



OHIO CHAMBER OF COMMERCE LEGISLATIVE UPDATE



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Ohio Chamber Pitches Budget Priorities in Ohio Senate



Following weeks of the Chamber Government Affairs team's advocacy efforts with individual Ohio Senators, SVP Rick Carfagna testified in the Ohio Senate Finance Committee on the Chamber's numerous policy and spending priorities. As the Senate contemplates its own discussions and revisions to the state operating budget, the Chamber has made the following asks:

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. The Chamber has requested 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:** Updates to Ohio's regulatory system for child care found in both the Executive and House budget versions

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, the Chamber advised 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, the Chamber recommends:

- **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 requested 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

The Chamber has worked with other business groups to push for 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

- **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**

The Ohio Senate Finance Committee convenes Tuesday, June 3rd, when it is expected to unveil its first round of budget revisions. The Chamber will provide an update of those measures, including how they compare to our stated asks.

Chamber Participates in Energy Roundtable with Congressman Balderson

Members of the Ohio Chamber's Government Affairs team traveled to Lancaster, Ohio last week to take part in the American Petroleum Institute's Industry Roundtable with Congressman Troy Balderson (OH-12). The event provided an opportunity for around two dozen audience members from assorted business groups to discuss issues related to energy reliability in Ohio.

Balderson is a member of the powerful House Energy and Commerce Committee, which oversees American energy, health care, and telecommunications policies, among other areas. In the current 119th Congress, Balderson chairs the House Energy Action Team (HEAT), the leading voice on energy policy for House Republicans.

The API event was also an opportunity for Congressman Balderson to announce the introduction of the Reliable Power Act, legislation designed to protect America's electric grid by ensuring that federal agencies consider the impact of their regulations on grid reliability before finalizing new rules. The Reliable Power Act builds on the groundwork laid by the GRID Act, introduced in the previous Congress by former Congressman Jeff Duncan, by clarifying responsibilities,

streamlining agency coordination, and reinforcing the Federal Energy Regulatory Commission (FERC) central role in upholding electric reliability.

Balderson is also leading the GRID Power Act, a bill that would enable grid operators to expedite consideration of power generation projects that improve the reliability of the electric grid. These projects must currently wait up to five years in the interconnection queue before federal assessments and impact studies can even begin.

These bills and Balderson's vision strongly aligns with the energy infrastructure recommendations within the Chamber's *Blueprint for Ohio's Economic Future*, which include increasing and diversifying electric generation in Ohio to support consumption needs.

Ohio Chamber Supports Corporate Law Reforms

In support of Senate Bill 146, the Ohio Chamber testified before the Senate Judiciary Committee last week. The legislation, sponsored by Senators Theresa Gavarone and Jane Timken, will help create a common sense civil justice system in our state by creating statutory protections for the personal assets of owners and officers of LLCs and corporations. For over a century, Ohio courts have recognized that corporations and the individuals who are officers, directors, and members of that corporation or limited liability company are separate legal entities. That bifurcation is crucial because it generally means that the individuals are not personally liable for the acts or obligations of the business entity, which allows business owners to make decisions about investments and operations knowing their personal assets are not at risk.

The exception to this separation of personal liability is when an individual engages in fraud or other criminal activity. In this instance, courts will allow plaintiffs to "pierce the corporate veil," and the business owners become personally liable for the acts of the corporation. This exception is necessary because it prevents bad actors from hiding behind a corporation's legal protections despite their misconduct.

Senate Bill 146 does not limit this exception, but rather adopts the existing framework on when the corporate veil can be pierced. Under the legislation, business owners cannot be liable for actions taken on behalf of the business unless the person has complete control over the entity and the individual

engages in fraud or other illegal activity. The bill also requires a resulting injury or loss from the person's wrongdoing.

By bringing the judge-made law into statute, SB 146 improves Ohio's legal climate since it will bring greater predictability to how courts and administrative enforcement actions will apply the standards for piercing the corporate veil. That predictability is key, since putting a business owner's personal assets in jeopardy can lead to fewer investments and hinder economic growth.

The Ohio Chamber commends Senators Timken and Gavarone for taking on this important issue, and we look forward to continuing our advocacy in support of the bill.