

As Introduced

**134th General Assembly
Regular Session
2021-2022**

H. B. No. 587

Representatives Jarrells, Patton

A BILL

To amend sections 3742.50, 5747.26, and 5747.98 of 1
the Revised Code to modify an income tax credit 2
for lead abatement expenses and to make 3
appropriations. 4

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

Section 1. That sections 3742.50, 5747.26, and 5747.98 of 5
the Revised Code be amended to read as follows: 6

Sec. 3742.50. (A) As used in this section: 7

(1) "Lead abatement costs" means costs incurred by a 8
taxpayer for either of the following: 9

(a) A lead abatement specialist to conduct a lead risk 10
assessment, a lead abatement project, or a clearance 11
examination, provided the specialist is authorized under this 12
chapter to conduct the respective task; 13

(b) Relocation costs incurred in the relocation of 14
occupants of an eligible dwelling to achieve occupant 15
protection, as described in 24 C.F.R. 35.1345(a). 16

"Lead abatement costs" do not include such costs for which 17
the taxpayer is reimbursed or such costs the taxpayer deducts or 18

excludes in computing the taxpayer's federal adjusted gross 19
income for federal income tax purposes or Ohio adjusted gross 20
income as determined under section 5747.01 of the Revised Code. 21

(2) "Eligible dwelling" means a residential unit 22
constructed in this state before 1978. 23

(3) "Lead abatement specialist" means an individual who 24
holds a valid license issued under section 3742.05 of the 25
Revised Code. 26

(4) "Taxable year" and "taxpayer" have the same meanings 27
as in section 5747.01 of the Revised Code. 28

(B) A taxpayer who incurs lead abatement costs on an 29
eligible dwelling during a taxable year may apply to the 30
director of health for a lead abatement tax credit certificate. 31
The applicant shall list on the application the amount of lead 32
abatement costs the applicant incurred for the eligible dwelling 33
during the taxable year. The director, in consultation with the 34
tax commissioner, shall prescribe the form of a lead abatement 35
tax credit certificate, the manner by which an applicant shall 36
apply for the certificate, and requirements for the submission 37
of any record or other information an applicant must furnish 38
with the application to verify the lead abatement costs. 39

(C) (1) Upon receipt of an application under division (B) 40
of this section, the director of health shall verify all of the 41
following: 42

(a) The residential unit that is the subject of the 43
application is an eligible dwelling. 44

(b) The taxpayer incurred lead abatement costs during the 45
taxable year related to the eligible dwelling. 46

(c) The eligible dwelling has passed a clearance 47
examination in accordance with standards prescribed in rules 48
adopted by the director under section 3742.03 or 3742.45 of the 49
Revised Code. 50

(2) After verifying the conditions described in division 51
(C) (1) of this section, the director shall issue a lead 52
abatement tax credit certificate to the applicant equal to the 53
lesser of (a) the lead abatement costs incurred by the taxpayer 54
on the eligible dwelling during the taxable year, (b) the amount 55
of lead abatement costs listed on the application, or (c) ten 56
thousand dollars, subject to the limitation in division (C) (3) 57
of this section. 58

(3) The director may not issue more than ~~five~~thirty-five 59
million dollars in lead abatement tax credit certificates in any 60
fiscal year. 61

(D) The director of health, in consultation with the tax 62
commissioner, may adopt rules in accordance with Chapter 119. of 63
the Revised Code as necessary for the administration of this 64
section. 65

Sec. 5747.26. (A) Terms used in this section have the same 66
meanings as in section 3742.50 of the Revised Code. 67

(B) There is hereby allowed a ~~nonrefundable~~refundable 68
credit against a taxpayer's aggregate tax liability under 69
section 5747.02 of the Revised Code for a taxpayer to whom a 70
lead abatement tax credit certificate was issued under section 71
3742.50 of the Revised Code. The credit equals the amount listed 72
on the certificate and shall be claimed for the taxable year in 73
which the certificate was issued. 74

The credit shall be claimed in the order required under 75

section 5747.98 of the Revised Code. If the credit exceeds the 76
taxpayer's aggregate tax due under section 5747.02 of the 77
Revised Code for that taxable year after allowing for credits 78
that precede the credit under this section in that order, such 79
excess shall be ~~allowed as a credit in each of the ensuing seven~~ 80
~~taxable years, but the amount of any excess credit allowed in~~ 81
~~any such taxable year shall be deducted from the balance carried~~ 82
~~forward to the ensuing taxable year~~ refunded to the taxpayer. 83

