

Amended Substitute House Bill 110

Senate Finance Committee – Highlights of Sub Bill

HIGHLIGHTS (Primary & Secondary)

- Establishes a new student-centered school funding formula:
 - Includes a rational base cost model that is easy to understand and will be regularly updated to provide responsible, stable growth in future years including a new base cost of \$6,110 per pupil this biennium
 - Directly funds 100% of the cost for students attending a community or STEM school or who receive EdChoice, Cleveland, Autism, or Jon Peterson scholarships, rather than funding these students in their districts of residence and then deducting funds to pay for the students at their schools of choice
 - Increases the number of districts funded through the formula by decreasing the amount of guaranteed and capped funding.
 - Restores \$650 million in Student Wellness and Success Funding over the biennium to help address students' non-academic needs
 - Provides "gap aid" to any district that does not raise the amount of local funding assumed by the formula, ensuring every district has its full foundation amount
- Restores funding for the Quality Community Schools program
- Increases max scholarship awards for students receiving an Ed Choice or Cleveland Scholarship to \$5,500 (grades K-8) and \$7,500 (grades 9-12)
- Increases the maximum scholarship amount of the Autism Scholarship Program to \$31,500 in FY22 and \$32,455 in FY23
- Increases the formula amount for the determination of Jon Peterson Special Needs Scholarship awards and increases the appropriation amount for awarding of scholarships under this program
- Increases payment for community and STEM school facilities to \$750 per pupil
- Establishes a process for a qualifying school district under an Academic Distress Commission to submit an improvement plan as an alternative to continued operational and managerial control by the district's ADC, if approved
- Creates a \$250 tax credit for parents who home educate their children for qualifying materials and supplies; also creates a \$1,000 tax credit for those who donate to a Scholarship Granting Organization (SGO) providing scholarships, primarily to low income students, to attend a non-public school
- Creates a tax credit up to \$2,500 per year for tuition paid for students to attend a non-chartered nonpublic school if the student's household family income is below 300% FPL
- Restores funding distribution for ESCs to the As Introduced version, but increases the funding for ESCs to \$28 per pupil in FY22 and \$29 in FY23

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HIGHLIGHTS (Finance / Tax)

- Increases the income tax cut for Ohioans from 2% to 5%. This across the board reduction, over 2 years, will save Ohioans an estimated \$874M and will include funding to immediately adjust tax withholding rates. This reduction, coupled with previous cuts since 2005 are cumulatively saving Ohioans billions in tax savings annually. Additionally, Ohioans making below \$21,150 have seen their tax liability eliminated
- Increases the Public Library fund share of GRF to 1.70% for the biennium
- Exempts employment services and placement services from sales and use tax. This excludes from taxation the cost of locating employment for a job-seeker or locating job candidates for an employer
- Repeals the campaign contribution tax credit starting in tax year 2021
- Extends municipal income tax withholding rule established in H.B. 197 of the 133rd General Assembly through December 31, 2021. Allows individuals to file for a refund in TY 2021 and TY 2020 (post pandemic) and makes other conforming changes
- Maintains \$15M for the Law Enforcement Reimbursement Training Pilot, but pays for with GRF rather than Unclaimed Funds

HIGHLIGHTS (Workforce & Higher Education)

- Increases OCOG funding by \$2.5M per FY for additional scholarships
- Provides \$5M per FY for a Short Term Certificates program providing need-based financial aid to students enrolled at a community or technical college
- Increases support for Central State University by \$1.79M each FY
- Restores funding for the Choose Ohio First Scholarship
- Provides \$3M in FY 22 for the Second Chance Grant Pilot for eligible students
- Makes fees for room and board, health insurance and the cost of providing textbooks subject to the cap on general and instructional fees
- Requires Ohio History Connection to designate Poindexter Village as a state historic site
- Restores reductions to most clinical teaching lines for FY 22

HIGHLIGHTS (Local Government & Elections)

