



Week of Feb. 5, 2024

House passes bills on capital budget and capitalism and financial literacy

In its final meeting before the March primary election, the Ohio House of Representatives convened Wednesday to send several bills to the Senate, including [House Bill \(HB\) 2](#), which includes the first iteration of the capital budget, and [Senate Bill \(SB\) 17](#), which requires capitalism to be included into the state's academic content standards and model curricula for high school financial literacy instruction.

HB 2, which was approved by a vote of 75-19, contains portions of what will become the capital budget bill and includes \$600 million in debt-financed spending for school facility construction and renovation projects. It also includes more than \$2 million for various earmarked school projects, sourced \$350 million of the \$700 million budget surplus. These earmarks drew the ire of many conservative Republicans who attempted unsuccessfully on the House floor to voice their concerns with the manner in which the multi-billion-dollar spending package was unveiled and passed. The contents of the bill's changes were revealed and passed by the House in less than 24 hours.

Moments after the House's vote on [HB 2](#), Senate President **Matt Huffman** [sent a letter to Senate colleagues](#) criticizing the House for failing to consult with the Senate on the House's capital budget proposal and reaffirmed the Senate's timeline to pass the capital bill by late spring. The House had originally intended for the bill to clear the legislature by April 8, while the Senate operated on a much-later timeline as it requested capital budget requests to be submitted to the Senate Finance chairman's office on April 10, just two days after the House planned to send the bill to the governor.

Meanwhile, [SB 17](#), which was passed by a vote of 66-26, would require financial literacy to be incorporated into the state's academic content standards and model curricula while also allowing high school students to opt out of the state requirement to complete one-half unit of instruction in financial literacy if they successfully pass an AP microeconomics or macroeconomics course. The bill now returns to the Senate for a final concurrence vote before advancing to Gov. **Mike DeWine** for his signature.

Finally, the House did not act this week on [HB 183](#), the same-sex bathroom bill for K-12 schools, colleges, and universities due to a cancellation of a planned Wednesday committee vote on the bill, which would have teed the measure up for a same-day House vote on the bill.

Joint tax committee hears testimony from business organizations

The Joint Committee on Property Tax Review and Reform met again this week to hear testimony from business groups who commented on the state's property tax system, public school educational outcomes, the need to consolidate school districts and local governments, and the housing market in general. The Ohio Chamber of Commerce, Ohio Business Roundtable, Ohio chapter of the National Federation of Independent Business, and Ohio Farm Bureau all discussed property taxes and their impact on their industries. A recording of that meeting is [accessible here](#).

It is expected that school representatives will provide testimony to the joint committee in April after the March primary election. Another committee could occur in late February, prior to that hearing.

House committee amends property tax bills

The House amended [HB 263](#) and [HB 344](#) this week. HB 263, which would freeze property taxes for eligible senior citizens, was amended to lower the bill's eligibility age from 70 to 65, lower the ownership duration from 10 years to two years, lower the maximum fair market property value from \$1 million to \$500,000, and lower the income qualifier from \$70,000 to \$50,000.

HB 344, meanwhile, was amended to include a nonsubstantive, corrective amendment but also featured proponent testimony from the Buckeye Institute.

Heard around the Statehouse

"What a coward." - Rep. **Derek Merrin**, in response to Speaker **Jason Stephens** and his repeated refusal to recognize Merrin and other Merrin supporters on the House floor during a voting session in which Merrin loyalists had hoped to publicly decry the House's swift reveal and passage of the capital budget, among other issues.

"Anecdotally, our members are frustrated with the school system today and what they're receiving from that... I don't want you to leave here thinking our members don't care about what our public education system is producing, and they're concerned." - **Chris Ferruso**, state director of the National Federation of Independent Business (NFIB), speaking to the Joint Committee on Property Tax Review and Reform.

"Can these local entities help provide some of that (property tax) relief as well by returning some of that money they don't need?" - **Chris Ferruso**, NFIB state director, arguing to the joint committee that local governments and schools may not need to receive the entirety of the property tax revenue increases resulting from property valuation increases.

"I think if we lower the amount of people offering services, there might be more money for those services out of that overhead." - **Tony Long**, general counsel for the Ohio Chamber of Commerce, arguing for consolidation of school districts and local governments that would allegedly translate to lower property taxes.