

Publications

Ohio Statehouse Update: New Tax and Energy Laws Take Effect; Legislative Study Committees Convening

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New Tax, Energy Laws

As the Ohio legislature finishes summer break and heads into the fall election season, two high profile pieces of legislation that were passed this spring have recently taken effect:

House Bill 483, Mid-Biennium Review Legislation (certain provisions eff. 9/15/2014) – H.B. 483 contains numerous major policy and appropriations measures building off and modifying the provisions of the state's biennial budget passed in 2013. Of particular note, H.B. 483 contains additional tax relief measures for Ohioans, as follows:

- Increases the income tax deduction on small business income from 50 percent to 75 percent for tax year 2014;
- Accelerates planned across-the-board personal income tax reductions by moving up next year's scheduled 1 percent cut, making the cut retroactive to Jan. 1, 2014;
- Increases the Earned Income Tax Credit (EITC) from 5 to 10 percent; and
- Increases the personal state income tax exemption from \$1,700 to \$2,200 for families earning less than \$40,000 a year.

Senate Bill 310, Renewable Energy / Energy Efficiency Freeze Legislation (eff. 9/12/2014) – This much-debated and controversial legislation places a two-year freeze on renewable energy and energy efficiency standards for Ohio's electric utilities. S.B. 310 creates a 12-member Energy Mandates Study Committee, expected to begin holding meetings this fall, that is charged with reviewing the impact and cost-effectiveness of Ohio's existing renewable energy, energy efficiency, and peak demand reduction standards and issuing a report with recommendations for changes by September 30, 2015.

The Ohio House has not yet announced its six appointed members for the study committee, but Senate President Keith Faber (R-Celina) announced the appointment of the following six Senate members to

the committee this week: Sen. Troy Balderson (R-Zanesville) Co-Chair; Sen. Cliff Hite (R-Findlay); Sen. Bob Peterson (R-Sabina); Sen. Bill Seitz (R-Cincinnati); Sen. Capri Cafaro (D-Warren); and Sen. Shirley Smith (D-Cleveland).

Legislative Study Committees

Although the Ohio House and Senate are not planning to convene for any formal voting sessions prior to the conclusion of the November 4th general election, legislative committee hearings and meetings regarding pending bills and policy issues have been ongoing.

In particular, Speaker of the House Bill Batchelder (R-Medina) appointed members to two study committees over the summer, focusing on the following topics:

- **Law Enforcement Perspectives on the Drug Epidemic and Its Impact on Families Study Committee** – Rep. Dorothy Pelanda (R-Marysville) Chair; Rep. Jim Buchy (R-Greenville) Vice-chair; Rep. Margaret Conditt (R-Hamilton); Rep. Tim Derickson (R-Oxford); Rep. Christina Hagan (R-Alliance); Rep. Bill Hayes (R-Greenville); Rep. Brian Hill (R-Zanesville); Rep. Nickie Antonio (D-Lakewood); Rep. Sean O'Brien (D-Hubbard); and Rep. Nick Celebrezze (D-Parma).
- **Unemployment Compensation Debt and Reducing Burdens on Ohio Businesses Study Committee** – Rep. Barbara Sears (R-Sylvania) Chair; Rep. Gary Scherer (R-Circleville) Vice-chair; Rep. Peter Beck (R-Mason); Rep. Tony Burkley (R-Payne); Rep. Cheryl Grossman (R-Grove City); Rep. Bob Hackett (R-London); Rep. Mark Romanchuk (R-Mansfield); Rep. Wes Retherford (R-Hamilton); Rep. Jack Cera (D-Bellaire); Rep. Michael Curtin (D-Columbus); Rep. Denise Driehaus (D-Cincinnati); Rep. Mike Foley (D-Cleveland); and Rep. Michael Sheehy (D-Toledo).

Both study committees have been convening hearings around Ohio to discuss and hear testimony on these important issues facing the state. The study committees will be issuing reports this fall that will likely form the basis for legislation to be introduced later this year, or in early 2015.