- Removes the Ohio residency requirement for veterans who wish to obtain a free fishing license, hunting license, and certain other licenses
- Restores Dept. of Agriculture's H2Ohio appropriations by adding \$10M per FY
- Accelerates timetable for ODNR to assume operational control and ownership of Geneva Lodge and Conference Center and operate it as a state lodge
- Clarifies provision to ensure that all agencies (not just DAS) utilize Buy Ohio and Buy U.S. preferences for PPE purchases under \$50K
- Increases GRF for Animal Health Programs by \$750K in FY22 and \$1M in FY23

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HIGHLIGHTS (Health and Human Services)

- Extends for 1 year instead of current law 60 days, Medicaid postpartum coverage for women after giving birth and appropriates \$23M over the biennium for this change
- Providing childcare to Ohioans as the state goes back to work by increasing the limits for qualifying for publicly funded childcare from 138% to 142% FPL. This is 12% higher than the last budget (130%) and 4% higher than the current budget proposal. To accomplish this, the Senate is adding \$10M per FY or \$20M over the biennium
- The Senate plan supports those who are helping some of our most in need, providing a 4% rate increase (2% per FY) for services in an Intermediate Care Facilities for Individuals with Intellectual Disabilities (ICFs/IID) and also increases rates by the same amount for adult day services and residential services provided under a DD-administered waiver. Additionally for waiver-funded and state plan-funded providers under PASSPORT, Ohio Home Care waiver, MyCare and Assisted Living waiver, the bill provides a 6% rate increase (4% and 2%) for the following services: private duty nursing; nursing; personal care; home care attendant and homemaker; assisted living; speech therapy; and physical therapy
- Requires the rebasing of SNFs rates to proceed in FY 22 as required by continuing law but prioritizes rates for costs to be adjusted in the following order; direct care, ancillary and support, taxes and then capital. Limits the capital calculation to no more than 10% in any future rebasing. Provides for \$25M per year for quality payments and adds \$40.5M in each FY to account for these changes
- Provides \$6M per FY to continue the Transcranial Magnetic Stimulation (TMS) program for veterans in need of qualifying medical treatment. Allows for the expansion of the program to first responders and law enforcement officers and renames the program and other conforming changes
- Increases funding for the Appalachian Children Coalition to \$1.25M per FY. This includes funding for the training, hiring, and retention of entry-level child mental and behavioral health workers in school settings
- Expands eligibility for Medically Handicapped Children by extending the age limit by one year each year for 2021 and 2022. Provides \$500K per FY for this change
- Continues providing a supplemental dispensing fee for FY 22 and FY 23 at a rate determined by Department of Medicaid based on available dollars to assist smaller pharmacies and access to care for patients
- Designates the month of May as "Maternal Mortality Awareness Month" to increase awareness about the causes of pregnancy-associated deaths
- Provides for expansion of the All-inclusive Care for the Elderly (PACE) program. PACE provides comprehensive medical and social services for the elderly living in the

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community currently operating only in Cleveland. (targeted expansion areas include Columbus, Cincinnati, Dayton, Lorain and Toledo)

HIGHLIGHTS (General Government)

- Increases funding for 13 Ohio veterans organizations that receive GRF annually
- Provides funding for the construction of temporary housing for homeless female veterans
- Increases funding for the Ohio Rural Industrial Park Loan program to \$15M per FY
- Establishes a procedure within the Court of Claims to hear Open Meetings violations
- Restores voluntary TCAP and offers grants to counties that voluntarily extend TCAP to Felony 4 offenses
- Clarifies that an individual cannot bring a lawsuit if an employer terminates an employee for failing the company's drug policy

Continuing COVID relief for Ohioans and businesses

Building on Senate Bill 108 and 109 enacted earlier this General Assembly, the sub bill provides another round of funding in FY 22 for these four critical programs:

- \$100M in FY 22 for grants to bars & restaurants
 - \$25M in grants for the lodging industry
 - \$20M to support entertainment venues
 - \$10M to assist new business with relief grants
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- **Note:** This is not a complete list of changes made by the sub-bill. Please refer to official LSC / LBO documents for full analysis of changes
 - **Note:** In a few summaries, rounded numbers were used. Please refer to the Sub bill text, the spreadsheet and COMP DOC for additional details and exact numbers