(C) The taxpayer shall provide, upon request of the tax 84
commissioner, any documentation necessary to verify the taxpayer 85
is entitled to the credit under this section. 86

Sec. 5747.98. (A) To provide a uniform procedure for 87
calculating a taxpayer's aggregate tax liability under section 88
5747.02 of the Revised Code, a taxpayer shall claim any credits 89
to which the taxpayer is entitled in the following order: 90

Either the retirement income credit under division (B) of 91
section 5747.055 of the Revised Code or the lump sum retirement 92
income credits under divisions (C), (D), and (E) of that 93
section; 94

Either the senior citizen credit under division (F) of 95
section 5747.055 of the Revised Code or the lump sum 96
distribution credit under division (G) of that section; 97

The dependent care credit under section 5747.054 of the 98
Revised Code; 99

The credit for displaced workers who pay for job training 100
under section 5747.27 of the Revised Code; 101

The campaign contribution credit under section 5747.29 of 102
the Revised Code; 103

The twenty-dollar personal exemption credit under section 5747.022 of the Revised Code;	104 105
The joint filing credit under division (G) of section 5747.05 of the Revised Code;	106 107
The earned income credit under section 5747.71 of the Revised Code;	108 109
The nonrefundable credit for education expenses under section 5747.72 of the Revised Code;	110 111
The nonrefundable credit for donations to scholarship granting organizations under section 5747.73 of the Revised Code;	112 113 114
The nonrefundable credit for tuition paid to a nonchartered nonpublic school under section 5747.75 of the Revised Code;	115 116 117
The credit for adoption of a minor child under section 5747.37 of the Revised Code;	118 119
The nonrefundable job retention credit under division (B) of section 5747.058 of the Revised Code;	120 121
The enterprise zone credit under section 5709.66 of the Revised Code;	122 123
The credit for purchases of qualifying grape production property under section 5747.28 of the Revised Code;	124 125
The small business investment credit under section 5747.81 of the Revised Code;	126 127
The nonrefundable lead abatement credit under section 5747.26 of the Revised Code;	128 129
The opportunity zone investment credit under section	130

122.84 of the Revised Code;	131
The enterprise zone credits under section 5709.65 of the Revised Code;	132 133
The research and development credit under section 5747.331 of the Revised Code;	134 135
The credit for rehabilitating a historic building under section 5747.76 of the Revised Code;	136 137
The nonresident credit under division (A) of section 5747.05 of the Revised Code;	138 139
The credit for a resident's out-of-state income under division (B) of section 5747.05 of the Revised Code;	140 141
The refundable motion picture and Broadway theatrical production credit under section 5747.66 of the Revised Code;	142 143
The refundable jobs creation credit or job retention credit under division (A) of section 5747.058 of the Revised Code;	144 145 146
The refundable credit for taxes paid by a qualifying entity granted under section 5747.059 of the Revised Code;	147 148
The refundable credits for taxes paid by a qualifying pass-through entity granted under division (I) of section 5747.08 of the Revised Code;	149 150 151
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;	152 153 154
The refundable credit for rehabilitating a historic building under section 5747.76 of the Revised Code;	155 156
<u>The refundable lead abatement credit under section 5747.26</u>	157

<u>of the Revised Code.</u>	158
(B) For any credit, except the refundable credits	159
enumerated in this section and the credit granted under division	160
(H) of section 5747.08 of the Revised Code, the amount of the	161
credit for a taxable year shall not exceed the taxpayer's	162
aggregate amount of tax due under section 5747.02 of the Revised	163
Code, after allowing for any other credit that precedes it in	164
the order required under this section. Any excess amount of a	165
particular credit may be carried forward if authorized under the	166
section creating that credit. Nothing in this chapter shall be	167
construed to allow a taxpayer to claim, directly or indirectly,	168
a credit more than once for a taxable year.	169
Section 2. That existing sections 3742.50, 5747.26, and	170
5747.98 of the Revised Code are hereby repealed.	171
Section 3. The amendment by this act of section 5747.26 of	172
the Revised Code applies to lead abatement costs on an eligible	173
dwelling incurred for taxable years beginning on or after the	174
effective date of this section. Terms used in this section have	175
the same meaning as in section 3742.50 of the Revised Code.	176
Section 4. All items in this act are hereby appropriated	177
as designated out of any moneys in the state treasury to the	178
credit of the designated fund. For all operating appropriations	179
made in this act, those in the first column are for fiscal year	180
2022 and those in the second column are for fiscal year 2023.	181
The operating appropriations made in this act are in addition to	182
any other operating appropriations made for the FY 2022-FY 2023	183
biennium.	184
Section 5.	185

