such ads but not at taxpayer expenses.

Local Government Fund (LGF)

Since 2011, the state has made deep cuts to the Local Government Fund by slashing it in half from 3.68% to 1.66% today. Last biennium budget back in 2019 in which I testified, it was positive to see the General Assembly approve HB 166 with a slight increase to LGF. However, this biennium the Governor proposed \$425 million in FY 22 and \$440 million in FY 23 to the LGF. Disappointingly this is going backwards on the progress made by HB 166 by returning the Local Government Fund to the statutory level of 1.66%. *(See attached LSC February 4, 2021 Revenue Forecast page 11)*

As a result, my own city of North Royalton has experienced approximately over \$7 million dollars in state local government funding cuts since 2011. *(See attached is a chart of a breakdown of those cuts since 2011)*. On top of a 2021 city budget for my community factoring in the impacts of the pandemic with a -3% decrease in 2020 income taxes and additional decrease this year of -1.5% decrease or about \$235,000 less is a big impact on any local government in Ohio. *(See attached North Royalton City Budget 2021 Projected Revenues)* I propose that this committee uses funds from the Governor's Ad Campaign or tap some money

from the state's rainy day fund at a minimum to keep the FY 2020 and FY 2021 LGF Levels in place for this biennium or higher than the 1.66%.

In closing Representatives, the decade of cuts in the local government fund, decline of the CAT tax, and elimination of the estate tax, and the negative economic impact of COVID-19 pandemic all highlights the importance that the General Assembly include as much COVID-19 relief in this budget so Ohio can successfully recover whether you are a small business, local government, or just an ordinary Ohioan.

Thank you for the opportunity to speak to you. I am happy to answer any questions you may have for me at this time and am available via email at danlangshawforward3@yahoo.com

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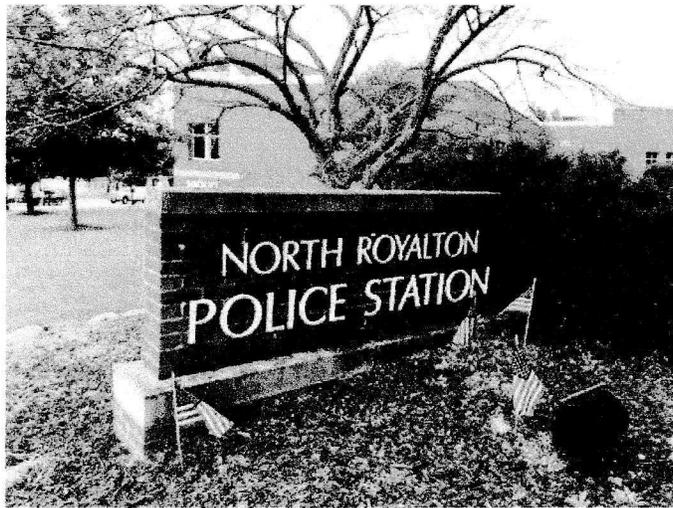
1/14/2020 Cleveland-com Article

[cleveland.com](https://www.cleveland.com)

North Royalton buys cameras for police officers

By Bob Sandrick, special to [cleveland.com](https://www.cleveland.com)

4-5 minutes



The City of North Royalton will buy body and dashboard cameras for its police officers. (Bob Sandrick, special to [cleveland.com](https://www.cleveland.com))

NORTH ROYALTON, Ohio -- For the first time, the city this year will equip its police officers with dashboard and body cameras, at a cost of \$247,100 over five years.

City Council has approved a contract with [Utility Associates Inc.](#), in Decatur, Ga., to provide BodyWorn brand cameras, [the same kind the City of Strongsville will likely purchase](#) later this year.

Bruce Campbell, North Royalton's director of public safety, said camera installation will start this month in the city's 15 police vehicles and in the uniforms of 35 police officers. He believes all dashboard and body cameras will be operating within the first quarter of 2020.

"Officer safety is a big issue for us," Campbell told [cleveland.com](https://www.cleveland.com). "Officer complaints have been reduced to almost zero when these

systems were installed in other departments, according to the Ohio Association of Public Safety Directors.”

