

State Legislative Update 3

Monday, May 4, 2009

This week in Columbus is supposed to be a cooling off period after the House passed its version of the budget last week. People are trying to read the thousands of pages of text in the substitute bill. It is so big that it will lock up your computer. Action will pick up next week when the Senate gets serious about creating its own version of the budget.

The UT Office of Government Relations will send out an update every Monday concerning the status of selective bills affecting higher education and UT. Please distribute as widely as you see fit. Also, feel free to call or send e-mails to our office with comments and questions. Full versions of bills may be found at this Ohio government Web site: http://www.legislature.state.oh.us/search.cfm#bill_number . Please note that bills are not always posted in a timely fashion, may not be the current version, and may not include added amendments.

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HB 1 HB 1 is now referred to “As passed by the House.” The conventional wisdom is that the Senate will strip out of the bill most or all of the Democratic House passed amendments to the Governor’s original budget. This does include some put back funding for UT such as the Urban Affairs Center. The Senate Finance Committee has been taking preliminary testimony over the past few weeks, so action will pick up late this week and next week.

Construction Reform Amendment This amendment did not make it into the House version of the budget and will probably not be introduced by the Republican Senate. Supposedly, the strategy is that Governor Strickland will make some tweaks in his Task Force’s recommendations and construction reform will be introduced as a separate bill. This probably will not happen soon.

SB 83 “Retirement Benefits” We understand that OPERS is close to issuing its analysis of this important bill.

HB 30 also deals with OPERS retirement benefits. Its summary reads as follows: The bill “requires an analysis of each proposed retirement incentive plan for Public Employees Retirement System members and prohibits a member who participates in such a retirement incentive plan from being re-employed by the same employer.” We are also tracking this bill carefully.

SB 69 “Student Vaccinations” Also in the Senate Health, Human Services, and Aging Committee, this is a bill requiring that students living on-campus be vaccinated for meningococcal meningitis and hepatitis B. This bill will have its 4th hearing (all sides testimony) and will probably pass out of committee to the full Senate.

HB 123 “Graduate Tax Credit” This bill in the House Ways and Means Committee proposes to grant an income tax credit to individuals who earn degrees in the STEM (not including medicine) disciplines to earn tax credits. This bill will have its first hearing and is not expected to progress this year. **HOWEVER, SB 5** “Grants for Graduates” is similar and is advancing through the Senate Finance Committee and ultimately has a better chance of passage. This bill “provides a limited number of grants for the purchase of qualifying first homes to Ohio residents receiving an associate, baccalaureate, master's, doctoral, or other postgraduate degree.” Grades will not matter; the grants will be made by lottery drawing. **HB 144** “Income Tax Credit” This bill is similar to HB 123 above but broader in scope. It grants an income tax credit eliminating tax liability for five years for individuals who obtain a baccalaureate degree and who reside in Ohio. At some point these types of bills will be consolidated.

HB 125 This bill comes out of the Governor’s State of the State speech. It imposes new fees on hospitals to offset Medicaid costs. This bill is controversial and the Ohio Hospital Association and hospitals are campaigning vigorously against it. It is in its early stages of the process and is in the House’s Health Care, Access and Affordability Committee. An average hospital will get about 82% of the new fee back through increased Medicaid payments.

HB 12 “Credit Cards” This bill restricts credit card marketing (so-called affinity agreements) on university campuses. It may come to a House vote in the near future. OSU has taken the lead to modify this bill and now maintains that we can all live with it.

HB 140 “Entrepreneurial Projects” This bill permits institutions of higher education to facilitate and assist with entrepreneurial projects for economic development. This bill has language identical to language in the substitute budget bill. It was introduced separately in order to gain more attention.

HB 147 “Textbook Affordability” This bill is this year’s version of a Senate bill from last year that tries to make textbooks more affordable by putting restrictions on publishers in various ways such as bundling books. This also restricts professors from profiting by assigning their own texts. This is a controversial subject but both students and legislators like it because it reduces student expenses. With the crush of legislation, however, this probably won’t go anywhere this year.

NEW HB 4 “Distance Learning” This bill is in the House Finance Committee and is probably going nowhere right now. It requires the “eTech Ohio Commission to develop and implement an interactive distance learning pilot project.” But the Regents are involved and there may be implications for us.

NEW SB 52 “Government Reorganization” This bill was introduced by a Republican senator in February, but is languishing in the Senate’s State & Local Government & Veteran Affairs committee. Interestingly, it abolishes the Regents and creates a Division of Higher Education in the Department of Education. It may get some notice in the Senate but will not be passed by the House or signed by the governor.