

House Finance Committee, Interested Party Testimony, Sub. H.B. 96, 4.8.2025

Chairman Stewart, Vice-Chair Dovilla, Ranking Member Sweeny and members of the House Finance Committee, we appreciate the opportunity to submit written testimony as an Interested Party for Substitute House Bill 96. At Americans for Prosperity-Ohio (AFP-OH) we are working to build a bolder, better Buckeye state for all Ohioans. The biennial state budget process provides a significant opportunity every two years to help our Buckeye state take those bold leaps forward. In January of this year we released our <u>Buckeye Blueprint</u> <u>policy agenda for the 136th General Assembly</u>. Our testimony below will be on the aspects of Sub HB 96 which are most relevant to our organizations stated priorities for the 136th General Assembly.

Support for Educational Opportunity

AFP-OH applauds the educational opportunity components of this proposal. The creation of Education Savings Accounts (ESAs) for families who utilize non-charter non-public education options, the increase in the home school tax credit, and the continued funding for EdChoice vouchers are significant steps toward ensuring that every child in Ohio has access to the quality education they deserve. These measures align with our Buckeye Blueprint policy agenda priority of expanding education opportunity.

Property Tax Reform and Elimination of Proposed Tax Increases

We are also thrilled to see the inclusion of property tax reform for school districts with a high cash fund balance and the elimination of proposed tax increases on cannabis, gambling, and tobacco. These reforms are crucial for fostering a more favorable economic environment in Ohio. We would encourage the committee to explore additional strengthening of the property tax relief provision to ensure that the stated intent of this provision – deliver significant, swift property tax relief for all Ohioans – is realized.

Commendable Reduction in Budget Spending

A commendable aspect of this budget for those of us who advocate for fiscal restraint is that, for the first time in recent history, the Ohio House has proposed an all-funds budget that comes in less than what the Governor requested. While there is still an increase over the last biennium, this budget represents a \$4.5 billion reduction from what was requested by the Executive. This realistic fiscal restraint (while still expanding education funding and providing core essential services to the citizens Ohio) sets us on a path to less spending growth over time and is an early sign of culture change in Columbus by leadership in the Ohio House of Representatives.

While Ohio still retains a higher cost-per-capita in state spending compared to economically prosperous states (Ohio: \$7,897; TN: \$6,751; NC: \$5,825; FL: \$5,199; TX: \$4,462)1, this budget proposal is a welcome sign of a potential shift in how Columbus appropriates money.

Advocacy for Flat Tax and Income Tax Elimination

We believe that the state budget is the best place to move Ohio toward a flat tax and set the trajectory for a 0% income tax in the future. Income tax elimination is key for a successful Ohio, and we urge the Ohio House to lead the way in this endeavor.

In conclusion, AFP-OH is encouraged by the progress we see in Substitute House Bill 96. We look forward to working with the legislature alongside our volunteers and activists from across the Buckeye state to ensure that Ohio continues to move toward a more prosperous future.

Thank you for your time and consideration. If there are questions from the committee please feel free to utilize the contact information below.

Respectfully,

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