In North Royalton, complaints have included [charges of perjury, tampering with evidence and falsification](#) against one police officer. The charges stemmed from a 2018 arrest involving a cell phone video, taken by the person arrested, that reportedly contradicts the officer’s incident report.

Also, in 2017, [the city was sued](#) over the police shooting of a mentally ill man.

Last year, then-mayor [Robert Stefanik](#) said the city had discussed acquiring police body cameras as far back as 2010. The city waited until camera technology improved and prices came down.

Stefanik said last year that the [city was leaning toward a camera system by Motorola](#). Campbell said that changed after police tested BodyWorn.

“In some systems, the camera is on the outside of the officer’s uniform, and it can be pulled or knocked off,” Campbell said. “We liked BodyWorn because the camera goes inside a specially designed pocket, where it’s secure.”

Included in the BodyWorn package is a “smart holster” that detects when an officer draws his or her weapon and automatically turns on the body camera. A built-in accelerometer detects when an officer starts running and activates the camera. Officers can manually turn the camera off and on through a belt- or wrist-worn device.

Like in the system Strongsville plans to install, BodyWorn cameras will automatically send an alert if turned to a horizontal position, indicating that an officer is down. A GPS will ensure that dispatchers and other officers receiving the alert know where the downed officer is located.

Meanwhile, each police vehicle will have a dashboard camera aimed toward the windshield and another monitoring the back seat, where arrestees and prisoners are transported.

The system is programmable, so police can decide when the dashcams start recording. For example, they can turn on when

overhead lights and sirens are activated or when an officer steps out of the cruiser.

“Those decisions still have to be made,” Campbell said.

The package from Utility Associates will also include a new camera and microphone system for the police interview or interrogation room. It will provide multiple views, instead of the single view the room has now; more sensitive microphones; and improved recording capabilities, Campbell said.

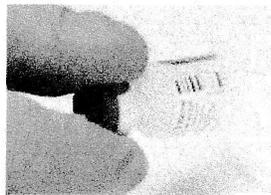
Campbell said the camera project is one of his last for the city. His position has been eliminated under new Mayor [Larry Antoskiewicz](#).

“I’m glad I got to see this project through to the end,” Campbell said.

Read more from the [Sun Star Courier](#).

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Recommendations



Around the web

REVENUE FORECASTS

Summary

The LBO baseline forecasts for FY 2022 and FY 2023 assume the current statutory tax structure, including tax changes enacted by the 133rd General Assembly. It thereby includes the changes to the personal income tax (PIT) enacted in H.B. 166 of the 133rd General Assembly, including the elimination of the two lowest tax brackets and a 4% reduction in nonbusiness income tax rates for incomes over \$21,750. LBO economists also accounted for a change in the nexus standard for the use tax enacted in H.B. 166 of the 133rd General Assembly; that change increased receipts from the sales and use tax by facilitating the collection of use taxes on online purchases. An enhancement to the earned income tax credit under the PIT, enacted in H.B. 62 of the 133rd General Assembly was also accounted for. Other tax changes having smaller revenue effects were also incorporated into the forecast.

One of the more dramatic recent tax changes was temporary and affects only the FY 2021 PIT estimate: the delay of the April 15, 2020, filing deadline until July. That had the effect of increasing FY 2021 PIT receipts. H.B. 197 of the 133rd General Assembly authorized the Tax Commissioner to delay the filing date.

