CLIENT ALERTS & INSIGHTS

What to Expect in 2024 at the Ohio Statehouse

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While the campaigns for U.S. President, U.S. Senate, U.S. House, Ohio Supreme Court, and the Ohio General Assembly will dominate media attention, we still anticipate significant activity at the Ohio Statehouse in 2024. Additionally, the executive branch will remain busy, with Governor DeWine and his administration working to advance priorities as he rounds out his final three years in office. Here are some of the issues on our radar:

Gubernatorial Veto Overrides

Before breaking for the holidays, the House voted to override a veto of legislation to preempt any local authority from regulating tobacco products. The Senate is expected to do the same. This will impact city ordinances enacted across Ohio to ban flavored tobacco and vaping products and implement age restrictions. To be determined is whether the legislature will implement their own framework to regulate these products. If the ban becomes law, it may be challenged as a violation of municipalities' constitutional home rule powers.

Both the House and Senate are expected to overturn DeWine's veto of House Bill 68, which would prohibit gender-affirming healthcare for transgender youth and ban transgender athletes from participating in sports in accordance with their gender of choice. Taking the lead on this issue, Governor DeWine recently signed an executive order to immediately ban gender transition surgeries for minors and filed administrative rules for public comment through both the Ohio Department of Health and Ohio Department of Mental Health and Addiction Services.

Joint and Select Committees

The Joint Committee on Property Tax Review and Reform will hold its first meeting this week. This bipartisan, bicameral committee is tasked with reviewing the history and purpose of Ohio's property tax law, including levies, exemptions, and local subdivision budgeting, and is required to submit a report making recommendations on reforms to property tax law by the end of this year. Benesch is closely monitoring topics such as property tax exemptions for charitable use by tax exempt entities and tax credits and incentives for businesses and developers.

The Senate Select Committee on Housing has been meeting for the purpose of "developing ways to encourage homeownership while removing barriers that entrepreneurs encounter as they work to revitalize neighborhoods." The scope of the committee has expanded, with policies such as a model local zoning code being discussed. We will continue to track these hearings, as well as any resulting proposed legislation that is expected.

Capital Budget and One-Time Strategic Community Investments Fund

In the second year of a biennium, the legislature generally considers a capital appropriations bill, which funds projects involving the acquisition, construction, equipping, or renovation of buildings and other facilities of agencies. Each capital budget usually reserves funds for local nonprofit community projects that are eligible for state bond funding. The main operating budget also appropriated $700 million to the One-Time Strategic Community Investments Fund for the one-time infusion of funding for meaningful and transformational investments that positively affect the lives of Ohioans. These funds are not restricted by bond issuance requirements, and private for-profit entities are eligible to apply.

The House deadline for accepting applications for projects to be funded through the Strategic Community Investments Fund was December 18. The Senate deadline is not until April 8. Projects that were not submitted to the House can still be submitted for consideration in the Senate. Benesch is here to help organizations navigate that process.

Legislative Priorities

- In addition to helping our clients understand and interact with the newly named and restructured Ohio Department of Education and Workforce, we are also watching S. B. 83, controversial legislation to enact the **Ohio Higher Education Enhancement Act**, which aims to serve as a “course correction for our institutions of higher learning." This bill also includes a provision to amend the Uniform Prudent Management of Institutional Funds Act, which may impact certain university endowments.

- With the passage of Issue 2, a framework for the **adult use of marijuana** must be up and running by September under the Ohio Department of Commerce Division of Marijuana Control. Benesch will be engaged in the rulemaking process, as well as ongoing legislative conversations to pass an “Issue 2 fix” bill that will address issues including taxation, disbursement of tax proceeds, automatic licensing handouts, safety and more.
- Legislation that passed in 2019 requires that all **occupational licensing** boards be renewed once every six years or be set to expire. H.B. 238, pending in the House, will renew or make changes to licensing requirements and oversight for real estate agents and brokers, cosmetologists, architects, jail support staff and many others. The legislation must be passed by December of 2024.

Other items we are tracking include:

- Grantmaking by the OneOhio Recovery Foundation.
- Expanding in Ohio is the Program of All-Inclusive Care for the Elderly (PACE), a managed care model that provides participants with all of their health care, medical care, and ancillary services in acute, sub-acute, institutional, and community settings in one place. Providers were recently announced by the Ohio Department of Aging to add programs in seven additional regions in Ohio.

- Main operating budget program implementation and grantmaking, such as the All Ohio Future Fund, Appalachian Community Grant Program, Brownfield Remediation Program, Building Demolition and Site Revitalization Program, a Statewide Disparity Study, Innovation Hubs, and initiatives to boost state support for tourism.
- With a redesigned Columbus City Council, 2024 Operating Budget, and expected legislation to reform the City's zoning code, we expect a lot of activity at the local level.

If you have questions about any of the above, as well as any other legislative or executive initiatives, reach out to Holly Gross or Rachel Winder with the Benesch Government Relations Team.

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