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**Ohio Speech and Hearing Governmental Affairs Coalition
Legislative Activities Report
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With both the House and Senate members back in swing following their caucus retreats at the end of January, the legislature has officially begun its work. Senate Republicans recently announced its replacement for Senator Shannon Jones, who chose to leave the 7th Senate District to run for Warren County Commissioner. Her replacement, Steve Wilson, is a retired bank CEO from Lebanon. Mr. Wilson bested four other applicants including former Rep. Ron Maag for the recommendation, which must be voted on by the full Senate Republican Caucus.

The most important piece of legislation the 132nd Ohio General Assembly will address during the first half of 2017 is the two-year state operating budget. After much anticipation, Governor Kasich released the details of his state budget proposal on January 30th. The all-funds budget, which includes federal reimbursements for Medicaid spending and other sources, along with tax revenue, is about \$144.3 billion for two years. The current biennial blueprint totaled \$128.3 billion.

As with his previous budgets, Governor Kasich is proposing massive tax reforms. His plan calls for a \$3.1 billion reduction in the state income tax. To pay for this tax cut, he plans to increase the state's sales tax to 6.25% and broaden it to apply to more services. The executive budget proposal also includes increases to cigarette, alcohol, and oil and gas severance taxes. Lawmakers in both the House and Senate have been hesitant in the past to support increasing taxes in other areas to pay for another income tax cut.

Kasich's budget also continues to cover Ohio's expanded Medicaid population, despite uncertainty about how Congress intends to replace the Affordable Care Act. However, Kasich's plan does direct the Department of Medicaid to seek federal approval to require certain adults, with incomes above the federal poverty rate, to pay a monthly premium of about \$20. This change will impact about 150,000 people on Medicaid. Governor Kasich also calls for a tax on all health-insuring corporations to replace the sales tax on Ohio's Medicaid Managed Care

Organizations, which federal regulators said last year was no longer permissible. Under the new tax, plans serving Medicaid recipients would pay \$26 to \$56 per member per month, while non-Medicaid major managed care plans would pay a rate of \$1 to \$2 per member per month.

ODM general revenue funding for fiscal year 2018 is \$14.9 billion (or a 13.3% decrease from fiscal year 2017). Funding for fiscal year 2019 is \$15.4 billion (or a 3.0% increase from fiscal year 2018).

Outside of the Medicaid budget and of particular interest to GAC is the Ohio Department of Health's budgetary and policy decision to continue the Hearing Aid Assistance Program (HAAP) for another two years through its proposed funding at \$200,000 in each fiscal year. You may recall that GAC helped to create this program four years ago, working with State Representative Kirk Schuring (R-Canton). The program seeks to help families whose commercial insurance does not cover hearing aids. Different from in years past, this time ODH has specified that the funding under the program can be used not just for hearing aids, but also for hearing assistive technology. ODH will promulgate new rules that establish eligibility criteria to include families with incomes at or below four hundred per cent of the federal poverty guidelines, and to develop a sliding scale of disbursements based on family income. The rules will also likely outline what other assistive technology is eligible for reimbursement through the HAAP going forward.

Finally, among many other substantive changes, the Governor's budget also seeks, yet again, to consolidate several healthcare related licensure boards. More specifically, the bill will attempt to consolidate the Ohio Speech-Language Pathology and Audiology Board with the Optometry, Optical Dispensers and Hearing Aid Dealers Boards. The new board would be called the Ohio Vision and Hearing Professionals Board. The membership of the new Board would be as follows: two optometrists, two dispensing opticians, two SLPs, one audiologist, one hearing aid dealer and one public member. If adopted, this merger would be effective January 21, 2018. This mirrors the consolidation attempt that was undertaken and defeated in lame duck session at the end of last year. GAC is working again with the coalition of impacted organizations to express our opposition to the proposal (see separate letter).

Also of note, Ohio Auditor Dave Yost has made public his plans to run for state attorney general in 2018. Yost, a former reporter and prosecuting attorney, would replace Ohio Attorney General Mike DeWine, who has voiced interest in running for governor. Mr. Yost is in his second and final term as state auditor and had earlier contemplated a 2010 bid for AG before Mr. DeWine pursued the post. Former Ohio Senate President Keith Faber hopes to replace Yost as state auditor in 2018, after he confirmed numerous rumors that he is running for the Republican nomination. Faber's service in the Senate included four years as president, with eight-year term limits prompting him to seek and win election last fall to a seat in the House, where he formerly served six years.

We have been tracking the following legislation during the 132nd General Assembly:

- HB49** **OPERATING BUDGET (SMITH R)** Creates FY 2018-2019 main operating budget.
Current Status: 2/16/2017 - House Finance Higher Education Subcommittee, (First Hearing)
- SB3** **WORKFORCE DEVELOPMENT (BEAGLE B, BALDERSON T)** To revise the laws governing the state's workforce development system, programs that may be offered by primary and secondary schools, certificates of qualification for employment, and the Opportunities for Ohioans with Disabilities Agency, and to designate the first week of May as In-Demand Jobs Week.
Current Status: 2/8/2017 - Senate Transportation, Commerce and Workforce, (First Hearing)
- SB27** **DEAF HISTORY MONTH DESIGNATION (BEAGLE B)** To designate the period beginning March 13 and ending April 15 as "Ohio Deaf History Month."
Current Status: 2/14/2017 - Senate Health, Human Services and Medicaid, (First Hearing)