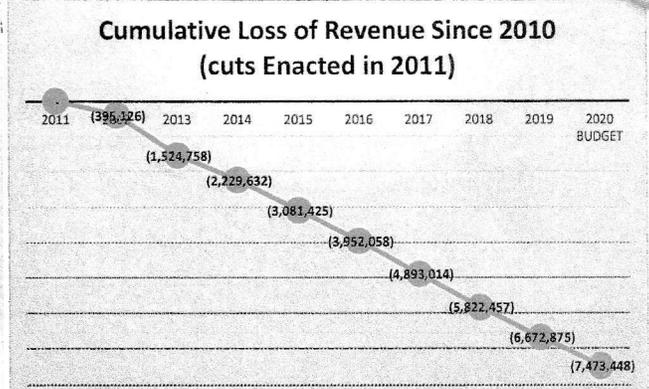
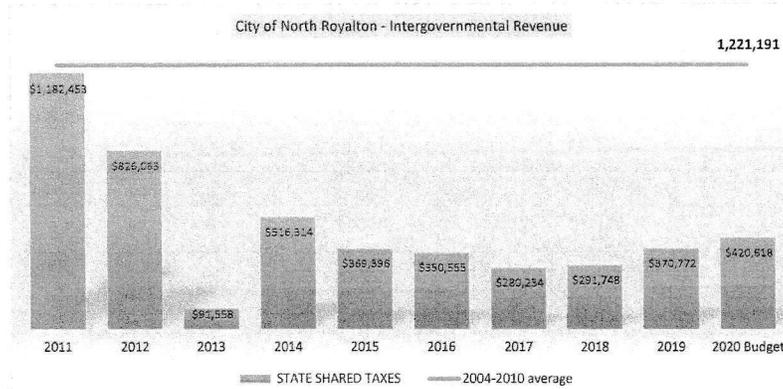
H.B. 166 included an uncodified provision that temporarily increased the share of GRF tax revenue allocated to the Public Library Fund (PLF) from its statutory level of 1.66% of such revenue to 1.70% for the current biennium. Another such provision temporarily increased the share of GRF tax revenue allocated to the Local Government Fund (LGF) from 1.66% to 1.68% for the biennium. The forecast assumes that the 1.66% shares in codified law will resume for the upcoming biennium for both funds.⁹

Three taxes that generated some revenue during FY 2020 and FY 2021, the corporate franchise tax (CFT), the business and property tax, and the estate tax, have been repealed. We expect no revenue from these taxes in future years.¹⁰

GRF tax revenue under current law is forecast to increase by \$448.3 million (1.8%) in FY 2022. Growth is expected for most tax revenue sources, as Ohioans' incomes are expected to recover from COVID-19 related economic dislocation. But the PIT is expected to decline slightly, because of the one-time boost that FY 2021 revenue received from the filing deadline delay. Also, the auto sales tax is forecast to decline slightly, giving up a bit of its strong FY 2021 growth, and the cigarette and other tobacco products tax is expected to resume its historical trend downward (that is usually interrupted only by an increase in tax rates, though there was a strong increase in the first half of FY 2021).

⁹ To give a sense of the amounts involved, assuming the PLF receives 1.66% instead of 1.70% of GRF tax revenue increases the forecast of GRF tax revenue by \$10.4 million in FY 2022, and decreases the expected amount of PLF revenue by the same amount.

¹⁰ The total GRF revenue collected from the three taxes amounted to less than \$500,000 in FY 2020, though FY 2021 revenue through January from the CFT was notably higher due to collections resulting from an audit. Recent revenue is due to adjustments to prior filings and audits, and drawn out settling of estates. The financial institutions tax, which first received revenue in FY 2014, replaced the CFT and the business and property tax.

