



STATEHOUSE REPORT

Published by: County Commissioners Association of Ohio

209 East State Street • Columbus, Ohio 43215-4309
Phone: 614-221-5627 • Fax: 614-221-6986 • www.ccao.org

April 25, 2025

House-passed budget proposes significant cuts to H2Ohio program

In the House-passed version of House Bill 96, the state operating budget, the H2Ohio program would see its funding decrease from \$229.5 million over the current biennium to \$149.9 million over the upcoming biennium, a 35% funding reduction. Along with the proposed cuts in funding, the House also added language that would prohibit any H2Ohio funds from being used to purchase land or to place land in a conservation easement.

The budget cuts will be distributed evenly throughout the three agencies that administer H2Ohio funds. The Department of Agriculture, the Ohio Environmental Protection Agency, and the Department of Natural Resources would each be cut roughly 55% from SFY 2025 to SFY 2026. A small appropriation to the Lake Erie Commission for H2Ohio is flat-funded.

Department of Agriculture – Funding for H2Ohio to the Department of Agriculture is cut from \$60.7 million in SFY 2025 to \$33.7 million in each fiscal year. The Department of Agriculture's H2Ohio funds are mainly used for the reduction of excess nutrients within the Western Lake Erie Basin.

Funding through the Department is also used to incentivize best management practices for farmers in the northwest region of the state. Roughly 2,600 agreements between farmers and the Department have been signed since the program's inception. This has equated to nearly two million acres of farmland being designated as following the nutrient management plans, or nearly 36 % of all farmlands within the Western Lake Erie Basin.

Department of Natural Resources – Funding for H2Ohio to the Department of Natural Resources is cut from \$46.6 million in SFY 2025 to \$26.2 in each fiscal year. The funding the Department receives has been largely used to create wetland projects throughout the state. This project has made H2Ohio funding accessible to all parts of the state, which had historically focused mainly on Western Lake Erie Basin issues.

The Department has completed and is in progress to complete over 200 wetland projects throughout the state to date. Wetland projects have been a way to assist in lowering the

likelihood of harmful algal blooms. A wetland will slow the flow of water and allow nutrients to settle, which can help reduce nutrient loading into larger waterways. The slowing down of the nutrients causes the nutrients within the soil to fuel ecosystems and native plants instead of flowing downstream.

The language in HB 96 will have a harmful effect on this program as H2Ohio funds will no longer be able to be used for conservation easements or to purchase land.

Ohio Environmental Protection Agency – Funding for H2Ohio to the Ohio Environmental Protection Agency (OEPA) is cut from \$27.5 million in SFY 2025 to \$14.9 million in each fiscal year. The funding OEPA receives is used to focus on addressing failing home sewage treatment systems, replacing lead service lines, and funding water and sewer infrastructure projects. Recently \$1.9 million was used across 22 counties for equipment and storage facility upgrades to help reduce the overapplication of de-icing materials on Ohio's roads, which ultimately helps the health of Ohio's waterways.

If you may have any questions relating to the proposed budget cuts on H2Ohio please reach out to James Kennedy, Policy Analyst, at jkennedy@ccao.org.

US Supreme Court lifts stay, allows signature gathering for ballot measure to repeal qualified immunity

On Tuesday, the full US Supreme Court repealed an order that prevented advocates in Ohio from collecting signatures to place a constitutional amendment titled "Protecting Ohioans' Constitutional Rights" on the ballot. The amendment aims to remove all qualified immunity protections from government workers if they are civilly sued for conduct that occurred during the exercise of their official job duties.

The group gathered the required 1,000 signatures eight separate times to submit language to the Attorney General for his approval. Attorney General Yost had rejected their ballot language each time stating that it was misleading to Ohio voters. The ballot group challenged the Attorney General's ruling in federal court in March 2024.

The ballot group was ultimately successful in federal court, which ruled that Ohio's law, and the Attorney General's interpretation of the law, placed a content-based restriction on voters' speech and likely violated the First Amendment. Attorney General Yost appealed this decision to the US Supreme Court and asked them to pause signature collection for the ballot group while the Court heard the appeal. The US Supreme Court initially granted the stay, but its ruling this week in rejecting the appeal ended it.

This ruling will ultimately increase the chance that the constitutional amendment will appear on the ballot in the future. The removal of qualified immunity will expose all county elected officials and county workers to civil lawsuits. This would significantly increase insurance costs and likely shrink the labor pool for county employment.

CCAO is working with the Ohio Prosecuting Attorneys Association, the Buckeye State Sheriffs Association, and other local government and law enforcement groups to monitor the issue and potentially oppose the amendment if it is placed on the ballot.

Legislative Activity

Introduction of Bills

The following bill(s) that may be of interest to counties were introduced this week:

- [Senate Bill 179](#) (Senator Terry Johnson): To verify the veteran status of imprisoned individuals and individuals facing imprisonment.
- [Senate Bill 180](#) (Senator Terry Johnson): To prohibit the purchase of small unmanned aircraft systems manufactured or assembled by a covered foreign entity.
- [Senate Bill 181](#) (Senator Shane Wilkin): To establish regulations for the underground mining of limestone and dolomite and to increase certain severance tax rates.

