



Government Affairs Committee Agenda September 30, 2025

Welcome & Introductions

Luke Harms, Director of Government Relations, Whirlpool Corporation, Committee Chair

Special Guest Presentation

The Honorable Mike DeWine, Governor, State of Ohio

Public Policy Rundown/Staff Reports

- Leadership
- Energy
- Environment
- Human Resources
- Safety and Workers' Compensation
- Taxation and Finance

Ryan Augsburger, OMA President

James Lee, OMA Staff

Kim Bojko, Partner, Carpenter Lipps LLP, OMA Energy Counsel

Governor's Cabinet Officials Update

Director Stephen Dackin, Department of Education & Workforce

Administrator/CEO Stephanie McCloud, Ohio Bureau of Workers' Compensation

Special Guest Presentation

Representative Gayle Manning, Speaker Pro-Tempore, Ohio House Representatives

Guest Presentation

- Ohio's Political Landscape

Bob Clegg, Midwest Communications, President

Sandy Theis, Theis Research and Consulting, Owner

OMA Counsel Report

Chris Slagle, Bricker Graydon LLP, OMA General Counsel

Discussion Agenda

- Protecting competitive energy markets
- Ohio's political landscape
- Ballot initiative to abolish property tax
- Legislative opportunities and threats

Our Meeting Sponsors:



**2025 Government Affairs Committee
Calendar
Meeting begins at 10 a.m.
Thursday, December 4**

OMA Government Affairs Committee

Name	Company	Location
Michael Adkins	Performance Results Plus, Inc.	Westerville, OH
Gary Allen	Ohio Department of Veterans Services	Columbus, OH
Bob Alsept	Buckeye Career Center	New Philadelphia, OH
Lindsay Andrews	Gilbane	Columbus, OH
Lisa Kay Armstrong	Schaeffler Group USA	Wooster, OH
Ryan R. Augsburger	The Ohio Manufacturers' Association	Columbus, OH
Matt Austin	Austin Legal, LLC	
Steve Austria	Sugar Creek Packing Company	Dayton, OH
Scott J. Balogh	Mar-Bal, Inc.	Chagrin Falls, OH
Jan Bans	AT&T Ohio	Columbus, OH
Ryan Barta	Fifth Third Bank	Columbus, OH
Krista Bistline	Verizon	Lewis Center, OH
Kimberly W. Bojko	Carpenter Lipps LLP	Columbus, OH
Jessica Borza	The Ohio Manufacturers' Association	Lisbon, OH
Barbara Brdicka	Rhodes State College	Lima, OH
Charlene Bridges	Slalom	
Karen Brigner	The Ohio Manufacturers' Association	Columbus, OH
John Broderick	Magna Services of America, Inc.	Troy, MI
Rick Buchanan	Rick Buchanan Photography	Columbus, OH
Stephen Buehrer	Carpenter Lipps LLP	Columbus, OH
Matthew Burns	In-Finite Search Solutions	Westlake, OH
Melissa Cannady	Novelis Corporation	Ashville, OH
Jason Carbaugh	Deloitte	Columbus, OH
Rachael Carl	Walmart	
Skyla Coleman	Telhio Credit Union	Columbus, OH
Scott Cooke	Polaris Automation	Columbus, OH
Alex Coorey	Charter Communications	Columbus, OH
Sara Corona	Crown Equipment Corporation	New Bremen, OH
Andrew P. Corsig	PhRMA	Cincinnati, OH
Lisa Cummings-Dye	The Ohio Manufacturers' Association	Columbus, OH
Steve Dackin	Ohio Department of Education and Workforce	Columbus, OH
Gordon Daugherty	Universal Metal Products	Wickliffe, OH
Steve Dimon	AMG Vanadium LLC C/o 21 Consulting, LLC	Columbus, OH
Shaun Eller	Ohio Gratings, Inc.	Canton, OH
Andreas Foerster	Starr Manufacturing, Inc.	Vienna, OH
Dale Foerster	Starr Manufacturing, Inc.	Vienna, OH
David Frash	Anduril Industries	
Tayte French Lutz	The French Oil Mill Machinery Company	Piqua, OH
Prince Ohilebo Garuba	Ohio Association of Goodwill Industries	Columbus, OH
Malvina Gasco	The Lincoln Electric Company	
Rashad M. Gray	Mechanical Rubber	Hilliard, OH
Spencer Gross	High Bridge Consulting	Columbus,
Luke M. Harms	Whirlpool Corporation	Washington, DC
Lawrence D. Holmes	Fort Recovery Industries, Inc.	Greenville, OH
Zach Holzapfel	Hicks Partners, LLC	Columbus, OH
Brian Huprich	Ariel Corporation	Mount Vernon, OH

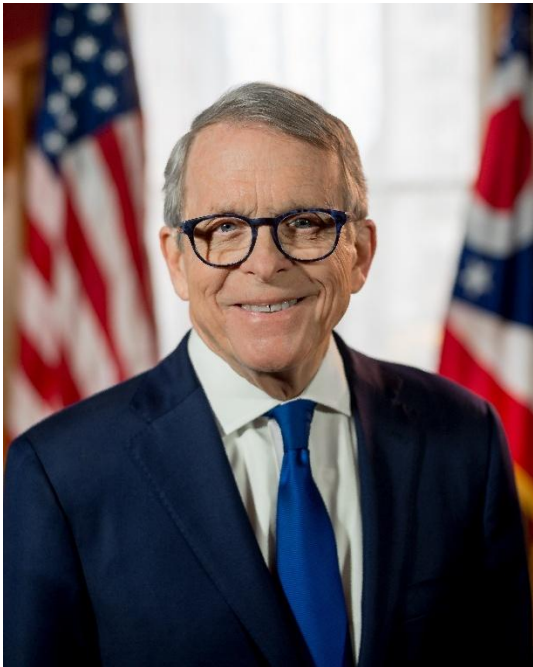
OMA Government Affairs Committee

Name	Company	Location
Jeremy Jackson	Deloitte	Columbus, OH
Mark Johnson	Ohio Environmental Protection Agency	Columbus, OH
Kurt Joviak	Lorain County JVS	Oberlin, OH
Jerry Joyeux	Cenovus Energy	Dublin, OH
Ian Kalinosky	Vistage	New Albany, OH
Jeff Kasler	Johnson & Johnson	Dublin, OH
Katherine Kehres	The J.M. Smucker Company	Orrville, OH
Katie Kelley	Akron Rubber Development Lab, Inc.	Barberton, OH
Lee Kimble	Ellison Technologies	Grove City, OH
Rick Kleban	Sycamore Growth Group, LLC	Dublin, OH
Matt Koppitch	Bricker Graydon LLP	Columbus, OH
Julianne Kurdila	Cleveland-Cliffs, Inc.	Cleveland, OH
Mark Lamoncha	Humtown Products	Columbiana, OH
Jessica Langdon	Ohio Environmental Protection Agency	
Nicolas Langford	City of Delaware - Economic Development	Delaware, OH
Angie M. Leach	The Ohio Manufacturers' Association	Columbus, OH
James Lee	The Ohio Manufacturers' Association	Columbus, OH
Sue Ling		
Timothy Ling	Plaskolite	Columbus, OH
Denise Locke	The Ohio Manufacturers' Association	Columbus, OH
Jennifer Lynch	Cargill, Inc. C/o Remington Road Group	
Michael Madriaga	The J.M. Smucker Company	Washington, DC
Kenneth D. Magyar	DT Midstream	Canonsburg, PA
Dave Mangas	Cuyahoga Valley Career Center	Brecksville, OH
Bill Martin	Spangler Candy Company	Bryan, OH
Tim Mayle	Gilbane	Columbus, OH
Nathan Mays	The Ohio Manufacturers' Association	Columbus, OH
Ryan McAllister	Rycon Global	Wadsworth, OH
Stephanie McCloud	Ohio Bureau of Workers' Compensation	Columbus, OH
Ross McGregor	Pentaflex Inc.	Springfield, OH
Scott Milburn	Scott Milburn LLC	Upper Arlington, OH
Nicholas Miller	The Ohio Manufacturers' Association	Columbus, OH
Jay O'Bryant	Vistra	Columbus, OH
David O'Neil	The Ohio Manufacturers Association	
Jeffrey J. Oravitz	Seal for Life Industries / Henkel	Cincinnati, OH
Kevin Orr	Pfizer, Inc.	Dublin, OH
Markee Osborne	High Bridge Consulting	Columbus,
Todd Penney	Crown Equipment Corporation	New Bremen, OH
David Petrill	RSM US LLP	Westerville, OH
Angela R. Phillips	Phillips Tube Group, Inc.	Middletown, OH
Nicholas Phillips	Ideal Electric and Manufacturing Company	Mansfield, OH
Chris Picha	Ohio Department of Veterans Services	Columbus, OH
Rick Platt	Heath-Newark-Licking County Port Authority	Heath, OH
Paul Poister	Nutrien	Loveland, CO
Hernando Posada	Silver Star Protection Group	Rolling Meadows, IL
Mike Purcell	GBQ Partners LLC	Columbus, OH