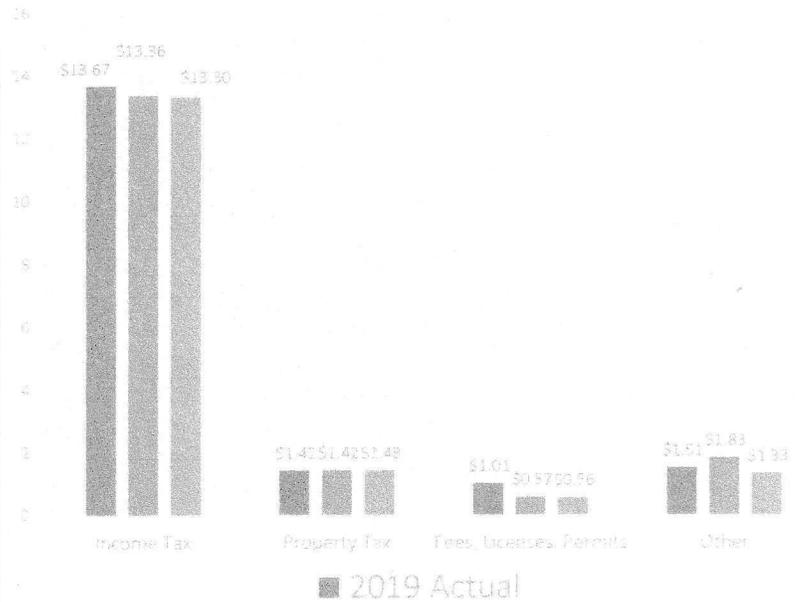


Dept.	Object Name/Department	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020 Budget
STATE SHARED TAXES	Local Gov't - County	557,521	378,240	6,099	238,743	262,924	297,272	270,202	291,748	317,729	320,618
STATE SHARED TAXES	Local Gov't Rev Assist	-	-	-	-	-	-	-	-	-	-
STATE SHARED TAXES	Local Gov't - State	100,210	69,698	56,804	56,116	44,096	20,715	7,515	-	53,043	100,000
STATE SHARED TAXES	Estate Tax	524,722	378,125	28,655	221,455	62,376	32,568	2,517	-	-	-
STATE SHARED TAXES		\$ 1,182,453	\$ 826,063	\$ 91,558	\$ 516,314	\$ 369,396	\$ 350,555	\$ 280,234	\$ 291,748	\$ 370,772	\$ 420,618
	Difference	(222,794)	(356,391)	(734,505)	424,756	(146,918)	(18,841)	(70,321)	11,513	79,024	49,846
	% change	-16%	-30%	-89%	464%	-28%	-5%	-20%	4%	27%	13%
	2004-2010 average	1,221,189	1,221,189	1,221,189	1,221,189	1,221,189	1,221,189	1,221,190	1,221,191	1,221,191	1,221,191
	Lost Revenue per year	-	(395,126)	(1,129,631)	(704,875)	(851,792)	(870,633)	(940,955)	(929,443)	(850,419)	(800,573)
ative Loss of Revenue Since 2010 (cuts Enacted in 2011)		-	(395,126)	(1,524,758)	(2,229,632)	(3,081,425)	(3,952,058)	(4,893,014)	(5,822,457)	(6,672,875)	(7,473,448)

Projected Revenues

- After a record year in 2019, City Income taxes are down in 2020 by -3%. We are predicting an additional decrease in 2021, due to lingering economic effects of the pandemic - 1.5% decrease or \$235,000 less.
- Income Tax remains the largest revenue source for operations, making up almost 80% of total General fund revenue, and will determine the sustainability of employee staffing and infrastructure improvements.

General Fund Revenue's by type (in millions)



_____ moved to amend as follows:

1 After line 76490, insert:

2 "Section 755.____. (A) The Director of Transportation, in
3 consultation with the chief executive officers and legislative
4 authorities of the municipal corporations of Strongsville, North
5 Royalton, and Brunswick, shall conduct a traffic safety study
6 for the roads and highways in those municipal corporations. The
7 traffic safety study shall examine how to improve those highways
8 in ways that increase the safety and convenience of the
9 traveling public through those municipal corporations. The
10 Director of Transportation shall use up to \$100,000 in fiscal
11 year 2022 from the Highway Operating Fund (Fund 7002), through
12 funding available under the federal flexible spending program,
13 to pay for the costs of the study. This amount is hereby
14 appropriated.

15 (B)(1) Not later than December 31, 2022, the Director shall
16 complete the study and submit a report of the study's findings
17 to all of the following:

18 (a) The Governor;

19 (b) The Speaker of the House of Representatives;

20 (c) The President of the Senate;

21 (d) The chairpersons of the committees of the House of
22 Representatives and the Senate pertaining to transportation;

23 (e) The chief executive officer and the legislative
24 authority of Strongsville, North Royalton, and Brunswick
25 respectively.