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	1	2	3	4	5
A	DEV DEPARTMENT OF DEVELOPMENT				
B	Dedicated Purpose Fund Group				
C	5CV3	1956B5	Lead Abatement Safety Training	\$100,000,000	\$0
D	TOTAL Dedicated Purpose Fund Group			\$100,0000,00 0	\$0
E	TOTAL ALL BUDGET FUND GROUPS			\$100,000,000	\$0

LEAD ABATEMENT SAFETY TRAINING 187

The foregoing appropriation item 1956B5, Lead Abatement Safety Training, shall be used by the Department of Development, in coordination with local nonprofit organizations and employers, to develop a lead abatement and lead safety workforce job training program. 188
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Any unexpended and unencumbered portion of the foregoing appropriation item 1956B5, Lead Abatement Safety Training, at the end of fiscal year 2022 is hereby reappropriated for the same purpose in fiscal year 2023. 193
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Section 6. 197

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	1	2	3	4	5
A	DOH DEPARTMENT OF HEALTH				

B	Dedicated Purpose Fund Group				
C	5CV3	440487	ARPA - Lead Activities	\$60,000,000	\$0
D	5YL0	440486	Lead Poisoning Prevention	\$250,000,000	\$0
E	TOTAL DPF Dedicated Purpose Fund Group			\$310,000,000	\$0
F	TOTAL ALL BUDGET FUND GROUPS			\$310,000,000	\$0

ARPA - LEAD ACTIVITIES 199

The foregoing appropriation item 440487, ARPA - Lead 200
 Activities, shall be used by the Department of Health for lead- 201
 related activities. The Department may distribute funds to 202
 boards of health for these purposes. 203

Any unexpended and unencumbered portion of the foregoing 204
 appropriation item 440487, ARPA - Lead Activities, at the end of 205
 fiscal year 2022 is hereby reappropriated for the same purpose 206
 in fiscal year 2023. 207

LEAD POISONING PREVENTION 208

On the effective date of this section, or as soon as 209
 possible thereafter, the Director of Budget and Management shall 210
 transfer \$250,000,000 cash from the State Fiscal Recovery Fund 211
 (Fund 5CV3) to the Lead Poisoning Prevention Fund (Fund 5YL0). 212

The foregoing appropriation item 440486, Lead Poisoning 213
 Prevention, shall be used for the Child Lead Poisoning 214
 Prevention Program, in accordance with sections 3742.31 and 215
 3742.46 of the Revised Code. 216

Any unexpended and unencumbered portion of the foregoing 217
 appropriation item 440486, Lead Poisoning Prevention, at the end 218
 of fiscal year 2022 is hereby reappropriated for the same 219
 purpose in fiscal year 2023. 220

Section 7. 221

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	1	2	3	4	5
A	MCD DEPARTMENT OF MEDICAID				
B	Dedicated Purpose Fund Group				
C	5CV3	651428	Children's Lead Program	\$30,000,000	\$0
D	TOTAL DPF Dedicated Purpose Fund Group			\$30,000,000	\$0
E	TOTAL ALL BUDGET FUND GROUPS			\$30,000,000	\$0

CHILDREN'S LEAD PROGRAM 223

The foregoing appropriation item 651428, Children's Lead 224
 Program, shall be used to fund lead programming for high-risk 225
 children. Upon the request of the Medicaid Director, the 226
 Director of Budget and Management may transfer up to the balance 227
 of appropriation item 651428, Children's Lead Program, to 228
 appropriation items in the Department of Health for the purpose 229
 of lead abatement activities. If any federal matching funds are 230
 received for these transactions, the Medicaid Director may 231
 transfer federal funds as the state's single state agency for 232
 Medicaid reimbursements. Amounts transferred are hereby 233

appropriated.	234
Any unexpended and unencumbered portion of the foregoing	235
appropriation item 651428, Children's Lead Program, at the end	236
of fiscal year 2022 is hereby reappropriated for the same	237
purpose in fiscal year 2023.	238
Section 8. Within the limits set forth in this act, the	239
Director of Budget and Management shall establish accounts	240
indicating the source and amount of funds for each appropriation	241
made in this act, and shall determine the form and manner in	242
which appropriation accounts shall be maintained. Expenditures	243
from operating appropriations contained in this act shall be	244
accounted for as though made in H.B. 110 of the 134th General	245
Assembly. The operating appropriations made in this act are	246
subject to all provisions of H.B. 110 of the 134th General	247
Assembly that are generally applicable to such appropriations.	248