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Name	Company	Location
Robert M. Robenalt, Esq.	Fisher & Phillips LLP	Columbus, OH
Matt Roberts	In-Finite Search Solutions	Westlake, OH
Brent Rosebrook	PRO-TEC Coating Company	Leipsic, OH
Edward G. Sagebiel	Eli Lilly and Company	Indianapolis, IN
Jim Samuel	Capitol Integrity Group	Columbus, OH
Maximiliano Sepulveda	Ferrero U.S.A, Inc.	Washington, DC
Jim Sever	P S C Crane & Rigging	Piqua, OH
Christopher N. Slagle	Bricker Graydon LLP	Columbus, OH
Andrew O. Smith	OPC Polymers LLC	Columbus, OH
Andrew Smith	Ohio Environmental Protection Agency	
Jeff Smith	Elite Biomedical Solutions, LLC	Cincinnati, OH
Richard Smith	Leavitt Group Midwest	Westerville, OH
Sam Smith	Ohio Environmental Protection Agency	
Jeff Spain	Columbus State Community College	Columbus, OH
Gretchen Spear	International Paper	Bloomington, MN
Traci Spencer	TechSolve	Cincinnati, OH
Steve Staub	Staub Manufacturing Solutions	Dayton, OH
Jeri Steinbrook	Bowling Green State University	Bowling Green, OH
Joe Stevens	Roetzel & Andress	Columbus, OH
Brett Tennar	Hot Shot's Secret	Mount Gilead, OH
Steve Tua	Novelis Corporation	Ashville, OH
Kirk Vashaw	Spangler Candy Company	Bryan, OH
Beth Waldren	Lesic & Camper Communications	Columbus, OH
Michael Wallenhorst	Fibertech of Ohio, Inc.	Washington Court House, OH
Todd Washam	Cenovus Energy	Dublin, OH
Stephanie Weaver	T. Marzetti Company	Westerville, OH
Jason Wetzel	General Motors Corporation	Indianapolis, IN
Zach Williams	Telhio Credit Union	Columbus, OH
Phil Wolf	The Campbell's Company	Napoleon, OH
John Wollenweber	The Campbell's Company	Napoleon, OH
Sam Zungri	Polaris Automation	Columbus, OH

Total Participants 123



Governor Mike DeWine

Biography

Governor Mike DeWine's story is a true Ohio story. Raised in Yellow Springs, Ohio, Mike met his wife, Fran (Struewing), in the first grade. They married while students at Miami University and have been blessed with eight children, 28 grandchildren, and one great-grandchild. Family is at the core of everything Mike DeWine does, and that devotion has guided his lifelong commitment to serving Ohio families. He believes that when families are strong, communities thrive, and Ohio's future is bright.

Governor DeWine loves Ohio and cares deeply about its future. He is dedicated to building an Ohio that works for everyone—every person, every family, and every community. From world-class cities to some of America's best small towns, he knows that a strong economy depends on excellent schools, a high quality of life, and compassion for those in need.

Mike DeWine's family owned a seed company in Yellow Springs, where he learned the value of hard work, leadership, and fiscal responsibility. As a young man, he loaded seed bags onto trucks and boxcars, shoveled wheat during harvest, and worked in the fields to ensure the purity of seed crops. Those experiences, along with the example of his parents—married for 65 years and inseparable until the end—instilled values that continue to guide him today.

On November 6, 2018, Mike DeWine was elected the 70th Governor of Ohio. Throughout his long and distinguished career, he has focused on protecting children, strengthening families, and improving communities. He previously served as Ohio's 50th Attorney General, Greene County Prosecutor, Ohio State Senator, U.S. Congressman, Ohio Lieutenant Governor, and U.S. Senator.

Governor DeWine's record reflects a lifetime of service to Ohio, grounded in family, faith, and the values he learned growing up in a small town—values he continues to carry forward as he works to build a stronger future for all Ohioans.



Director Stephen D. Dackin

director@education.ohio.gov

Biography

Preparing students for success means understanding the connections between the classroom, real-world experiences, and the knowledge, skills, and opportunities needed for a bright future. With more than 40 years working in multiple educational settings, Stephen D. Dackin has amassed extensive experience in state education policy, instructional leadership, post-secondary education, and workforce readiness.

Director Dackin's career has been guided by a personal focus to work in service to children and families. Prior to being appointed as director of the Ohio Department of Education and Workforce by Ohio Governor Mike DeWine, Director Dackin served in roles ranging from a classroom educator, school and district leader, and at the former Ohio Department of Education, the State Board of Education, and in higher education.

At the local level, Director Dackin worked in central Ohio school districts to advance achievement opportunities for all students. During his time in Reynoldsburg City Schools, he worked as a high school principal, assistant superintendent, and the district superintendent. Under his leadership, the district markedly improved student performance, including performance among minority and economically disadvantaged students, while reducing spending. During his tenure, the district developed one of the nation's largest science, technology, engineering and mathematics (STEM) programs, which served more than a third of the district's students. He led a districtwide transformation of Reynoldsburg's large, comprehensive high school into four, grades 9-14 college and career academies, each aligned to clusters of careers that are important to Ohio's economic development plans.

Director Dackin understands the challenges and opportunities our young people and their parents and guardians face effectively navigating the educational and workforce systems for their children. He brought this expertise to his position as superintendent of school and community partnerships for Columbus State Community College. He bolstered initiatives to grow a number of Columbus State Community College partnerships and programs originating from the Central Ohio Compact, a regional strategy initiative focused on a goal that 60% of central Ohio adults hold postsecondary degrees or credentials by 2025.

He continues to elevate the role partnerships play in achieving statewide goals, and is a member of several education, community, and workforce boards. Education is part of the fabric of the Dackin family. Director Dackin's wife, Susan, is a retired educator and they are the proud parents of two daughters, one of whom is an educator and the other an attorney, both in Central Ohio. Director Dackin enjoys golfing, cycling, and spending time with his wife, children, and grandchildren.



Stephanie McCloud

Administrator/CEO of the Bureau of Workers' Compensation

Biography

As BWC's administrator/CEO, Stephanie McCloud leads one of the largest state-run insurance systems in the United States with a staff of nearly 1,600 who serve Ohio's injured workers and 257,000 employers.

Before rejoining BWC in November 2024, McCloud served as Governor Mike DeWine's chief of staff, beginning in January 2023. In that role, she was the governor's chief advisor and led the execution of his administration's strategic priorities. Prior to this, she served as BWC's administrator/CEO, starting in 2019.

McCloud is an experienced executive with a diverse background that encompasses more than 20 years of experience in public administration and workers' compensation. Before coming to the DeWine administration, she served as senior vice president at Sedgwick Claims Management Services while managing her private Columbus law firm, McCloud Law LLC.

She began her career as a staff attorney at BWC before serving as legal counsel to both former Governor George Voinovich and the Ohio Department of Transportation. She later joined the office of former Attorney General Jim Petro, first as senior deputy attorney general before advancing to chief counsel.

McCloud is also a former Truro Township Trustee and active community leader. She served six years on the Counselors, Social Workers, Marriage & Family Therapists Board. She also served on the board of the Maryhaven behavioral health and addiction treatment center for over a decade.

During the peak of the COVID pandemic in November 2020, she was appointed as the director of the Ohio Department of Health. Governor Mike DeWine chose her for her knowledge of state government and management expertise, which were both needed during the pandemic. She continued as director for 10 months until her return to BWC as administrator in August 2021.

McCloud earned a bachelor's degree in journalism from Ohio University and a law degree from the Capital University Law School.

Administrator McCloud was a recipient of Columbus Business First's "40 Under 40 Award" in 2010, and in 2019, she was selected as a "Women to Watch" honoree by the international publication, Business Insurance. In addition, she was chosen as a member of the 2021 Future50 class by Columbus CEO Magazine. In 2020, McCloud was awarded the Small Business Advocate Award by the Greater Cleveland Partnership in recognition of her commitment to small businesses and support of state policies that foster job creation and business growth.



Gayle Manning

State Representative

Biography

State Representative Gayle Manning is serving her fourth term in the Ohio House of Representatives. She represents the 52nd Ohio House District, which encompasses the northeastern portion of Lorain County including North Ridgeville, Elyria and Avon. Manning made history at the beginning of the 136th General Assembly when she was elected by her peers to serve as Speaker Pro Tempore of the Ohio House of Representatives- the first woman to serve in this role. She also serves on the Education, General Government, Finance, and Workforce and Higher Education committees.