26 (2) The Director may include in the report solutions for
27 the traffic safety concerns found during the study.

28 The motion was _____ agreed to.

29 SYNOPSIS

30 **Traffic safety study**

31 **Section 755. _____**

32 Requires the Director of Transportation to conduct a
33 traffic safety study for roads and highways in Strongsville,
34 North Royalton, and Brunswick, in conjunction with their chief
35 executive officers and legislative authorities.

36 Requires the Director to submit a report of the study's
37 findings (and potentially solutions to the safety concerns) to
38 the Governor, the Speaker of the House of Representatives,
39 President of the Senate, the chairpersons of the transportation
40 committees in the House and Senate, and the chief executive
41 officer and the legislative authority of Strongsville, North
42 Royalton, and Brunswick respectively.

43 Requires the Director of Transportation to use up to
44 \$100,000 in fiscal year 2022 from the Highway Operating Fund
45 (Fund 7002), through funding available under the federal
46 flexible spending program, to pay for the costs of the study.

_____ moved to amend as follows:

1 After line 71089, insert:

2 "(N) Of the foregoing appropriation item 336421, Continuum
3 of Care Services, \$2,000,000 in each fiscal year shall be used
4 to support new or expand existing confidential treatment and
5 monitoring programs offered by occupational licensing boards to
6 licensed healthcare workers with mental health or substance use
7 disorders, including by allowing an occupational licensing board
8 to contract with a monitoring organization to administer a
9 confidential treatment and monitoring program, but only if the
10 organization meets all of the following requirements:

11 (1) Is organized as a not-for-profit entity and exempt from
12 federal income taxation under subsection 501(c)(3) of the
13 Internal Revenue Code;

14 (2) Contracts with or employs to serve as the
15 organization's medical director an individual who is authorized
16 under Chapter 4731. of the Revised Code to practice medicine and
17 surgery or osteopathic medicine and surgery and specializes or
18 has training and expertise in addiction medicine or psychiatry;

H.B. 110
As Introduced

_____ moved to amend as follows:

In line 11 of the title, after "131.43," insert "131.51," 1
In line 147, after "131.43," insert "131.51," 2
After line 6429, insert: 3

"Sec. 131.51. (A) On or before the seventh day of each month, 4
the director of budget and management shall credit to the local 5
government fund ~~one three~~ and ~~sixty-six sixty-eight~~ one-hundredths 6
per cent of the total tax revenue credited to the general revenue 7
fund during the preceding month. In determining the total tax 8
revenue credited to the general revenue fund during the preceding 9
month, the director shall include amounts transferred from the 10
fund during the preceding month under this division and division 11
(B) of this section. Money shall be distributed from the local 12
government fund as required under sections 5747.50 and 5747.503 of 13
the Revised Code during the same month in which it is credited to 14
the fund. 15

(B) On or before the seventh day of each month, the director 16
of budget and management shall credit to the public library fund 17
one and sixty-six one-hundredths per cent of the total tax revenue 18
credited to the general revenue fund during the preceding month. 19
In determining the total tax revenue credited to the general 20

revenue fund during the preceding month, the director shall 21
 include amounts transferred from the fund during the preceding 22
 month under this division and division (A) of this section. Money 23
 shall be distributed from the public library fund as required 24
 under section 5747.47 of the Revised Code during the same month in 25
 which it is credited to the fund. 26

(C) The director of budget and management shall develop a 27
 schedule identifying the specific tax revenue sources to be used 28
 to make the monthly transfers required under divisions (A) and (B) 29
 of this section. The director may, from time to time, revise the 30
 schedule as the director considers necessary." 31

In line 48001, after "131.43," insert "131.51," 32

In line 60562, delete "\$428,000,000 \$443,000,000" and insert 33
 "\$949,000,000 \$983,000,000" 34

In line 60567, add \$521,000,000 to FY 2022 and add 35
 \$540,000,000 to FY 2023 36

In line 60585, add \$521,000,000 to FY 2022 and add 37
 \$540,000,000 to FY 2023 38

After line 62165, insert: 39

"Section 803.____. The amendment by this act of section 40
 131.51 of the Revised Code applies on and after July 1, 2021." 41

In line 62194, after "Sections" insert "131.51,"; after 42
 "4301.43" insert a comma 43

The motion was _____ agreed to.

