



OHIO CHAMBER OF COMMERCE LEGISLATIVE UPDATE



JPMORGAN CHASE & CO.



FIFTH THIRD BANK



Property Tax Update

Two pieces of important tax legislation, HB 335 and HB 186, were amended in House Ways and Means Committee last week before they were reported out of the Committee. However, HB 186 was re-referred to House Finance Committee due to an appropriation (~360M funded by sales tax holiday excess) that was amended into the bill to partially reimburse school districts on the 20 mill floor for revenue lost from the temporary credit.

The House Finance Committee met the next morning and swiftly reported HB 186 out of the committee. HB 335 and HB 186 then received a House floor vote the same afternoon and were passed with a vote of 71-24 and 72-23 respectively. The Ohio Chamber of Commerce provided proponent testimony on HB 186 and issued a key vote alert to House members in support of the bill.

HB 186 limits property tax growth by ensuring that revenue from voted school district levies operating at the 20-mill or 2-mill floor does not exceed the rate of inflation over the preceding three years. Under the bill, property owners in affected districts will receive an inflation cap credit to offset property taxes charged above the inflationary limit.

HB 335 caps growth in property tax revenue from inside millage levies by tying increases to the GDP deflator over the previous three years. During county reappraisal or update years, county budget commissions must adjust levy rates to

stay within this limit. The bill provides flexibility for subdivisions to maintain or reduce rates under certain conditions, such as when collections would not increase or when offsetting new income tax revenues. Any future attempts to restore reduced inside millage rates would require county budget commission approval.

Additionally, HB 309 and HB 129 both received a first hearing and had sponsor testimony in Senate Local Government Committee.

HB 129 includes fixed-sum levies, such as existing emergency and substitute levies, in the calculation of a school district's 20-mill floor and the 2-mill floor for **joint vocational school districts (JVSDs)** starting in tax year 2026. It also authorizes districts to levy fixed-sum property taxes in limited circumstances, such as during fiscal distress or a declared emergency. These fixed-sum levies could only be used for current operating expenses, would be limited to five years, and could not be renewed.

House Bill 309 makes changes to how county budget commissions (CBCs) handle property tax levies and aims to provide more oversight in local property tax collections, ensuring they align with financial needs and statutory requirements.

Ohio Chamber Opposes New Employer Mandates for Hiring Reformed Citizens

The Ohio Chamber delivered opponent testimony on Senate Bill 143 before the Senate Workforce Development Committee. Proponents have labeled this legislation as "Ban the Box" legislation, but much of the bill implements a new hiring procedure any time an employer becomes aware of an applicant's criminal conviction.

Under Senate Bill 143, an employer with more than five employees would be unable to inquire about an applicant's criminal history on an initial job application. This "ban the box" portion of the legislation follows a nationwide trend of states and cities enacting similar laws. In fact, public employers and employers in cities like Columbus, Cleveland and Cincinnati are already subject to this restriction.

Senate Bill 143 goes much further than attempting to ban the box, however. The bill mandates that employers engage in an interactive process with applicants who have a criminal conviction appear on their background check. This process requires employers to perform an individualized assessment to determine if the applicant's criminal background has a sufficient adverse impact to deny the applicant the job. It also requires employers to inform the applicant in writing of the result of the criminal background check and provide a written statement describing reasons why the employer is denying the applicant a job offer.

This new process creates added liability under Ohio's civil rights statutes and undermines at-will employment in Ohio, where employers and employees alike can accept and withhold employment opportunities for any lawful reason. The legislation also results in treating reformed citizens differently from any other class of employee, because employers only need to engage in the bill's interactive process if the applicant has a criminal history. This differential treatment that institutes new liabilities and burdens on employers may indeed have a chilling effect on hiring reformed citizens since employers can bypass the bill's provisions by hiring applicants without criminal convictions.

While the Ohio Chamber currently opposes Senate Bill 143, we look forward to working with the bill sponsors and other stakeholders to potentially craft amendments to the legislation that address our concerns and promote second-chance hiring in Ohio.

Senate Holds Hearing on Ohio Chamber Top Ten Legal Reform Legislation

The Ohio Chamber testified as proponents of House Bill 126 before the Senate Judiciary Committee last week. This legislation, which passed the House in May, is a top ten priority bill for the Ohio Chamber because it aims to create a better legal climate for Ohio businesses by curtailing use of public nuisance lawsuits. A public nuisance action is one of the world's oldest legal claims, with its origins tracing back to British common law, and traditionally it was reserved for claims alleging someone's use of land interferes with a public right – such as a person installing a dam on a river that prevents further use of the river downstream.

The historical underpinnings of public nuisance actions have been ignored over recent decades by creative trial lawyers and judges who have used the tort to seek massive payouts from Ohio businesses by alleging their lawful manufacture, sale, or distribution of a product is responsible for a societal harm. These types of lawsuits are problematic because the plaintiff does not need to prove that the actions of a business caused the alleged harm, but rather only needs to show an interference of a public right. This lower standard for liability makes it nearly impossible for businesses to determine their potential legal risks.

House Bill 126 addresses this issue while building upon prior legislative enactments and judicial decisions by prohibiting any person or political subdivision from bringing product-based public nuisance lawsuits. This new statutory prohibition brings greater stability to our state's legal climate by directing all product-based lawsuits to Ohio's product liability laws that include statutory damages rather than enabling parties to pursue more unpredictable public

nuisance claims. Additionally, it codifies a recent 2024 Ohio Supreme Court decision which held that our state's product liability act abrogates all product-based public nuisance claims.

The Ohio Chamber supports House Bill 126 because it aligns with a legal reform priority in our [Blueprint for Ohio's Economic Future](#). The legislation also follows the Ohio Chamber's efforts in Ohio's courts to stop public nuisance lawsuit abuse — we have filed amicus curiae briefs urging a federal appellate court and the Ohio Supreme Court to find that parties cannot pursue product-based public nuisance lawsuits.

As the legislation remains pending before the Senate Judiciary Committee, the Ohio Chamber looks forward to advocating for its passage since it will improve Ohio's legal climate and prevent future misuses of public nuisance claims.

The Ohio Chamber's written testimony is available [here](#).