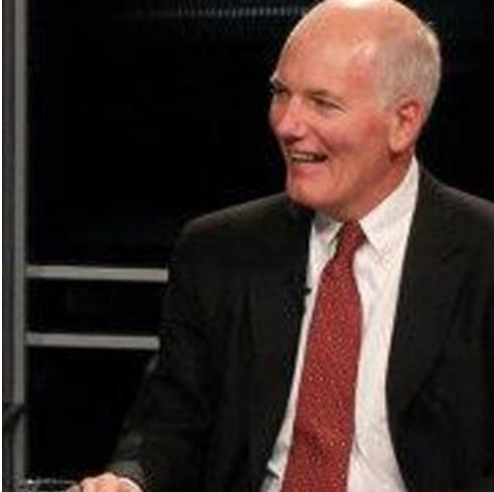
Manning is also a former Senator, serving two four-year terms in the Ohio Senate where she was elected to the leadership team as Majority Whip.

Prior to her time in the House and Senate, Manning spent 37 years as an elementary school teacher. Manning served as a member of the North Ridgeville Planning Commission and on the North Ridgeville City Council from 2006-2007, where she was appointed Finance Chairwoman and Council President Pro Tempore.

During her time in state government, Manning has had the opportunity to utilize her extensive experience as an educator, as well as her understanding of local governments and small businesses, to champion and support numerous bills and initiatives. In the Senate, she served as Vice Chair of the Finance Committee, responsible for vetting the operating budget, which allocates funding for the state, including for schools and various projects in communities across Ohio.

Manning earned numerous awards and citations for her work as an elementary school teacher in the North Olmsted City School system, including being named Educator of the Year by the North Olmsted PTA Council and the Teacher in American Enterprise Award from the Ohio Council on Economic Education. She also was named Legislator of the Year by the Ohio County Engineers and the Ohio Nursery and Landscaping Association.

She received her bachelor's degree from Kent State University and her master's degree from The University of Akron. Representative Manning and her late husband, former Representative Jeff Manning, raised two children, Allison and Nathan. She spends much of her free time with her young grandchildren. She currently resides in Avon.



Bob Clegg

President

Midwest Communication & Media

Biography

Bob Clegg is the President of Midwest Communication & Media, a firm he has led since 1997, providing nearly three decades of expertise in strategic communication, media relations, and public affairs. With a career rooted in both government and politics, Bob has held senior leadership roles within Ohio's state government, including serving as Director of Operations for the Ohio Senate, Assistant Secretary of State, and Chief Operations Director for the Ohio House of Representatives.

Earlier in his career, he also managed statewide campaigns, including his role as Campaign Manager for Taft for Secretary of State. His blend of public service and private-sector leadership has made him a trusted advisor and strategist across business, government, and political circles.

Bob earned both his Bachelor of Business Administration in Human Resource Management and his Master of Public Administration from The University of Toledo. Based in Columbus, Ohio, he continues to shape the conversation at the intersection of media, politics, and policy.

Sandy Theis

Owner, Theis Research and Consulting, LLC



Biography

Sandy Theis is the owner of Theis Research and Consulting and former Executive Director of ProgressOhio.

Prior to taking over the state's largest progressive advocacy organization, Sandy managed a public relations firm for 6 years. She spent the 25 previous years as a journalist covering Ohio government and politics. She is a past Statehouse Bureau Chief for The Plain Dealer of

Cleveland and Cincinnati Enquirer and a statehouse reporter for the Dayton Daily News and now-defunct Columbus Citizen-Journal.

Sandy has served as an adviser to former Gov. Ted Strickland, and to former Secretary of State Jennifer Brunner and worked for coalitions promoting the passage or defeat of statewide ballot issues. In 2014, she joined the board of NARAL Pro-Choice Ohio where she helps with media and legislative strategy.

Sandy is a native of Warren, Ohio, and a graduate of The Ohio State University. She lives in Columbus with Truman the Wonder Dog.

Ohio Public Policy Highlights September 2025

Overview

Statehouse activity is ramping back up this fall as legislators return from their summer recess, following the passage of the state's biennial operating budget in June. Key agenda items for the remainder of the year include the ongoing congressional redistricting process and finding a path forward on property tax reform. Lawmakers are under added pressure as a potential constitutional ballot initiative to abolish property taxes altogether looms for 2026 — a move that would require eliminating critical tax protections for Ohio manufacturers.

Ohio's political landscape is beginning to stabilize as Vivek Ramaswamy solidifies his position as the GOP's gubernatorial candidate. He has secured endorsements from the state party and both U.S. Senators, Jon Husted and Bernie Moreno, while also clearing the field of his two most viable potential challengers. Attorney General Dave Yost has announced he will not run, and Lieutenant Governor — and former Ohio State football coach — Jim Tressel has confirmed he will not enter the race.

Current priorities for the OMA include:

- Protecting competitive energy markets & Promoting manufacturing friendly energy policy
- Defending manufacturing tax protections from threats posed by property tax abolition
- Advancing Workforce Development Solutions for Manufacturers
- Fighting against state MAHA legislation
- Advocating for the rollback of costly and invasive environmental regulations

The OMA's testimony supporting legislative reforms can be found in today's meeting materials.

State Budget

In June, the Ohio General Assembly wrapped up deliberations on House Bill 96, the state's two-year operating budget, with both the House and Senate agreeing to the conference committee report with vote counts of 59-38 and 23-10, respectively. The budget appropriates over \$90 billion in General Revenue Funds. OMA "wins" contained in the budget are outlined in the OMA's *"Summary of Manufacturing Impacts in House Bill 96, the State Operating Budget for Fiscal Years 2026 – 2027"*

Energy

Earlier this year, the OMA celebrated passage of House Bill 15, a balanced reform package that included many OMA-driven priorities to protect manufacturing ratepayers. More recently, natural gas utilities are seeking law changes to alter rates that could spell caution for customers. Another pending addresses EV charging infrastructure. The OMA aims to maintain competitive space for charging infrastructure. Meanwhile at the PUCO, a utility-proposal to penalize certain energy intensive business was approved by state regulators. The OMA will appeal (to the Supreme Court of Ohio) the discriminatory rate structure approved by state regulators.

At the regional and national level, extraordinary conversations are taking place. Grid operation PJM Interconnection hosted two consecutive auctions that will deprive customers in the 13-state region of over \$30 billion per year in new costs without delivering corresponding customer benefits. The OMA has taken issue with utility load forecasts that are largely to blame for the spikes. The OMA is calling for an investigation into one utility's load forecast. In the same week,

FERC has stepped up its scrutiny over forecasts. The OMA has delivered significant research and earned media on this topic (see energy section). More details in Energy report.

Workforce

Earlier this year the state operating budget (House Bill 96) was approved by the General Assembly containing continued investments in Industry Sector Partnership grant and TechCred. Importantly the bill expanded middle school career technical education opportunities to over 200 additional school districts by eliminating the current waiver that allows school districts to opt out of teaching career tech education in middle school.

More recently, the OMA launched the Ohio Manufacturing Workforce Blueprint together with the DeWine administration as Ohio's statewide plan to strengthen Ohio's manufacturing talent pipeline through shared ownership and coordinated leadership.

Civil Justice Reform Bills Roundup

The House passed a tort reform bill, House Bill 126, to protect against misuse of public nuisance claims. Trial lawyers have made many efforts to expand public nuisance far beyond its intended scope in an attempt to profit off its misuse by applying it to the production and manufacturing of products. The bill has now been sent to the Senate for their review.

The OMA testified in support of a bill regarding the corporate veil doctrine, which is critically important for maintaining business stability as it establishes and protects the legal separation between a corporation and its owners or shareholders. Senate Bill 146 clarifies which acts are insufficient to pierce the corporate veil to hold individuals liable, allowing the doctrine to be used as intended while also preventing individuals from being exposed to unnecessary liability.

Additionally, both chambers are evaluating pieces of legislation to require plaintiffs funded by a third-party litigation financier to disclose their funding information – House Bill 105 and Senate Bill 10. The OMA has supported these bills to require additional transparency and disclosure as lawsuits against manufacturers may attract third-party litigation funders.

Tax Policy

The state budget (House Bill 96) provided further income tax relief collapsing Ohio's multiple brackets into a single flat tax rate of 2.75% for all income earners. Other "revenue enhancers" included increased taxes on sports gambling and recreational cannabis.

A Cuyahoga County-based group, Citizens for Property Tax Reform, has launched a statewide campaign to place a constitutional amendment on the November 2025 ballot that would eliminate all property taxes in Ohio. Supporters argue that property taxes unfairly penalize unrealized gains in home value, while critics warn the move would devastate funding for schools, local governments, and essential services. The group has until early July to collect over 443,000 signatures to qualify the measure for the ballot. Though the time frame is short, continued efforts will allow the group to push for a measure on a future ballot.

If the citizen group collecting signatures falls short then we may see the issue on a ballot in 2026. Early polling suggests a strong majority would vote to approve the constitutional amendment. Should that happen, elected representatives would need to act expeditiously to fill a \$21 billion budget hole. As the leading economic sector of the Ohio economy manufacturing taxpayers could be targeted to replace the revenue. The OMA tax committee held a special dialogue on the topic.

Lawmakers sought to preempt the ballot issue with law changes to alleviate concerns with the property tax, however Governor DeWine saw fit to reject those revisions, setting up an ongoing game of brinksmanship. See below for more.

