

# Appropriations

## H.B. 45

(For details of the act's fiscal provisions see, the [LSC Final Fiscal Note \(PDF\)](#), which is available on the General Assembly's website, [legislature.ohio.gov](http://legislature.ohio.gov).)

**Primary Sponsors:** Reps. West and Roemer

**Effective date:** April 7, 2023; operating appropriations and peace officer training pilot program extension effective January 6, 2023; tax amnesty authorization repealed effective January 1, 2024

### Tax amnesty

- Allows the state to operate a two-month “amnesty” period in 2023 during which taxpayers owing past-due state and some local taxes and certain fees may discharge the debt by paying the delinquent tax or fee without the penalty and accrued interest normally due.
- Provides that, before the amnesty can proceed, the Director of Budget and Management must first determine that the state will need the projected revenue from the amnesty to meet GRF obligations in calendar year 2023.

### Delinquent tax list publication

- Authorizes the second publication of a county delinquent property tax list to be made online, provided the first publication continues to be made in a newspaper of general circulation.

### Nursing facility payments

- Appropriates \$350 million in American Rescue Plan Act (ARPA) funds in FY 2023 to the Office of Budget and Management (OBM) for lump-sum payments to nursing facilities that are Medicaid providers for workforce support.
- Requires OBM to distribute the funds by April 1, 2023, to nursing facilities, as follows: (1) 40% based on each facility's number of Medicaid days in calendar year 2021 and (2) 60% based on enumerated quality metrics.
- Repeals law that requires nursing facilities to spend 70% of any additional dollars received as a result of a rebasing on direct care costs.
- States that it is the General Assembly's intent to include a rebasing of the direct care, ancillary and support, and tax cost centers in the next main operating budget.
- States that it is the General Assembly's intent to require the Department of Medicaid and industry stakeholders to submit legislative proposals to: (1) replace the capital costs center formula and (2) provide a private room incentive payment.

## Hospital provider relief payments

- Earmarks \$62 million of Department of Medicaid funds for health care provider relief payments for critical access and rural hospitals.
- Appropriates \$100 million in ARPA funds for payments to critical access and rural hospitals that are Medicaid providers, and requires that the payments be used exclusively for direct care staff compensation.
- Appropriates \$6.5 million (\$2.3 million state share) in FY 2023 from GRF for one-time provider relief payments to hospitals in counties with a population of 350,000 to 380,000 (Stark County only), to be calculated based on Medicaid patient discharge.

## PACE program

- Requires the Department of Aging to expand the Medicaid component known as the Program of All-inclusive Care for the Elderly (PACE) to the following counties: Franklin, Hamilton, Montgomery, Lorain, Lucas, and Summit.
- Appropriates \$50 million in FY 2023 for the expansion.
- Regarding the Home First component of PACE, eliminates various references to documentation being “in writing.”

## Freestanding dialysis centers

- Requires the Medicaid Director to make a one-time payment to each licensed freestanding dialysis center that is in good standing, to be used exclusively for direct care staff compensation.
- Appropriates \$15 million to fund the one-time payment to dialysis centers.

## Critical access pharmacy grants

- Requires the Department of Medicaid to award critical access pharmacy grants in FY 2023 to pharmacies within counties that have no more than one retail pharmacy participating in Medicaid, and appropriates up to \$100,000 to fund the grants.

## Ohio Adoption Grant Program

- Establishes the Ohio Adoption Grant Program, administered by the Department of Job and Family Services (JFS), to provide one of the following one-time payments to an adoptive parent for each eligible child adopted in or after 2023:
  - \$10,000;
  - \$15,000 (if the adoptive parent was a foster caregiver for the child); or
  - \$20,000 (if the child has diagnosed special needs).
- Authorizes an income tax deduction for grant payments.

- Requires the JFS Director to adopt rules, exempt from the regulatory restriction reduction requirements under Ohio law, to implement the program, including a rule to authorize federal income tax withholding.
- Prohibits the program from charging an application fee.
- Permits the JFS Director to require submission of any court or legal document to prove the adoption and for any state agency to provide documents relating to the adoption, provided that submitting documents to JFS does not change their public records status.
- Appropriates \$15 million from GRF in FY 2023 to administer the grants.

### **Adoption tax credit**

- Repeals the state income tax credit for adopting children.

