



# AOF Senate Budget Webinar Review

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## What Happened This Week?

- Senate released their version of the budget (sub-bill) on Tuesday June 11
- Public testimony in Senate Finance Wednesday, Thursday, Friday, and this coming Monday
- Amendments for the omnibus due today



## Timeline

- June 14: Omnibus amendments Due
- June 18 or June 19: Omnibus Amendment Revealed
  - Senate Finance Committee Vote (no more testimony)
- June 20 or June 21: Senate Floor Vote
- June 24-?: Conference Committee
- Due Sunday June 30<sup>th</sup>: Governor's veto messages and signature



## AOF Priorities

- State funding for 2020 Census (\$1.1M)
- Increased funding for education and training programs to satisfy work requirements for SNAP, OWF, soon to be Medicaid (\$4M/FY)
- Restore mental health and addiction funding dedicated to K-12 prevention efforts (\$18M) and public media campaigns to increase awareness and reduce stigma (\$18M)
- Remove provisions of SB 6 (Coley, Hottinger)-Temporary child hosting
- Modest increase in county recorder fees to invest \$8M for Ohio Housing Trust Fund
  - Funding for fiscal year 2020 is \$43M-in 2005 it was \$73M



## AOF Priorities

- Restore \$20M for Help Me Grow Program, evidence-based home visiting
- Expand access to publicly funded child care by increasing the level of eligibility to 150 percent of poverty (currently 130%, 150% FPL=\$38,625/4)
- Preserve \$10M for child care providers to implement Step Up to Quality
- Make state Earned Income Tax Credit (EITC) refundable
  - A 10% refundable EITC would do more for the poorest Ohioans than the rate and bracket cuts in the Senate tax plan

Read our full testimony on the Senate Sub-Bill [HERE](#)



## Children's Services and Early Childhood Care and Education

- Restores a \$15 million federal set-aside to help provide assistance to family members who take children into their care, often because a parent is addicted to opioids or other drugs
- \$10 million in GRF for quality infrastructure grants-creates a competitive opportunity for local communities to support child care programs who are seeking to fulfill their commitment to Step Up to Quality by June 30, 2020
  - Includes but not limited to wage incentives and assistance with certification and degree attainment, professional development and technical assistance, facilities improvement and classroom supplies, and curriculum and assessment
- Allocates \$4M in FY 20 & \$6M in FY 21 to prevent custody relinquishment of multi-system youth; requires the Family and Children First Cabinet Council to assess the conditions that contribute to families needing to surrender custody to receive services for their children



## K-12 Education

- Reduces the \$625M over two years the House had designated for “wraparound” wellness services for at-risk students back to the \$550M. These services include mental-health treatment and after-school programs.
  - They allocated the difference to other education programs, including expanding a private-school voucher program and boosting funding by about \$38 million for high-growth school districts (186/610 Districts).
- HB 154 inserted: Ends Academic Distress Commissions and restore power back to locally elected school boards



## Tax Changes

- Eliminates taxes on income below \$21,750 (House \$22,250) bottom 2 brackets
- Expands the House-passed income tax cut (6.6%) to 8% — 4% annually for two years — intended to offset the 10.5-cents a gallon increase in the state gas tax Ohioans will pay beginning July 1
  - The Senate cut would save a single taxpayer with \$45,000 in annual taxable income roughly \$67, while the larger Senate cut would increase the savings to about \$81.
- Small business & LLC Loophole- Eliminates the extra tax break on annual business owner incomes above \$250,000, (House proposed \$100,000) with filers paying the full 4.6% rate on income in excess of that amount (formerly 3%). The change would cut the break by a total of \$300 million
- New personal income-tax deduction worth up to \$250 for teachers who paid out-of-pocket for their own school supplies or professional training
- Kept state tax breaks for movie and TV productions (\$40M and expanded to theatre) and on purchases of rare coins and bullion.



## Miscellaneous

- Increases the Local Government Fund (LGF) percentage to 1.68% for both FY 20 & FY 21 and creates a new population based distribution method for the direct municipal support fund
- Increases the Public Library Fund (PLF) percentage to 1.70% for both FY 20 & FY 21
- Higher ED: Increases SSI by an additional 1% over the biennium (roughly \$40M)
  - Increases funding for OCOG by \$3M per FY
- Fully funds the first two years of DeWine's H2Ohio initiative at \$172M to help clean Lake Erie and other state waterways. DeWine wanted nearly \$900M set aside up front



- Raises the legal age for purchasing all tobacco and vaping products to 21 from 18.
  - New 17% tax on e-cigarettes and other “vapor-products,” to be paid by distributors
- \$5 million for the Ohio Parenting and Pregnancy Program, which provides funding for pregnancy resource centers around the state. Such centers provide pregnant women with resources designed as an alternative to abortion

Additional Summary Points [HERE](#)

**2 Weeks Left!!**