National Association of Manufacturers Response to Trump Tariffs, Federal Tax Reforms

The National Association of Manufacturer's stance on tariffs remains largely consistent under turbulent federal trade policies. The NAM continues to express concern over significant tariffs, particularly those impacting North American supply chains. Recent reports in May indicate that "trade uncertainty" remains the top business concern for manufacturers, as cited by 77.0% of respondents in NAM's Q2 Manufacturers' Outlook Survey.

On the other end of federal tax policy, the OMA Joined the NAM as they kicked off a nationwide tour at the Ohio Statehouse celebrating the importance of the manufacturing industry and emphasizing the need for renewal of the 2017 Trump Tax reforms that have enhanced the industry's ability to remain competitive and create jobs. The NAM highlighted the need to maintain the 21% corporate rate, preserve the 20% pass-through deduction and protect the reduced individual rates.

Marijuana Reforms

Lawmakers are still struggling to pass reforms to the Issue 2 recreational marijuana laws. Senate Bill 56, the leading vehicle for reform, aims to reduce THC potency limits, restrict home cultivation, prohibit sharing, and eliminate the voter-approved social equity program. However, the measure has stalled amid competing interests and an ongoing failure to reach consensus on several key provisions. It is unclear whether the bill will move forward before the end of the year.

Despite the OMA's opposition to cannabis legalization due to workplace safety concerns, the Issue 2 statute includes strong employer protections for drug-free workplace policies. The OMA is collaborating with the legislature to uphold these provisions as reform bills progress through committee.

Trump To Roll Back March-In Rights: Assault on Manufacturers' Intellectual Property

The OMA has made numerous public comments opposing the Biden Administration's proposed "March-In" rule by the National Institute of Standards and Technology, which seeks to empower the federal government to confiscate patents from manufacturers that make what the agency deems excessively priced products. This rule directly impacts manufacturers' intellectual property rights, posing a considerable threat to innovation in the United States, jeopardizing the nation's prominent position in the innovation economy.

In February of this year, the Trump administration has indicated it does not support using march-in rights under the Bayh-Dole Act to address high drug prices or prices of any manufactured goods. Robert F. Kennedy Jr., Secretary of Health and Human Services, stated in written statements in January that he opposes employing these rights for price control purposes.

Prompt Pay

Prompt Pay Legislation has resurfaced this general assembly with the recent reintroduction of HB 288. The legislation sets stringent payment terms in construction contracts and effectively eliminates an owner's right to contract negotiations by requiring all projects to be paid within 30 days. Additionally, HB 288 imposes a penalizing 18% interest rate on payments not made within the state-mandated "prompt pay" period.

The OMA's advocacy efforts were successful in killing this bill in the last general assembly, which received a strong last-minute effort by contractor unions to stealthily sneak the legislation through the Senate chamber. The OMA is thankful to the efforts from Allied business groups and pro-business legislators who made a valiant effort to halt the bill in its tracks. The bill is likely to re-emerge this session.

Right to Repair Returns in the Statehouse

Once again, efforts to enact right to repair legislation have resurfaced in the legislature, with companion bills being recently introduced to require manufacturers of certain digital electronic equipment to provide documentation, tools, and parts to independent repair providers and owners as necessary for diagnosis, maintenance, and repair of that equipment. The OMA will continue to push back on these proposals for their assault on Ohio's OEM's intellectual property rights and detrimental exposure of trade secrets.

OSHA Walk Around Rule

Last year, OSHA finalized its proposed walkaround rule that will allow third-party non-employees, including union representatives and community activists, to accompany OSHA inspectors during routine inspections.

The OMA submitted comments opposing the rule, which garnered national recognition. The rule's implementation will compromise workplace safety by allowing union officials and other non-expert third-parties to enter non-unionized facilities without the employer's consent, disrupting operations and exposing trade secrets. The OMA's comments underscore the potential risks and adverse impacts on workplace safety and confidentiality if the proposed rule were to be enacted.

The OMA actively involved our members in direct engagement with Ohio's congressional delegation, with nearly 200 OMA member companies endorsing a letter from OMA President Ryan Augsburger urging federal representatives to use their congressional authority to strike the rule. The National Association of Manufacturers have challenged the rule in federal court. Reports are predicting that the Trump Administration will likely rescind the rule.

Manufacturing Technology Assistance Program

The OMA is working with Representatives Santucci and Demetriou to support House Bill 159, which creates The Ohio Manufacturing Technologies Assistance Program (MTAP). MTAP aims to assist small to mid-size manufacturers by providing grants of up to \$150,000 for investing in modern smart technologies, machinery, equipment, and training. MTAP is designed to enhance productivity, efficiency, and competitiveness in Ohio's manufacturing industry. The program requires applicants to undergo a technical assessment and be in good standing with the state. Ohio's Manufacturing Extension Partnerships will be leading the assessment process for new technologies. MTAP aligns with nationwide Manufacturing 4.0 initiatives, supporting manufacturers to adopt automation, cybersecurity, robotics, and other innovative technologies, following successful models from states like Iowa and Indiana, initially funded with \$12,000,000 from the Ohio Department of Development. Ultimately, MTAP aims to empower businesses, drive growth, and ensure the resilience and success of Ohio's manufacturing sector in an evolving business landscape.

In May, OMA members testified before the Ohio House Technology and Innovation Committee to support the bill. The OMA delegation included Eric Jenkusky from TJ Clark International, and Jeff Spain from the Columbus State Manufacturing Extension Partnership. That testimony can be found in today's meeting materials along with a draft letter of support to be sent to the Governor and members of the General Assembly.

Manufacturing Extension Partnership Program Funding Under Threat

In April, the OMA joined 33 other state manufacturing associations in signing a COSMA-led letter to U.S. Secretary of Commerce Howard Lutnick, urging continued support for the Hollings Manufacturing Extension Partnership (MEP) program following federal funding cuts.

The MEP is a national network that provides hands-on support and consulting to help small and mid-sized manufacturers improve productivity, adopt new technologies, and grow—directly benefiting Ohio’s manufacturing sector by driving innovation, efficiency, and job creation.

OMA continues to advocate for restoring MEP funding through coalition outreach, including partnered engagement with Ohio’s congressional delegation.

Transportation: Infrastructure Bond Issue Passes May 2025 Ballot

Ohio voters approved continuing to fund the state’s major infrastructure projects through a \$2.5 billion bond issue on the primary election ballot in May. The OMA-supported constitutional amendment will allow Ohio to issue bonds to help local governments pay for infrastructure projects, including roads and bridges, via the State Capital Improvement Program. The program will fund \$2.5 billion over 10 years without raising Ohioans’ taxes, though state taxes would be used to pay down the bonds over a 30-year period.

MAHA Madness: PFAS, Food Additives, and Fluoride Bans, SNAP Bans on Sugar

Following federal Make America Healthy Again (MAHA) initiatives led by HHS Secretary Robert F. Kennedy, Jr., Ohio lawmakers have introduced a series of bills aimed at improving public health by targeting food products, packaging, and restricting purchases with SNAP dollars. These include: The state budget which included a provision to ban sugar sweetened beverages from eligibility for SNAP purchases (See OMA comments on waiver in your leadership materials), HB 10, which mandates labeling and restricts SNAP purchases of cultivated-protein products; and proposals to ban certain food dyes, oils, and PFAS chemicals. Also under consideration is the removal of Ohio's fluoride requirement in public drinking water. These efforts align with HB 272, a broader bill that would ban PFAS in consumer goods, restrict common food additives, and eliminate mandatory water fluoridation—drawing concern from manufacturers over competitive disadvantages.

First Proposed PFAS Ban introduced Ohio

House Bill 272, named the “Pure Life Act” would impose strict new regulations on Ohio manufacturers by phasing out PFAS in consumer products starting in 2027, with a full ban by 2032 unless deemed “currently unavoidable.” The bill also bans FDA-approved food dyes and additives like Red 40, Yellow 5, and Titanium Dioxide, requiring significant product reformulations. Additionally, it removes Ohio’s mandate to fluoridate public water systems, making the practice optional. OMA legal counsel warns that the bill, which mirrors regulations in the EU and California, could severely disadvantage Ohio businesses compared to those in states with less stringent standards.

Trump to Rollback Biden-Harris Environmental Regulations

The US EPA has announced 31 major deregulatory actions, aiming to reduce regulatory burdens on energy, automotive, and manufacturing sectors. These rollbacks are expected to lower compliance costs, ease emissions rules, and increase state-level control. Manufacturers will benefit from reduced operational costs and more flexibility in production and energy use. Key initiatives include:

- Reconsideration of the 2009 Endangerment Finding
- Reconsideration of the Green House Gas Reporting Program
- Reconsideration of PM 2.5 National Ambient Air Quality Standards
- Ending the “Good Neighbor Plan
- Reconsideration of Automotive EV Mandates
- Termination of US EPA’s Office of Environmental Justice

The US EPA’s announcement outlining all 31 targeted regulations can be found in today’s Environment materials.