### **Adoption petition fee**

- Reduces the probate court adoption petition fee from \$50 to \$20.
- Removes the requirement to deposit a portion of the adoption petition fee in the Putative Father Registry Fund, and appropriates \$500,000 from GRF to the fund in FY 2023.

### **College grant for adopted Ohio residents**

- Establishes a permanent grant program providing a one-time \$2,500 award to eligible adopted Ohio residents attending a state institution of higher education or private college in Ohio to apply toward the cost of attendance.

### **Publicly funded child care**

- Establishes additional exceptions to the requirement that a licensed child care program be rated in the Step Up to Quality Program to provide publicly funded child care, including exempting type A and licensed type B family day-care homes.
- Eliminates the requirement that the JFS Director establish enhanced reimbursement rates for providers maintaining quality ratings under the Step Up to Quality Program.
- Eliminates the requirement that the Director weigh any reductions in reimbursement more heavily against providers that do not participate in Step Up to Quality or do not maintain quality ratings under the program.

### **Encouraging family day-care home licensure**

- Requires JFS to engage in activities to encourage the establishment and licensure of family day-care homes and connect families and caretaker parents in need of child care with family day-care homes not meeting their license capacity.
- Permits the JFS Director to contract with third-party entities to assist the Director in performing the activities.

- Requires the Director to submit to the General Assembly – by May 30, 2023, and periodically thereafter – a report documenting barriers that may prevent the establishment or licensure of family day-care homes.

### **School raffles**

- Allows school districts, community schools, STEM schools, and chartered nonpublic schools to conduct raffles to raise money.

### **ACE Educational Savings Accounts**

- Extends operation of the Afterschool Child Enrichment Educational Savings Account Program (ACE) through FY 2024.
- Increases the amount that a student’s account may be credited from \$500 to \$1,000 for FY 2023 and FY 2024.
- Amends the eligibility requirements for a savings account.
- Prohibits the Department of Education or a vendor operating the program from reclaiming any funds credited to a student’s account, unless funds are misused, until the student graduates high school.

### **School funding adjustments**

- For FY 2023, increases the phase-in percentage for disadvantaged pupil impact aid from 14% to 33.33%.
- Revises how the number of miles driven for school bus service are factored into calculating school district transportation payments.

### **School storm shelter requirement**

- Permanently prohibits the Board of Building Standards from requiring storm shelters in school buildings.

### **Prelicensure nursing bachelor’s degree programs**

- Requires the Chancellor of Higher Education to approve a prelicensure nursing bachelor’s degree program proposal submitted by a community, state community, or technical college prior to September 30, 2022.

### **Election law – changes to H.B. 458**

- Makes changes to provisions of H.B. 458 of the 134<sup>th</sup> General Assembly, which modifies the Election Law.
- Changes certain deadlines related to counting provisional ballots to give the boards of elections more time to process them.
- Requires that, if a board of elections has a drop box at its office for absentee ballots, the drop box must be open to receive ballots at all times during the absent voting period.

## **Vacation leave cash conversion**

- Beginning in December 2023, increases, from 40 to 80, the maximum hours of accrued unused vacation leave certain state employees exempt from collective bargaining may convert to cash, provided the employee has at least 200 hours of unused accrued vacation leave.
- Beginning in December 2023, allows an exempt employee who has at least 100 hours of unused accrued vacation leave to convert up to 40 hours to cash.
- Excludes employees of the Supreme Court, the General Assembly, the Legislative Service Commission, the Secretary of State, the Auditor of State, the Treasurer of State, and the Attorney General from the cash conversion unless their employer notifies the Director of Administrative Services before October 1, 2023, that the employees are eligible.

## **Reimbursements for peace officer training**

- Extends to June 30, 2023, the pilot program providing state funding for the cost of continuing professional training programs for peace officers and State Highway Patrol troopers, which had been scheduled to end December 31, 2022.
- Requires a law enforcement agency that does not use all of the money it receives for the salaries of its peace officers and troopers receiving training to retain the money and use it only to pay for future continuing professional training programs.
- Appropriates an additional \$5 million from GRF to the Attorney General in FY 2023 to support the extended pilot program.

## **Low-income housing tax credit properties**

- Disqualifies a project involving the rehabilitation of federal low income housing tax credit (LIHTC) property from a state tax credit for rehabilitating historic buildings.
- Authorizes a county auditor to value LIHTC property by using one or more of three appraisal methods.

