



OHIO CHAMBER OF COMMERCE

**Rick Carfagna, Senior Vice President
Ohio Chamber of Commerce**

***Interested Party Testimony – House Bill 96
May 27, 2025***

Chair Cirino, Vice Chair Chavez, Ranking Member Hicks-Hudson and members of the Senate Finance Committee, thanks for allowing me to present testimony on House Bill 96. My name is Rick Carfagna, and I am the Senior Vice President for Government Affairs for the Ohio Chamber of Commerce (OCC). For 132 years, the Ohio Chamber has served as the state's leading business advocate, and we represent over 8,000 companies that do business in Ohio. Our mission is to aggressively champion free enterprise, economic competitiveness, and growth for the benefit of all Ohioans.

We applaud the DeWine Administration, members of Senate and House Leadership, both Finance Committees, and the other members of the Ohio General Assembly for providing several opportunities for our voice to be heard on a variety of issues. Both the Executive and the House-passed Budgets make numerous investments towards making Ohio a safe and vibrant destination to live, work, study, raise a family and operate a business.

As the Senate contemplates its own discussions and revisions to the state operating budget, we wish to share the following Ohio Chamber priorities:

EXPANDING ACCESS TO AFFORDABLE CHILD CARE

Child care remains a key workforce participation barrier for Ohio parents and caregivers, who often make the difficult decision to disengage partially or completely from the labor market due to prohibitive costs or lack of availability. In an economic study just released by the U.S. Chamber of Commerce Foundation, the direct financial impact to Ohio of insufficient child care coverage is **\$5.48 billion annually**. This number includes \$1.52 billion in missed annual tax revenue, and \$3.97 billion in child care-related employee turnover and absenteeism costs to Ohio employers. Accordingly, we request the following:

- **RETAIN:** Governor's **Child Care Choice Voucher Program** at 200% FPL eligibility for publicly funded child care (PFCC)
 - **CONSIDER:** Restoring the Governor's proposal to increase Ohio's FPL from 145% to 160%, while also making foster and kinship caregivers eligible for PFCC, thereby expanding access to affordable care for thousands of working families
- **RETAIN:** House language creating the **Child Care Recruitment and Mentorship Grant Program** at \$3.2M/FY26
- **RETAIN:** House language implementing the **Child Care Cred Program** (Public-Private Cost Sharing Partnership) at \$10M/FY26

- **RETAIN:** Continue modernizing Ohio's regulatory system for child care
- **CONSIDER:** Additional measures to incentivize Ohioans to enter and remain in the caregiver profession, including:
 - Providing child care scholarships to early childhood workers (Sens. Blessing/Timken SB 177)
 - State funding matches to the T.E.A.C.H. Early Childhood OHIO and POWER Ohio Programs
 - Covering the costs associated with CDA credentialing fees and renewals

PROMOTE COMPUTER SCIENCE OFFERINGS IN K-12

Ohio's economic competitiveness depends on having a technology-proficient workforce that is prepared with the skill sets for jobs that have yet to even be invented. Unfortunately, 38% of Ohio's high schools still have ZERO offerings of Computer Science classes. To address this deficiency, we advise the following:

- **RETAIN:** The renewal of the **Teach CS program** at \$8M/biennium which helps fund coursework, materials, and exams to professionally develop more CS teachers
- **RETAIN:** House language providing an ongoing **Computer Science teacher licensure waiver**, permitting those with valid educator licenses in K-12 to teach a computer science course if they complete a professional development program
- **CONSIDER:** Amendment SCO252, which appropriates \$300,000/FY26 in microgrants to school districts to create a **CS District Playbook**, containing CS resources and guidance to those districts looking to add CS courses

BOLSTER EFFORTS TO MARKET OHIO AS A PREMIER DESTINATION TO VISIT, LIVE, AND WORK

Tourism is a growing industry in Ohio, and we encourage the state to do more to attract visitors and encourage relocation. The Ohio Department of Development reports a record year for Ohio tourism in 2023 with 48 million overnight visits, 436,000 tourism-supported jobs, and \$56 billion in visitor spending. Economic development policies aimed at increasing Ohio's population – which struggled to grow by even a quarter of percent over the last census period - should focus as much on investing in amenities and quality of life as they do on attracting new businesses. To achieve this, we recommend:

- **RETAIN:** The House's increased line-item for **TourismOhio** from \$7.5M each FY to \$10M/FY26 and \$12M/FY27 to market Ohio as "*The Heart of It All*" (surrounding states average \$25M annually)
- **RETAIN:** The \$7.75M appropriation for the **America 250 Ohio Commission**, tasked with sharing Ohio's message next year about the incredible accomplishments of Ohioans during the 250 years of the United States
- **RETAIN:** The House provision establishing the **Transformational Sports Mixed-Use Development District**, which will attract year-round activity, more major events to Ohio, an increased amount of visitor spending, and will capture fall and winter events occurring in neighboring states with accommodating venues
- **AVOID:** Any tax increases on sports wagering
- **AVOID:** Any diversion of lodging taxes from their intended purpose of marketing efforts