OMA Secures Removal of Air Nuisance Rule Incentivizing Citizens Suits

The OMA secured a budget provision requiring the Ohio EPA to remove a state air nuisance rule that was improperly included in its federal Clean Air Act compliance plan. The rule exposes manufacturers in full compliance with their air permits to litigation from activist attorneys without cause.

The Ohio EPA is petitioning the U.S. EPA for approval of the rule’s removal, which is expected to be granted by the Trump administration within the next year. This action would protect manufacturers from future shakedowns by plaintiffs’ attorneys.

2026 Governor Race Favors Ramaswamy for GOP, Democratic Field Still Shaping Up

The race to succeed Mike DeWine as Ohio Governor is ramping up. The November 2026 general election is still a year and a half away, but the angling has been in high gear for several months.

On the Republican side, entrepreneur Vivek Ramaswamy continues to build strong momentum in the GOP primary, securing influential endorsements from President Trump and the Ohio Republican Party. Ohio Lt. Governor Jim Tressel in mid-September announced he will not run for Governor, appearing to clear the field for Mr. Ramaswamy.

On the Democrat side, Dr. Amy Acton is the only announced candidate, but rumors are growing that former Youngstown area Congressman and US Senate Candidate, Tim Ryan, may enter the race. Early polling shows an advantage to Republican Ramaswamy in the red state.

Leadership News

[Click here for Leadership Community articles from previous Leadership Briefings](#)

Miscellaneous Legislation of Interest to Manufacturers
Prepared by: The Ohio Manufacturers' Association
Report created on September 26, 2025

- HB2** **ESTABLISH CHILD CARE CRED PROGRAM** (JOHNSON M) To establish the Child Care Cred Program and to make an appropriation.
Current Status: 5/27/2025 - House Finance, (First Hearing)
State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA136-HB-2>
- HB41** **ESTABLISH CHILD CARE GRANT PROGRAMS** (WHITE A, ROEMER B) To establish certain child care grant programs, including those related to child care capacity and learning labs, and to make an appropriation.
Current Status: 6/3/2025 - House Finance, (First Hearing)
State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA136-HB-41>
- HB96** **OPERATING BUDGET** (STEWART B) To make operating appropriations for the biennium beginning July 1, 2025, and ending June 30, 2027, to levy taxes, and to provide authorization and conditions for the operation of state programs.
Current Status: 7/21/2025 - Consideration of Governor's Veto; House Overrides Veto on Item 66, Vote 61-28
State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA136-HB-96>
- HB98** **ESTABLISH COMMUNITY CONNECTORS WORKFORCE PROGRAM** (SANTUCCI N, WILLIAMS J) To establish the Community Connectors Workforce Program and to make an appropriation.
Current Status: 6/3/2025 - House Finance, (First Hearing)
State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA136-HB-98>
- HB126** **PROHIBIT PUBLIC NUISANCE ACTIONS-PRODUCT LIABILITY** (MATHEWS A, CRAIG M) To prohibit public nuisance actions concerning product liability.
Current Status: 5/14/2025 - Referred to Committee Senate Judiciary
State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA136-HB-126>
- HB159** **CREATE MANUFACTURING TECHNOLOGY ASSISTANCE GRANTS** (SANTUCCI N, DEMETRIOU S) To create the manufacturing technologies assistance grant program and to make an appropriation.
Current Status: 5/20/2025 - House Technology and Innovation, (Third Hearing)
State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA136-HB-159>
- HB167** **AUTHORIZE EMPLOYER-PROVIDED CHILD CARE TAX CREDITS** (WHITE A) To authorize nonrefundable tax credits for certain employer-provided child care expenditures.
Current Status: 5/21/2025 - House Ways and Means, (First Hearing)
State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA136-HB-167>

- HB231** **EMPLOYER TAX CREDIT-PAID PARENTAL LEAVE** (WILLIAMS J, MILLER M) To create an income tax credit for employers that provide paid parental leave and to name this act the Paid Parental Leave Act.
Current Status: 4/30/2025 - Referred to Committee House Ways and Means
State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA136-HB-231>
- SB10** **REVISE NON-RECOURSE LITIGATION FUNDING AGREEMENTS** (WILSON S, LANG G) To revise and supplement state regulations concerning non-recourse litigation funding agreements.
Current Status: 6/18/2025 - Senate Judiciary, (Fifth Hearing)
State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA136-SB-10>
- SB32** **ESTABLISH CHILD CARE CRED PROGRAM** (REYNOLDS M, SCHAFFER T) To establish the Child Care Cred Program and to make an appropriation.
Current Status: 2/18/2025 - Senate Finance, (First Hearing)
State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA136-SB-32>
- SB38** **DETERMINE LIABILITY-INJURY FROM FOOD** (DEMORA B) To provide for a reasonable expectation test in determining liability for injury caused by consumption of food containing a substance injurious to health and for the jury to make that determination.
Current Status: 2/12/2025 - Senate Judiciary, (First Hearing)
State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA136-SB-38>
- SB77** **ESTABLISH SYSTEM-REPORT WAGE DISCRIMINATION** (HICKS-HUDSON P, SMITH K) To require the Ohio Civil Rights Commission to establish a system for individuals to anonymously report wage discrimination.
Current Status: 2/26/2025 - Senate Judiciary, (First Hearing)
State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA136-SB-77>
- SB146** **CODIFY COMMON LAW-PIERCING CORPORATE VEIL** (GAVARONE T, TIMKEN J) To codify the elements of the common law cause of action for "piercing the corporate veil."
Current Status: 6/11/2025 - Senate Judiciary, (Third Hearing)
State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA136-SB-146>
- SB157** **REDUCE STATUTE OF LIMITATIONS-WRITTEN, ORAL CONTRACT** (LANG G) To reduce the statute of limitations for bringing an action upon a written or oral contract.
Current Status: 6/11/2025 - Senate Judiciary, (Second Hearing)
State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA136-SB-157>



September 24, 2025

This is last call to promote your brand at The OMA's 2025 premier events and you don't want to miss it! Now is the time to secure your sponsorship for one – or both – of the following events:

- Ohio Manufacturers' Leadership Forum 2025 - Wednesday, October 1**
 Celebrating Manufacturing Month, the [Leadership Forum](#) brings together manufacturing leaders from across the state for a program of leadership insights, policy analysis, and recognition of outstanding manufacturers shaping the future of Ohio's top industry.
[Leadership Forum Sponsor Options](#)
- Ohio Manufacturers' Workforce Summit 2025 - Thursday, November 6**
 This year's [Workforce Summit](#) theme, *Forging the Future: Building Talent Pipelines for Manufacturing Success*, will spotlight partnerships and collaboration through a full day of learning, networking, and sharing best practices to prepare Ohio's top industry for a competitive future.
[Workforce Summit Sponsor Options](#)
- Both events will be held at the Hilton Columbus Downtown • Columbus, Ohio

Sponsoring one – or a combination of both – will promote your brand to a wide population of manufacturing leaders, decision makers, and stakeholders across Ohio.

Secure your [Leadership Forum](#) or [Workforce Summit](#) preferred package today and show your support for the state's leading industry!

The Ohio Manufacturers' Association
 33 North High Street | Columbus, OH 43215

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TO: OMA Members

FROM: James Lee and Lindsey Short

RE: **Summary of Manufacturing Impacts in House Bill 96, the State Operating Budget for Fiscal Years 2026 - 2027**

DATE: July 2, 2025

Last week, the Ohio General Assembly wrapped up deliberations on House Bill 96, the state's two-year operating budget, with both the House and Senate agreeing to the conference committee report with vote counts of 59-38 and 23-10, respectively. The budget appropriates over \$90 billion in General Revenue Funds.

This completes a five-month process in which lawmakers received a budget proposal from Governor DeWine and then worked separately in the House and Senate to craft a bill. Finally, the bill was negotiated in conference committee in which hundreds of points of difference were straightened out between the House and Senate.

Governor DeWine used his line-item veto authority 67 times to eliminate a variety of provisions in the final budget plan. Appropriations included in the budget will take effect immediately, while the vast majority of the provisions will take effect in 90 days.

Highlights on different sections of the budget are included below.

ENERGY

The OMA led the opposition in advocating against a proposed utility regulatory expansion that would have put energy customers on the hook for extra costs to pay for infrastructure they may never use. Additionally, customers got a win with a budget provision requiring increased transparency from the commission tasked with regulating Ohio's utility services.

Unfortunately, not all changes made to the budget were positive. In the final hour of the budget, Governor DeWine opted to veto a change proposed by the legislature that would ensure customers who shop for electricity do not pay twice for transmission-related services.

More details on energy-related items below:

Utility Regulatory Expansion for EV Charging Infrastructure Eliminated

- The OMA-opposed language proposed in the budget would have held customers captive to pay for utility-owned and operated EV charging infrastructure, resulting in increased costs for customers and undermining free market competition.