## **Special improvement districts**

- Limits the circumstances under which the Ethics Law, the Open Meetings Law, and the Public Records Law apply to a qualified nonprofit corporation that forms a special improvement district (SID).
- Specifies that the corporation is considered a SID only when it acts with respect to a purpose for which the SID is created, and not when it acts with respect to any other purpose for which it is organized.

## **Timely recording of satisfaction of mortgages**

- Prohibits a mortgagor or current owner of real property from collecting, through a class action lawsuit, \$250 in damages for failure on the part of the mortgagee, during calendar

year 2020, to record the satisfaction of a mortgage within 90 days of the mortgage's satisfaction.

- Specifies that this prohibition does not preclude or affect any other legal remedies or damages available to the mortgagor or current owner.

### **Public insurance entities and public records requests**

- Exempts, with certain exceptions, records created, held by, or pertaining to Ohio public insurance entities from public records requests.

### **Professional sports logo license plates**

- Regarding a sports commission formed to create and receive contributions for a specialty license plate with a professional sports team logo:
  - Modifies the number of sports commission board members from 21 to at least 15; and
  - Eliminates the requirements specifying which person or entity appoints the members.

### **Veterans Memorial and Museum**

- Exempts from the Open Meetings Law all meetings of the board of directors of the nonprofit corporation that operates the Veterans Memorial and Museum.
- Establishes that records of the board and of the nonprofit corporation are not public records under Public Records Law.

### **Geneva Lodge and Convention Center**

- Eliminates a requirement that the Department of Natural Resources purchase the Geneva Lodge and Convention Center from the Ashtabula County Commissioners for \$13,950,000.
- Instead, creates the County Supplemental Grant Fund, appropriates \$13,950,000 to the fund, and requires that amount to be granted to the Ashtabula County Commissioners to retire debt incurred by the county that is associated with the Geneva Lodge and Convention Center.

### **Other appropriations**

- Appropriates state and federal funds in FY 2023 to various agencies to fund grant and other assistance programs.
- Makes other operating and capital appropriations.

## H.B. 377

(For details of the act's fiscal provisions see, the [LSC Final Fiscal Note \(PDF\)](#), which is available on the General Assembly's website, [legislature.ohio.gov](http://legislature.ohio.gov).)

**Primary Sponsors:** Reps. Hall and Swearingen

**Effective date:** September 27, 2022; appropriations effective June 28, 2022

### Appropriations

- Appropriates the following amounts, all in FY 2022:
  - An additional \$422 million to the Office of Budget and Management (OBM), to disburse to local governments in accordance with the federal American Rescue Plan Act;
  - \$500 million to the Department of Development, for the new Appalachian Community Grant Program (see below);
  - \$20 million to the Secretary of State, to provide financial assistance for the second 2022 primary election;
  - An additional \$750,000 to the Department of Natural Resources for weed harvesting operations at Indian Lake.
- Reappropriates the unexpended, unencumbered balance of these appropriations at the end of FY 2022 to FY 2023.
- Makes conforming changes to prior legislation in the 134<sup>th</sup> General Assembly appropriating funds to the Secretary of State.

### Appalachian Community Grant Program

- Establishes the Appalachian Community Grant Program, to be administered by the Department of Development, in consultation with local development districts.
- Establishes two categories of grants to be made available within the 32-county Appalachian region of Ohio – Appalachian Planning Grants and Appalachian Development Grants – and prescribes eligibility and application guidelines for each.

### Election workers excluded from PERS

- Specifies that a person employed as an election worker in a calendar year when more than one primary election and one general election are held is not a PERS member if the person is paid \$1,000 for that service.

### Health coverage for township first responders

- Increases the hours that certain township first responders must be hired with the expectation of working to be considered full-time employees for health care coverage purposes, thus potentially limiting the number of township first responders to whom health care coverage must be provided under certain circumstances.

## **OBM Director warrants**

- Corrects an outdated reference to specify the OBM Director, rather than the Auditor of State, draws warrants from the state treasury for payment of state employee salaries.

## **Land conveyances**

- Authorizes 35 conveyances of, or easements over, state-owned real estate.

### **H.B. 597**

(For details of the act's fiscal provisions see, the [LSC Final Fiscal Note \(PDF\)](#), which is available on the General Assembly's website, [legislature.ohio.gov](http://legislature.ohio.gov).)