Upcoming Committee Hearings

The following committees are currently scheduled to meet and discuss bills that may be of interest to counties. Other committees will likely meet as well, but as of press time for Statehouse Report, they have not released agendas. Please note that these schedules are subject to change.

If you would like to offer testimony on any bill, please visit the committee page and contact the committee chair's office for instructions on how to submit testimony.

Tuesday, April 29

[Senate Finance](#) (9:00 a.m.)

- Budget testimony from the Joint Medicaid Oversight Committee, Opportunities for Ohioans with Disabilities, the Ohio Department of Developmental Disabilities the Ohio Department of Medicaid, and panels on developmental disabilities and skilled nursing facilities.

[House Public Safety](#) (9:30 a.m.)

- [House Bill 1](#) (Representatives Angela King and Roy Klopfenstein): To modify the law that prohibits certain governments, businesses, and individuals from acquiring certain real property.
 - Second hearing, proponent testimony
 - **POSSIBLE AMENDMENTS**
- [House Bill 23](#) (Representatives Bill Roemer and Josh Williams): To create the escaped convict alert program.
 - First hearing, sponsor testimony
- [House Bill 26](#) (Representatives Josh Williams and Tex Fischer): To require state and local authorities to cooperate with the federal government in the enforcement of immigration laws, to prescribe funding reductions for noncompliance, to name this act the Protecting Ohio Communities Act, and to declare an emergency.
 - First hearing, sponsor testimony

House Children and Human Services (11:15 a.m.)

- [House Bill 2](#) (Representative Mark Johnson): To establish the Child Care Cred Program and to make an appropriation
 - Third hearing, all testimony
- [House Bill 7](#) (Representatives Andrea White and Sharon Ray): To make foster caregivers and kinship caregivers eligible for publicly funded child care.
 - Third hearing, all testimony
- [House Bill 41](#) (Representatives Andrea White and Bill Roemer): To establish certain child care grant programs, including those related to child care capacity and learning labs, and to make an appropriation.
 - Third hearing, all testimony

Senate Government Oversight and Reform (2:45 p.m.)

- Budget testimony from, among others, the Department of Veterans Services, veterans organizations, and the Department of Commerce.

House Workforce and Higher Education (3:15 p.m.)

- [House Bill 98](#) (Representatives Nick Santucci and Josh Williams): To establish the Community Connectors Workforce Program and to make an appropriation
 - First hearing, sponsor testimony

House Transportation (3:30 p.m.)

- [House Bill 98](#) (Representatives Thomas Hall and Bride Rose Sweeney): To restore the Clean Ohio Fund to be administered by the Department of Development and the Clean Ohio Council.
 - Fourth hearing, no testimony
 - **POSSIBLE AMENDMENTS**
 - **POSSIBLE VOTE**

House Arts, Athletics, and Tourism (4:15 p.m.)

- [House Bill 138](#) (Representatives Mike Dovilla and Nick Santucci): To authorize the creation of tourism promotion districts and the levying of assessments therein.
 - Second hearing, proponent testimony

House General Government (4:30 p.m.)

- [House Bill 196](#) (Representatives Rodney Creech and Angela King): To allow an elector who is not a member of a political party to protest a person's candidacy for that party's nomination on certain grounds and to provide space on candidacy forms for former names.
 - First hearing, sponsor testimony

Wednesday, April 30

House Local Government (9:00 a.m.)

- [House Bill 92](#) (Representatives Mark Johnson and Riordan McClain): Regarding limitations on recovery and lien imposition by municipalities against property owners

of non-owner-occupied properties for unpaid water, sewer, and disposal services rates and charges.

- Second hearing, proponent testimony
- [House Bill 113](#) (Representatives Adam Bird and Johnathan Newman): To modify the law regarding annexation and financial disclosure forms, and to require school district approval of residential community reinvestment area property tax exemptions.
 - Second hearing, proponent testimony

[House Natural Resources](#) (9:00 a.m.)

- [House Bill 182](#) (Representative Levi Dean): To prohibit a public water system from adding fluoride to its water.
 - First hearing, sponsor testimony

[Senate Health](#) (9:30 a.m.)

- Budget testimony from, among others, the Department of Aging.

[House Development](#) (9:45 a.m.)

- [House Bill 17](#) (Representative Brian Lorenz): To classify certain storage condominiums as residential property for tax purposes.
 - Second hearing, proponent testimony
- [House Bill 161](#) (Representatives Adam Bird and Jim Thomas): To extend sales and use taxes and local lodging taxes to short-term rentals and to require collection of those taxes by short-term rental platforms.
 - Second hearing, proponent testimony

[House Public Insurance and Pensions](#) (11:30 a.m.)

- Presentation from the Ohio Department of Job and Family Services.

[House Ways and Means](#) (11:30 a.m.)

- [House Bill 22](#) (Representatives Brian Lorenz and David Thomas): To authorize a full homestead exemption for surviving spouses of members of the uniformed services killed in the line of duty.
 - First hearing, sponsor testimony

Thursday, May 1

[Senate Health](#) (9:30 a.m.)

- Budget testimony from, among others, the Department of Mental Health and Addiction Services.