SYNOPSIS

Increased local government fund allocations	44
R.C. 131.51; Sections 387.10, 803.__, and 812.20	45
Increases the proportion of state tax revenue allocated to the Local Government Fund from 1.66% to 3.68% beginning July 1, 2021—the level it was at in FY 2011.	46 47 48
Increases RDF appropriation item 110969, Local Government Fund, by \$521 million in FY 2022 and by \$540 million in FY 2023. The amounts retained by the GRF are reduced by these same amounts.	49 50 51

Sub. H.B. 110

L-134-0001-3

_____ moved to amend as follows:

In line 12 of the title, after "131.43," insert "131.51," 1

In line 197, after "131.43," insert "131.51," 2

After line 8494, insert: 3

"Sec. 131.51. (A) On or before the seventh day of each month, 4
the director of budget and management shall credit to the local 5
government fund ~~one three and sixty-six~~ sixty-eight one-hundredths 6
per cent of the total tax revenue credited to the general revenue 7
fund during the preceding month. In determining the total tax 8
revenue credited to the general revenue fund during the preceding 9
month, the director shall include amounts transferred from the 10
fund during the preceding month under this division and division 11
(B) of this section. Money shall be distributed from the local 12
government fund as required under sections 5747.50 and 5747.503 of 13
the Revised Code during the same month in which it is credited to 14
the fund. 15

(B) On or before the seventh day of each month, the director 16
of budget and management shall credit to the public library fund 17
one and sixty-six one-hundredths per cent of the total tax revenue 18
credited to the general revenue fund during the preceding month. 19
In determining the total tax revenue credited to the general 20

revenue fund during the preceding month, the director shall 21
include amounts transferred from the fund during the preceding 22
month under this division and division (A) of this section. Money 23
shall be distributed from the public library fund as required 24
under section 5747.47 of the Revised Code during the same month in 25
which it is credited to the fund. 26

(C) The director of budget and management shall develop a 27
schedule identifying the specific tax revenue sources to be used 28
to make the monthly transfers required under divisions (A) and (B) 29
of this section. The director may, from time to time, revise the 30
schedule as the director considers necessary." 31

In line 60808, after "131.43," insert "131.51," 32

In line 73955, delete "\$428,000,000 \$443,000,000" and insert 33
"\$949,000,000 \$983,000,000" 34

In line 73960, add \$521,000,000 to FY 2022 and add 35
\$540,000,000 to FY 2023 36

In line 73978, add \$521,000,000 to FY 2022 and add 37
\$540,000,000 to FY 2023 38

After line 76633, insert: 39

"Section 803. ____ . The amendment by this act of section 40
131.51 of the Revised Code applies on and after July 1, 2021." 41

In line 76673, after "122.4077" insert "131.51," 42

The motion was _____ agreed to.

SYNOPSIS

Increased local government fund allocations 43

R.C. 131.51; Sections 387.10, 803.__, and 812.20	44
Increases the proportion of state tax revenue allocated to	45
the Local Government Fund from 1.66% to 3.68% beginning July 1,	46
2021—the level it was at in FY 2011.	47
Increases RDF appropriation item 110969, Local Government	48
Fund, by \$521 million in FY 2022 and by \$540 million in FY 2023.	49
The amounts retained by the GRF are reduced by these same amounts.	50

Sub. H.B. 110
As Reported by H. Finance
TAXCD47

_____ moved to amend as follows:

- In line 104 of the title, delete "5747.02," 1
- In line 105 of the title, after "5747.10," insert "5747.71,
5747.98," 2
3
- In line 280, delete "5747.02," 4
- In line 281, after "5747.10," insert "5747.71, 5747.98," 5
- Delete lines 65072 through 65197 6
- After line 65815, insert: 7