ECONOMIC DEVELOPMENT AND INCREASING OHIO'S HOUSING AVAILABILITY

Ohio's housing shortage remains a pressing workforce challenge. Available and affordable housing ensures that Ohioans have safe, decent places to live in reasonable proximity to where they work, while providing companies with access to a stable supply of skilled employees. The budget maintains or adds important mechanisms to grow Ohio's housing stock from single-family homes to multi-family rentals. The budget also contains a host of economic development incentives critical to fostering employment opportunities, attracting creative talent, and ensuring Ohio's development landscape remains competitive with peer and aspirational peer cities and states across the country. The Ohio Chamber requests consideration of the following:

- **RETAIN:** Reauthorization of **Ohio's Low-Income Housing Tax Credit (LIHTC) Program**
- **RETAIN:** Extension of **Transformational Mixed-Use Development Program (TMUD)**
- **RETAIN:** Creation of the **"Housing Accelerator"** housing development incentive program at \$2.5M/each FY
- **CONSIDER:** Amendment SC1326, which restores current law regarding the **Ohio Housing Trust Fund** and creates an Ohio Housing Trust Fund Study Committee to analyze the fund and make recommendations to increase its efficiency
- **CONSIDER:** Preservation of at least \$350M of the **All-Ohio Future Fund** to ensure completion of site projects already in queue
- **CONSIDER:** Amendment SC1438, a modified version of HB 159 (Reps. Santucci and Demetriou), to create the **Ohio Manufacturing Technologies Assistance Program** at \$6M per FY and distribute matching grants to small and medium-sized manufacturers to assist with modernizing machinery and equipment

TAXATION

Considering providing property tax relief by addressing unvoted increases from certain levies, including the following measures:

- **CONSIDER:** Amendment SC0044, otherwise known as SB 66 (Sen. O'Brien and Sen. Lang), which would require emergency, substitute, and school district income tax levies to be counted toward a district's 20-mill floor
- **CONSIDER:** Amendment SC0882, otherwise known as HB 186 (Reps. Thomas and Hoops), which effectively caps growth in revenue of a school district on the 20-mill floor at the rate of inflation similar to the intended protections of HB 920
- **CONSIDER:** Amendment SC0883, otherwise known as HB 28 (Reps. Mathews and Hall), which eliminates replacement property tax levies, which are often confused with "renewal levies" but have a much different impact on the taxpayer
- **RETAIN:** All existing longstanding tax exemptions and economic development incentives, including the Business Income Deduction, the Commercial Activity Tax exemptions for Qualified Distribution Centers, the Job Creation Tax Credit, and other business-related sales and use exemptions

MISCELLANEOUS

- **CONSIDER:** Amendment SC1437 to create WorkLearnOHIO, a statewide, employer-driven, work-based learning platform for college students to more readily connect with Ohio-based employers while in school, and to identify job opportunities in Ohio post-graduation (see: Ohio Chamber testimony on 5/15/25 to the Senate Higher Education Committee)
- **Ohio's Unemployment Insurance System**
 - **RETAIN:** House changes to the new Unemployment Insurance Technology and Customer Service Fee limiting this surcharge to two years
 - **RETAIN:** Provision making individuals ineligible for UI if suitable work is available to the person, but the individual fails to contact employer to inquire about work assignments
 - **RETAIN:** Provision authorizing ODJFS, without investigating and holding a hearing, to determine employment is not seasonal
 - **CONSIDER:** Pursue solvency measures for the Unemployment Compensation Trust Fund balanced between increasing employer contributions and decreasing employee benefits
- **RETAIN:** House provision allowing credit union and bank "student branch" programs to qualify for financial literacy graduation requirement
- **RETAIN:** House provision authorizing security guards at nuclear power plants to receive Ohio security guard license
- **RETAIN:** Changes to ORC allowing the Ohio Department of Administrative Services to cut procurement red tape and expand Ohio's supplier base:
 - Consolidate the three codes governing the Biobased Product Preference Program into a single statute
 - Consolidate the twelve codes governing the Community Rehabilitation Program into a single statute
 - Update requirements in competitive selection statutes for consistency to standardize the use of the OhioBuys electronic procurement system
- **RETAIN:** House provision authorizing security guards at nuclear power plants to receive Ohio security guard license
- **AVOID:** Remove the House provision increasing the NextGen 911 fee from \$0.40 to \$0.60 cents
- **AVOID:** Remove House provision mandating a dispensing fee on every prescription filled in Ohio (see: Ohio Chamber testimony on 5/14/25 to the Senate Government Oversight and Reform Committee)
- **AVOID:** Remove House restriction language surrounding SNAP purchases on beverages
- **AVOID:** Constraining the choice of higher education institution options available to Governor's Merit Scholarship recipients
- **CONSIDER:** Funding to complete a Service Development Plan for the proposed Midwest Connect passenger rail line, linking Pittsburgh, Columbus, and Chicago

Chair Cirino, Vice Chair Chavez, Ranking Member Hicks-Hudson and members of the Senate Finance Committee, we know that it takes strong leadership and a cooperative effort to craft a productive state operating budget. Thank you for your diligence thus far in providing a variety of economic opportunities for individual Ohioans and Ohio businesses. I will gladly supply any of you with amendment language mentioned here upon request, and at this time I welcome any questions from the committee.