- This provision also would have allowed utilities to socialize a percentage of the electrical line extension work needed, effectively increasing everyone's electric bills to profit the utility.
- The OMA testified against the proposal and advocated for its removal from the budget. It was ultimately eliminated from the budget entirely.

Utility Entry into Competitive Generation Blocked

- Another OMA-opposed change to utility law that was removed from the budget would have allowed electric utilities to construct “green energy” generation for mercantile customers. Under Ohio law, green energy has been recently redefined to include natural gas-fired power generation and nuclear power.
 - This would have allowed monopoly utilities into a greater segment of the competitive generation market for large customers, therefore chilling competition, reducing the number of choices available, and raising costs for consumers.

Performance Audit of Public Utilities Commission of Ohio

- An OMA-supported item that was included in the budget allows for greater transparency into the Public Utilities Commission of Ohio (PUCO).
 - The legislature added language to require the Auditor of State to conduct a performance audit of the PUCO to be completed by May 1, 2027.

Governor DeWine Vetoes Budget Language Limiting Nonbypassable Utility Charges

- Language included by the legislature in the budget would have provided a safeguard to ensure that customers who choose to shop for electricity through a competitive supplier are not required to also pay for costs associated with utility-provided default services.
 - In his veto message, Governor DeWine noted that additional discussion is needed to fully understand the impact of this language on electric customers. However, his veto of this language will result in electric utilities maintaining their ability to impose a nonbypassable charge on customers who choose to shop for electricity.

Stay tuned for more coverage of energy items of importance to manufacturers at the Ohio Manufacturers' Energy Conference on September 18.

TAX & Finance

In the recently passed biennial budget, House Bill 96, the Ohio Legislature focused heavily on restructuring the state's tax landscape to provide tax relief through changes to personal income taxes and property taxes.

In response, the governor vetoed major provisions of the legislature's priority property tax reforms but kept the legislature's flat 2.75% percent income tax reforms.

The legislature also repealed various sales tax exemptions, most notably on newspaper manufacturers, which were vetoed by the governor with support from the OMA.

Changes were also made to the Commercial Activity Tax, which ultimately survived the governor's veto, that may impact manufacturers and businesses holding refundable credits for net operating losses.

Tax Provisions that Survived the Governor's Veto:

Personal Income Tax Reforms

A cornerstone of this budget's tax policy is the phased transition to a flat state income tax rate of 2.75% on nonbusiness income. This will occur over two tax years:

- For Tax Year 2025, the top income tax bracket (for income over \$100,000) will be reduced from 3.5% to 3.125%.
- By Tax Year 2026, the 2.75% rate will apply to all income over \$26,050, effectively flattening the tax structure.

This move is projected to provide over \$1 billion in income tax relief across the biennium, with proponents highlighting its potential to make Ohio more competitive and allow individuals to retain more of their earnings.

Commercial Activity Tax (CAT) and Net Operating Losses (NOLs)

The budget includes a significant change related to the Commercial Activity Tax (CAT) and certain net operating losses (NOLs). House Bill 96 converts a CAT credit for specific net operating losses that were accrued under the former corporation franchise tax from a refundable credit to a nonrefundable credit after calendar year 2029.

This change may impact manufacturers and other businesses that have been holding these particular credits. After 2029, businesses will no longer be able to receive a cash refund for any unused portion of these NOL credits. Instead, they will only be able to use the credit to offset future CAT liability.

Tax Provisions Vetoed by the Governor:

Property Tax Reforms

The governor vetoed the legislature's substantial measures designed to provide direct property tax relief to homeowners and increase local control over property tax collections:

- **School District Carryover Cap:** DeWine vetoed a provision from the state budget that would have required school districts to return excess funds to taxpayers; specifically, if a district's general fund cash balance exceeded 40% of its annual operating budget, the county budget commission would have been empowered to reduce property tax rates, effectively distributing the surplus back to property owners and potentially providing over \$2.5 billion in property tax savings to Ohioans.
- **20 Mill Floor Calculation:** This vetoed provision would have altered the calculation of the "20-mill floor" for school districts; this change, which would have included emergency and substitute levies, was projected to remove over a third of districts from the floor and potentially destabilize public education by limiting their ability to deal with inflation and forcing more frequent levy requests on taxpayers.

These provisions were priority items for both House and Senate leaders, which could prompt the legislature to convene a special summer session to vote on overriding the Governor's vetoes.

Sales and Use Tax Exemption Repeals Vetoed by the Governor

The Governor vetoed legislative attempts to repeal certain sales and use tax exemptions, intended to offset income tax cuts. The OMA, committed to defending manufacturing exemptions crucial for Ohio's competitiveness, saw exemptions for newspaper and media machinery targeted. This concerning precedent, which could impact broader manufacturing exemptions in the future, was ultimately countered when the OMA's coalition efforts secured a gubernatorial line-item veto, protecting exemptions for printed material production.

Data Center Sales Tax Exemption Repealed

The legislature opted to eliminate the data center sales tax exemption for sales of certain tangible personal property in their final budget. This proposed elimination would jeopardize current investments and projects in the pipeline and impact future jobs and tax revenue for Ohio's communities.

Governor DeWine chose to veto the elimination of the exemption with OMA and business community support, noting that economic development is essential to Ohio's continued growth and prosperity and that our state must stay at the forefront of innovation.

Uncertainty Ahead: Ohio's Tax Future and the Risk of Cost Shifts for Manufacturers

The Ohio legislature's recent actions indicate a long-term strategy for substantial tax reductions, including the elimination of the income tax and additional property tax reforms. While the OMA appreciates the goal of making Ohio's tax environment more competitive, these changes risk dismantling a broad-based tax structure. This could result in a tax shift that places an excessive and disproportionate burden on Ohio manufacturers, ultimately killing the state's competitiveness.

Additionally, a strong grassroots effort is aiming for a 2026 constitutional ballot initiative to abolish property taxes statewide. Eliminating this vital tax base would be highly detrimental and force the legislature's hand to take drastic measures to make up for lost property tax revenues that fund local governments and schools.

With significant tax policy changes on the horizon, now is a more important time than ever for manufacturers to collaborate and advocate for broad competitive tax structures to protect the industry's competitiveness and secure future manufacturing growth.

OMA staff relies on the expertise of its members to determine the best path forward in an uncertain tax landscape. OMA's tax policy committee provides members with opportunities to stay informed and engage in discussions with state legislators to protect the state's competitiveness. Contact jlee@ohiomfg.com to join the OMA's tax policy committee.

WORKFORCE

The operating budget contains key investments and policy changes that support workforce development and strengthen career readiness pathways.

Key funding opportunities and policy changes include the following:

Expansion of Middle School Career-Technical Education

- The budget enables the expansion of career-technical education (CTE) in middle schools to over 200 additional schools by eliminating the current waiver allowing districts to opt out of offering CTE.

Funding to Upskill Ohio's Workforce

- Approximately \$50 million for Ohio's innovative TechCred program was allocated to support Ohio workers in expanding their skills by earning technology-focused credentials.

Support for Engineering Technician Associate Degrees

- \$20 million has been allocated to provide institutions of higher education \$10,000 each for every individual who completes an engineering technician associate degree.

Industry Sector Partnership Grant Program

- The budget invests \$10 million in funding for Ohio's network of industry sector partnerships, which are critical to Ohio's manufacturing workforce development.

Ohio Work Ready Grant Program

- \$20 million in funding for the Ohio Work Ready Grant Program has been included in the budget. The Ohio Department of Higher Education and the Governor's Office of Workforce Transformation must work together to establish alternative criteria for in-demand programs aligned to Ohio's emerging workforce needs.

Innovative Workforce Incentive Program (IWIP)

- \$32 million in funding for the IWIP program to reimburse school districts for students who earn industry-recognized credentials related to manufacturing, engineering, construction, IT, and cybersecurity.

Career Technical Course Weighting

- The budget includes a GPA weighting requirement for career-technical assurance guide courses, ensuring career-technical courses receive the same academic recognition as AP coursework.

SAFETY AND WORKERS' COMPENSATION

The main operating budget did not contain any meaningful workers' compensation changes. This follows a long-standing precedent whereby the legislature makes workers' compensation and Industrial Commission process changes in each agency's respective budget bills.

Budget Bills for the BWC (House Bill 81) and the Industrial Commission (House Bill 80)

- The two-year operating budgets for the Bureau of Workers' Compensation (BWC) and the Industrial Commission (IC) were both signed prior to the June 30th deadline. Both bills included a slight increase in appropriations for the agencies, but no major policy initiatives were included in their final versions.
- In the last budget cycle, special interest groups unsuccessfully attempted to include policy provisions in the BWC budget that would have been detrimental to Ohio's manufacturing employers. Those provisions included requiring the Bureau to provide PTSD benefits without accompanying injury and a loss-of-use proposal that would have exposed self-insured employers to major liability. The OMA will continue to oppose such proposals in the future should they resurface.