- "Sec. 5747.71. (A) As used in this section, "eligible 8
individual" has the same meaning as in section 32 of the Internal 9
Revenue Code. 10

- (B) There is hereby allowed a nonrefundable credit against a 11
taxpayer's aggregate tax liability under section 5747.02 of the 12
Revised Code for a taxpayer who is an ~~"eligible individual"~~ as 13
~~defined in section 32 of the Internal Revenue Code.~~ The credit 14
shall equal ~~thirty~~ twenty-two per cent of the federal credit 15
allowed for the taxable year. The credit shall not exceed the 16
aggregate amount of tax otherwise due under section 5747.02 of the 17
Revised Code after deducting any other nonrefundable credits that 18

precede the credit allowed under this section in the order 19
 prescribed by section 5747.98 of the Revised Code. 20

The credit shall be claimed in the order prescribed by 21
 section 5747.98 of the Revised Code. 22

(C) There is hereby allowed a refundable credit against a 23
 taxpayer's aggregate tax liability under section 5747.02 of the 24
 Revised Code for a taxpayer who is an eligible individual. The 25
 credit shall equal eight per cent of the credit allowed on the 26
 taxpayer's federal income tax return pursuant to section 32 of the 27
 Internal Revenue Code for the taxable year. The credit shall be 28
 claimed in the order prescribed by section 5747.98 of the Revised 29
 Code. If the credit authorized by this division exceeds the 30
 aggregate amount of tax otherwise due after deducting all other 31
 credits in that order, the excess shall be refunded to the 32
 taxpayer." 33

After line 65883, insert: 34

"Sec. 5747.98. (A) To provide a uniform procedure for 35
 calculating a taxpayer's aggregate tax liability under section 36
 5747.02 of the Revised Code, a taxpayer shall claim any credits to 37
 which the taxpayer is entitled in the following order: 38

Either the retirement income credit under division (B) of 39
 section 5747.055 of the Revised Code or the lump sum retirement 40
 income credits under divisions (C), (D), and (E) of that section; 41

Either the senior citizen credit under division (F) of 42
 section 5747.055 of the Revised Code or the lump sum distribution 43
 credit under division (G) of that section; 44

The dependent care credit under section 5747.054 of the 45
 Revised Code; 46

The credit for displaced workers who pay for job training under section 5747.27 of the Revised Code; 47
48

The campaign contribution credit under section 5747.29 of the Revised Code; 49
50

The twenty-dollar personal exemption credit under section 5747.022 of the Revised Code; 51
52

The joint filing credit under division (G) of section 5747.05 of the Revised Code; 53
54

The nonrefundable earned income credit under division (B) of section 5747.71 of the Revised Code; 55
56

The credit for adoption of a minor child under section 5747.37 of the Revised Code; 57
58

The nonrefundable job retention credit under division (B) of section 5747.058 of the Revised Code; 59
60

The enterprise zone credit under section 5709.66 of the Revised Code; 61
62

The credit for purchases of qualifying grape production property under section 5747.28 of the Revised Code; 63
64

The small business investment credit under section 5747.81 of the Revised Code; 65
66

The nonrefundable lead abatement credit under section 5747.26 of the Revised Code; 67
68

The opportunity zone investment credit under section 122.84 of the Revised Code; 69
70

The enterprise zone credits under section 5709.65 of the Revised Code; 71
72

The research and development credit under section 5747.331 of 73

the Revised Code; 74

The credit for rehabilitating a historic building under section 5747.76 of the Revised Code; 75
76

The nonresident credit under division (A) of section 5747.05 of the Revised Code; 77
78

The credit for a resident's out-of-state income under division (B) of section 5747.05 of the Revised Code; 79
80

The refundable motion picture and Broadway theatrical production credit under section 5747.66 of the Revised Code; 81
82

The refundable jobs creation credit or job retention credit under division (A) of section 5747.058 of the Revised Code; 83
84

The refundable credit for taxes paid by a qualifying entity granted under section 5747.059 of the Revised Code; 85
86