**Primary Sponsor:** Rep. Oelslager

**Effective date:** July 1, 2022

- Makes capital reappropriations for the biennium ending June 30, 2024 (FYs 2023 and 2024).

### **H.B. 687**

(For details of the act's fiscal provisions see, the [LSC Final Fiscal Note \(PDF\)](#), which is available on the General Assembly's website, [legislature.ohio.gov](http://legislature.ohio.gov), and [Capital Item Analysis \(PDF\)](#), which is available on LSC's website, [sc.ohio.gov](http://sc.ohio.gov), under "Budget Central.")

**Primary Sponsor:** Rep. Oelslager

**Effective date:** September 13, 2022; appropriations in Sections 301.10 to 329.10 effective June 14, 2022

## **Capital appropriations and reappropriations**

- Makes capital appropriations totaling \$3.51 billion for the FY 2023-FY 2024 biennium, and authorizes about \$2.28 billion in new debt.
- Modifies several capital reappropriations.

## **Operating appropriations**

- Appropriates a total of approximately \$1.21 billion to the Departments of Development and Transportation for FY 2022, and reappropriates the unexpended, unencumbered balance for FY 2023.

## **Megaproject tax incentives**

- Establishes specialized criteria by which an Ohio semiconductor wafer manufacturing facility may qualify as a megaproject and, accordingly, its operators and suppliers may qualify for tax incentives authorized by the act and by continuing law.
- Generally, retains the same wage and investment or payroll thresholds required for megaprojects under prior law, and applies them to semiconductor wafer manufacturing projects that qualify for incentives under the act's specialized criteria.



- Allows the Tax Credit Authority (TCA) to designate more than one business as an operator of the same megaproject.
- Allows suppliers of a semiconductor wafer manufacturing megaproject to qualify for megaproject tax incentives, other than the extended job creation tax credit (JCTC) and community reinvestment area (CRA) property tax exemption, without meeting the payroll and investment thresholds generally required for megaprojects suppliers.
- Exempts from sales and use tax sales of tangible personal property used to perform research and development or certain other manufacturing processes at a semiconductor wafer manufacturing megaproject site and sales of building and construction materials incorporated into site facilities.
- Modifies a commercial activity tax (CAT) exclusion under continuing law for tangible personal property sold by a megaproject supplier to a megaproject operator for use at a megaproject site.
- Allows a CAT exclusion for gross receipts from the sale of new capital equipment used at the site of a semiconductor wafer manufacturing megaproject, provided the cost of the equipment exceeds \$100 million.
- Requires the Director of Development to issue a certificate of compliance for each year that a megaproject operator or supplier continues to qualify as such, for purposes of the megaproject tax incentives.
- Allows the TCA to impose recoupment payments on the operator of a noncompliant semiconductor wafer manufacturing megaproject, not to exceed the amount of sales and use tax and CAT incentives granted in connection with the project.
- Requires a megaproject operator to annually submit an economic impact report to the Director of Development detailing the operator's purchasing, construction, and employment activity.

### **Agency capital project administration**

- Raises from \$1.5 million to \$3.0 million the threshold cost up to which the Ohio Facilities Construction Commission (OFCC) may authorize certain agencies to administer capital facilities projects on their own.

### **Projects involving professional design or design-build services**

- Exempts projects of \$25,000 or less from the requirements for contracts for professional design services or design-build services.
- Removes the requirement that a public authority notify OFCC before using its own employee as an architect or engineer for a design-build project.

## **Capital Donations Fund**

- Removes the requirement that OFCC quarterly certify to the Director of Budget and Management (OBM Director) how it allocated investment earnings credited to the Capital Donations Fund.

## **Attorney General collection system**

- Authorizes the Attorney General (AG) to acquire and implement a secure, end-to-end collections and recovery management system designed to collect and recover more debt, control costs, and stay compliant with state rules and federal regulations.
- Permits the AG to enter lease-purchase agreements to finance or refinance the system, and requires that lease payments be made from the Attorney General Claims Fund.
- Permits the AG to request the OBM Director to arrange for the issuance of obligations to finance the system, up to \$25 million.

## **Classroom facilities programs**

- Extends from one year to two years the time OFCC has to reimburse a school district under the Expedited Local Partnership Program if the district resources applied to its originally calculated portion of the project cost exceeds its recalculated portion.
- Eliminates redundant language from the provisions that must be in a project agreement between OFCC and a school district.