ECONOMIC DEVELOPMENT

Unlike the previous budget's focus on new spending initiatives and infrastructure investments, the recent legislative cycle prioritized tax relief to spur economic growth. This shift resulted in flat funding or cuts for many site-development and infrastructure programs from the last biennium, though new housing programs were created.

Key Highlights Include:

All Ohio Future Fund Significantly Cut

- \$450 million of the state's All Ohio Future Fund, originally designated for investments in mega-project site infrastructure, was cut and redirected to the Brownfield Remediation Program and the General Revenue Fund.

Brownfield Remediation and Demolition Funding for Site Revitalization and Housing

- Significant funding was allocated to both the Brownfield Remediation and the Demolition and Site Revitalization programs, providing local governments with environmental cleanup and construction assistance to prepare new sites for business and housing development.

Welcome Home Ohio Program

- Expands the Welcome Home Ohio program. This includes increasing income eligibility thresholds, broadening the eligible properties, and providing funding for fiscal years 2026 and 2027

Residential Economic Development Grant

- This new program, funded by \$10 million over the biennium, provides grants to counties, townships, and municipalities that adopt "pro-housing development policies" and approve major workforce housing projects (e.g., establishing 100 or more single-family residential units). The goal is to encourage high-density housing and address the housing shortage.

Residential Development Revolving Loan Program

- \$90 million in SFY 2026 for loans to fund infrastructure improvements (water, sewer, road, electric, or gas) necessary to support new single-family residential dwellings in rural areas (counties with a population under 75,000 and fewer new construction permits than the average county).

Child Care Choice Program

- The budget establishes the Child Care Choice program with \$100 million for eligible families and increases eligibility for publicly funded childcare programs to address concerns raised by advocates regarding childcare as a barrier to workforce participation.

Browns Stadium Funding: Ohio Cultural and Sports Facility Performance Grants

- One notable exception to the overall scaled-back funding for economic development includes the creation of the \$1 billion fund for the Ohio Cultural and Sports Facility Performance Grant program, which allocates \$600 million to be used for the Brook Park economic development project supporting the construction of a new Cleveland Browns stadium. The fund does not use General Revenue Fund dollars, instead transferring dollars from the Department of Commerce's Division of Unclaimed Funds.

ENVIRONMENT

Historically, Ohio EPA's budget has been relatively light with few new regulations; however, notable changes have come this cycle, with major cuts to the H2Ohio program, the installation of new air permit fees, and a major OMA led victory to provide civil protections to manufacturers from overzealous environmental attorneys bringing frivolous lawsuits.

H2Ohio Funding Cuts

- The H2Ohio program, which remains a DeWine administration priority, saw a first-time reduction to \$165 million in total funding, which was previously funded at approximately \$270 million in the past two budget cycles. The program provides a comprehensive approach to reducing nutrient runoff in Ohio's surface waters. The most notable spending initiatives include phosphorus control programs targeting non-point source runoff in Lake Erie that could ease future regulatory burdens on manufacturers, whose impact is negligible relative to non-point source runoff from the transportation and agricultural industries.

OMA Secures Air Nuisance Rule Removal

- For years, the OMA has worked to remove the infamous Air Nuisance Rule from Ohio's federal State Implementation Plan (SIP) that uniquely subjects Ohio's manufacturers and businesses to frivolous litigation from activist environmental attorneys. The OMA successfully secured language in the budget that establishes an effective state remedy, requiring the Ohio EPA to petition the federal EPA to remove the rule. This will protect manufacturers from future harassment enabled by this regulation.

Moderate Air Permit Fee Increases

To maintain the solvency of Ohio's Division of Air Pollution Control program, the agency was required to raise air permit fees for the first time in nearly 30 years, avoiding a potential federal takeover by the US EPA Region 5. The budget included these necessary air permit fee increases at rates that remain competitive with or lower than neighboring states. New fees include:

- **Title V Facilities:** \$5,000 additional base fee per year; emission-based fees unchanged.
- **Synthetic Minor Facilities:** \$5,000 additional base fee per year; 50% increase in annual emission-based fees.
- **Permit to Install (PTI) Fees:** 50% increase in the current fee structure.

Solid Waste Fee Increases Removed

- In an OMA-supported action, the legislature removed proposals from the governor to raise tipping fees for construction, demolition, and debris from \$1.60 to \$4.75 statewide.

PFAS Threats Defeated

- Following the House Budget, the OMA identified attempts by House members to implement the state's first regulations concerning PFAS bans and reporting requirements. The OMA successfully pushed back on these efforts, and the language was not included in the budget. However, separate legislation was introduced in May ([see Bricker Memo](#)), and the OMA is actively working to oppose it. This legislation is scheduled for discussion at the July 16 Environment Committee Meeting.

HUMAN RESOURCES & WORKFORCE SAFETY

The legislature passed a modest employer fee to modernize the unemployment benefits IT system, improving its security and user experience. Separately, a provision was included to enhance transparency in the federal 340B program, aiming to address the cost-shifting of prescription drug expenses onto employers.

Moderate Unemployment Fee Increases for System Security

- The final state budget incorporated the Ohio Department of Job and Family Services' (ODJFS) proposal for a new employer fee, capped at 0.15% of the taxable wage base per year per covered employee (maximum \$13.50 annually). This fee is dedicated to funding a critical upgrade of the state's outdated unemployment benefits IT system, aiming to enhance system security, streamline application processes, and improve user experience for both employers and claimants. The OMA's Tax and Finance Committee reviewed the proposal and supported these minimal cost increases, recognizing the significant benefit of preventing future system failures that led to widespread fraud and costs for employers during the pandemic.

Unemployment Compensation Solvency

- For years, the OMA has advocated for reforms to address the insolvency of Ohio's Unemployment Compensation Fund. Such reforms are crucial to protect employers from costly tax penalties during economic downturns, a problem experienced during the 2008 recession and narrowly avoided during the pandemic. Although efforts were made behind the scenes to push for these reforms during budget conference committees, stakeholder negotiations broke down. Consequently, the next opportunity for reform will occur in the upcoming biennium.

340B Program Transparency to Prevent Drug Price Cost Shifting on Employers

- The legislature included a provision requiring the Ohio Department of Health to collect data on the usage of the federal 340B program, recognizing that enhanced transparency is needed to identify and mitigate the cost-shifting of prescription drug expenses onto employers and working families, which is an unintended consequence of the program's expanded scope.

Make America Healthy Again SNAP and Ingredient Bans

The OMA opposed legislative efforts to ban SNAP purchases of sugar-sweetened beverages, an initiative that ultimately passed. However, the OMA secured a gubernatorial veto that removed additional language which, by targeting other essential food ingredients, additives, and dyes, could have served as a legislative precursor to comprehensive product bans, similar to those enacted elsewhere and proposed in Ohio's [HB 272](#), which addresses various food ingredients and PFAS in consumer products.

STATEMENT - OMA Celebrates Signing of Energy Bill by Gov. DeWine

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PROTECTING & GROWING OHIO MANUFACTURING

For Immediate Release:

OMA Celebrates Signing of Energy Bill by Gov. DeWine

(COLUMBUS, OH) – The Ohio Manufacturers' Association (OMA) today celebrated Governor Mike DeWine signing House Bill 15 into law. The landmark energy bill repeals costly provisions to consumers, increase grid transparency, and help protect affordable and reliable power:

"The vision for Ohio's energy future is no longer one of crisis and scarcity, it is one of growth, investment, and prosperity," said OMA President Ryan Augsburger.

"We applaud the courageous leadership of Senate President McColley and Speaker Huffman for putting their values into practice and recentering Ohio's energy policy in this badly needed way and are glad Gov. DeWine has now made the energy reform bill law."

"Ohio has an abundance of natural resources, a strong workforce, world-class educational institutions, and now the foundation for a nationally leading energy industry. Now is the time for Ohio's energy system to pull ahead and attract new generation, bringing with it, new economic investments."

###

The Ohio Manufacturers' Association is Ohio's largest statewide business association comprised solely of manufacturers. Established in 1910, the OMA's mission is to protect and grow Ohio manufacturing. It represents manufacturers of all sizes in every subsector of the industry. Manufacturing is Ohio's largest economic sector, employing approximately 690,000 Ohioans and contributing more than \$133 billion annually to the economy. Visit ohiomfg.com, or follow us on [LinkedIn](#), [Twitter](#), [Facebook](#), and [YouTube](#).

Tom Evans

Director, Communications and Marketing
(614) 557-0937

March 11, 2025

Chairman Brian Lampton
House Insurance
Ohio Statehouse
1 Capitol Square
Columbus, OH 43215

RE: House Bill 105 – Written Proponent Testimony

Dear Chairman Lampton:

The Ohio Manufacturers' Association (OMA) was created in 1910 with the mission to protect and grow Ohio manufacturing. Today, it has nearly 1,300 members representing the largest economic sector in the state, which contributed more than \$133 billion to Ohio's economy in 2023. According to the most recent data, nearly 700,000 Ohioans work in manufacturing, and manufacturing has the largest payroll of any Ohio economic sector.