The refundable credits for taxes paid by a qualifying pass-through entity granted under division (I) of section 5747.08 of the Revised Code; 87
88
89

The refundable credit under section 5747.80 of the Revised Code for losses on loans made to the Ohio venture capital program under sections 150.01 to 150.10 of the Revised Code; 90
91
92

The refundable credit for rehabilitating a historic building under section 5747.76 of the Revised Code; 93
94

The refundable earned income credit under division (C) of section 5747.71 of the Revised Code. 95
96

(B) For any credit, except the refundable credits enumerated in this section and the credit granted under division (H) of section 5747.08 of the Revised Code, the amount of the credit for a taxable year shall not exceed the taxpayer's aggregate amount of tax due under section 5747.02 of the Revised Code, after allowing 97
98
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for any other credit that precedes it in the order required under 102
 this section. Any excess amount of a particular credit may be 103
 carried forward if authorized under the section creating that 104
 credit. Nothing in this chapter shall be construed to allow a 105
 taxpayer to claim, directly or indirectly, a credit more than once 106
 for a taxable year." 107

In line 66979, delete "5747.02," 108

In line 66980, after "5747.10," insert "5747.71, 5747.98," 109

In line 80374, delete "\$428,000,000 \$443,000,000" and insert 110
 "\$439,000,000 \$454,000,000" 111

In line 80376, delete "\$428,000,000 \$443,000,000" and insert 112
 "\$439,000,000 \$454,000,000" 113

In line 80381, delete "\$2,479,567,236 \$2,520,768,288" and 114
 insert "\$2,501,567,236 \$2,542,768,288" 115

In line 80399, delete "\$8,336,807,236 \$8,571,708,288" and 116
 insert "\$8,358,807,236 \$8,593,708,288" 117

After line 80509, insert: 118

"PUBLIC LIBRARY FUND 119

Notwithstanding the requirement in division (B) of section 120
 131.51 of the Revised Code that the Director of Budget and 121
 Management shall credit to the Public Library Fund one and 122
 sixty-six one-hundredths per cent of the total tax revenue 123
 credited to the General Revenue Fund during the preceding month, 124
 the Director shall instead calculate these amounts during fiscal 125
 year 2022 and fiscal year 2023 using one and seven-tenths as the 126
 percentage. 127

LOCAL GOVERNMENT FUND 128

Notwithstanding the requirement in division (A) of section 129

131.51 of the Revised Code that the Director of Budget and Management shall credit to the Local Government Fund one and sixty-six one-hundredths per cent of the total tax revenue credited to the General Revenue Fund during the preceding month, the Director shall instead calculate these amounts during fiscal year 2022 and fiscal year 2023 using one and seven tenths as the percentage."

Delete lines 83531 through 83537

After line 83542, insert:

"Section 803.__. The amendment by this act of section 5747.71 of the Revised Code applies to taxable years ending on or after the effective date of this section."

The motion was _____ agreed to.

SYNOPSIS

Refundable earned income tax credit 142

R.C. 5747.71 and 5747.98; Section 803.___ 143

Converts a portion of the state's nonrefundable earned income tax credit (EITC) to a refundable credit. Currently, the credit is nonrefundable and equals 30% of the federal EITC; the amendment retains a nonrefundable EITC equal to 22% of the federal EITC, but converts the remaining portion of the credit (8% of the federal EITC) into a refundable credit.

Remove income tax reduction 150

R.C. 5747.02; Section 803.97 151

Removes a provision of the pending bill that would reduce 152

income tax rates by 2% beginning in 2021.	153
Public Library Fund and Local Government Fund	154
Sections 387.10 and 387.20	155
Increases the share of GRF tax revenue transferred to the	156
Public Library Fund and the Local Government Fund each month from	157
1.66% (each fund) in codified law to 1.70% in FY 2022 and FY 2023.	158
Increases RDF appropriation items 110965, Public Library	159
Fund, and 110969, Local Government Fund, by \$11 million apiece in	160
FY 2022 and by \$11 million apiece in FY 2023. The amounts retained	161
by the GRF are reduced by these same amounts.	162