For manufacturers to invest and grow in Ohio – and compete globally – Ohio's civil justice system must be rational, fair, and predictable. Manufacturers must be free to innovate and pursue market opportunities without fear of unreasonable exposure to costly lawsuits, while injured parties must have full recourse to appropriate measures of justice.

The OMA writes in support of House Bill 105, recognizing that H.B. 105 addresses two types of third-party litigation funding: *consumer* litigation funding (less than \$400,000) and *commercial* litigation funding (\$400,000 or more). OMA's comments herein are focused on third-party *commercial* litigation funding as the lawsuits against its members will likely attract third-party commercial litigation funders.

OMA members have historically supported legislation that provides a fair and balanced civil justice system and H.B. 105 is designed to do just that by leveling the playing field. For decades, defendants in Ohio state and federal courts have been required to disclose to plaintiffs whether insurance is available to cover all or part of a settlement or judgment. On the other hand, plaintiffs have been able to proceed in secrecy, without having to disclose if anyone else is funding (or has a financial interest in) their litigation. H.B. 105's disclosure provisions lift this veil of secrecy. Under H.B. 105, plaintiffs who are funded by a third-party *commercial* litigation financier must not only disclose that fact, but must provide their financing agreement to all other named parties "at the time a legal claim is asserted or commenced and at any time thereafter that a commercial litigation financing agreement is executed or amended." Importantly, under this clear provision, disclosure of the third-party financing agreement is mandatory and must occur at the outset of the litigation without a request from the defendant.

Additionally, plaintiffs must continue to disclose throughout the litigation process. OMA appreciates the requirement because it prevents plaintiffs from circumventing disclosure all together. In other words, if the financing agreement is executed after the commencement of litigation or is amended at any time during the litigation, these developments must be disclosed

Chairman of the Board
JEFFREY J. ORAVITZ
CEO, Seal For Life Industries / Henkel

President
RYAN AUGSBURGER



to the defendant when they occur. There is no way around the disclosure and transparency provisions.

Litigation is costly for defendants – both financially and in terms of lost opportunity costs. The cost of litigation to defendants will only rise as third-party funders enter the picture by increasing the financial resources available to plaintiffs. At a minimum, defendants should be entitled to know whether someone unrelated to the plaintiff is funding (and likely controlling) the litigation against them. H.B. 105 does that.

The OMA appreciates the opportunity to provide proponent testimony on H.B. 105, and urges its passage.

Sincerely,

A handwritten signature in blue ink that reads "Lindsey Short".

Lindsey Short
Managing Director, Advocacy and Energy Services
The Ohio Manufacturers' Association

Chairman of the Board
JEFFREY J. ORAVITZ
CEO, Seal For Life Industries / Henkel



President
RYAN AUGSBURGER

May 28, 2025

Chairman Nathan Manning
Senate Judiciary Committee
1 Capitol Square
Columbus, OH 43215

Dear Chairman Manning:

The Ohio Manufacturers' Association (OMA) was created in 1910 with the mission to protect and grow Ohio manufacturing. Today, it has nearly 1,300 members representing the largest economic sector in the state, which contributed more than \$133 billion to Ohio's economy in 2023. According to the most recent data, nearly 700,000 Ohioans work in manufacturing, and manufacturing has the largest payroll of any Ohio economic sector.

For manufacturers to invest and grow in Ohio – and compete globally – Ohio's civil justice system must be rational, fair, and predictable. Manufacturers must be free to innovate and pursue market opportunities without fear of unreasonable exposure to costly lawsuits, while injured parties must have full recourse to appropriate measures of justice.

The OMA writes in support of Senate Bill 146 to codify the common law action for piercing the corporate veil. The corporate veil doctrine is critically important for maintaining business stability because it establishes and protects the legal separation between a corporation and its owners or shareholders. It ensures that owners, directors, and shareholders are not personally liable for the company's debts or legal obligations.

The corporate veil doctrine also allows for more predictability and consistency in business law. This predictability makes it easier for companies to enter contracts, raise capital, and resolve disputes, all of which are critical to long-term stability. For Ohio's businesses to thrive, it is essential that the corporate veil doctrine be protected.

In rare circumstances, the corporate veil may be pierced and shareholders or directors can be held personally liable for the company's actions or debts, typically in cases where the company is being used fraudulently. Senate Bill 146 clarifies the conditions that must be met in order to allow someone to pierce the corporate veil to hold individuals liable. This legislation allows the doctrine to be used as intended in exceptional circumstances while preventing individuals from being exposed to unnecessary liability. Senate Bill 146 will help contribute to a balanced, fair legal climate in Ohio.

The OMA appreciates the opportunity to provide proponent testimony on Senate Bill 146 and urges its passage.

Sincerely,

A handwritten signature in blue ink that reads "Lindsey Short".

Lindsey Short
Managing Director, Advocacy and Energy Services
The Ohio Manufacturers' Association



April 16, 2025

The Honorable Howard Lutnick
Secretary of Commerce
U.S. Department of Commerce
1401 Constitution Ave. NW
Washington, DC 20230

Dear Secretary Lutnick,

We are writing to express support for the Hollings Manufacturing Extension Partnership program—the only nationwide network of public–private partnerships that provides operational services to small and medium-sized manufacturers. According to the National Association of Manufacturers, 93% of manufacturers have fewer than 100 employees, and 75% have fewer than 20 employees. **Manufacturing in America is small business.**

Recently, MEP centers in Delaware, Hawaii, Iowa, Kansas, Maine, Mississippi, Nevada, New Mexico, North Dakota and Wyoming were notified by the U.S. Department of Commerce that the Department would not renew their funding—despite Congress authorizing and appropriating funding for this purpose.¹ We also understand that the Department intends to dismantle the program and eliminate federal funding for all 51 centers.

Considering the Trump administration's commitment to revitalizing and advancing American manufacturing, we think it is time to restructure rather than eliminate the MEP centers. We also recognize that the recent [U.S. Department of Commerce's Office of Inspector General report](#) recommendation provides a starting point for restructuring reforms. There is also no doubt among manufacturers and MEP centers that there is an awareness gap of these services. However, without any federal support, it would place those MEP centers with the fewest resources—particularly in rural and underserved communities—at the greatest risk of closure.

In fiscal year 2024, the National Institute of Standards and Technology allocated \$175 million to fund MEP centers. It has not been lost on us that the NIST budget-reduction goal has been met almost entirely by simply eliminating the MEP centers. This illustrates another reason for restructure rather than closure and makes it clear that the MEP centers should be part of another agency with Commerce.

A restructured and refocused MEP network will help American manufacturers improve their productivity and competitiveness. If we are going to realize the full potential of reshoring American manufacturing jobs, it will take resources that are laser-focused on and managed by those closest to the manufacturers in each state. This is an immense opportunity to help thousands of small and medium manufacturers grow American jobs. As such, **we respectfully request that the U.S. Department of Commerce pause its funding rescission for 90 days**

¹ <https://www.congress.gov/bill/119th-congress/house-bill/1968/text>

pending a meeting with our delegation to discuss a restructuring plan for the MEP centers.

Specifically, we think that it is possible to create a more effective MEP network focused on:

- Lean-process improvement/operational efficiency;
- Cybersecurity implementation;
- Supply chain and market development;
- Energy cost reduction; and
- Leadership development.

This new MEP network would also operate under guiding principles utilizing considerations such as:

1. Federal performance-based funding based on manufacturing establishment counts by state;
2. Preference for MEP centers that are contracted to or with state manufacturing or similar trade associations, such as those in Connecticut and Mississippi;
3. Recognition that the MEP center business models vary by state, but all should be directly accountable to their respective state commerce offices;
4. Maintain match requirements to ensure private-sector co-investment in the MEP program; and
5. Ensure maximum funding is deployed to direct services.

In closing, we look forward to meeting with you to discuss our ideas for reforming the **Hollings MEP program and amplifying a leaner and more focused system that will improve U.S. manufacturing competitiveness demonstrably.**

Respectfully,

Alaska Chamber
AR State Chamber/ AIA
Arizona Chamber of Commerce & Industry
Arizona Manufacturers Council
Associated Industries of Florida
Associated Industries of Massachusetts, Inc.
Business and Industry Association of New Hampshire
California Manufacturers & Technology Association
CBIA
Chamber of Commerce Hawaii
Delaware Manufacturing Association
Georgia Association of Manufacturers
Greater North Dakota Chamber
Illinois Manufacturers' Association
Indiana Manufacturers Association
Iowa Association of Business and Industry
Kansas Chamber and the Kansas Manufacturing Council
Maine State Chamber of Commerce
Maryland Chamber of Commerce
Michigan Manufacturers Association

Mississippi Manufacturers Association
Nebraska Chamber of Commerce & Industry
Nevada Manufacturers Association
New Jersey Business and Industry Association
Ohio Manufacturers' Association
Pennsylvania Manufacturers' Association
Rhode Island Manufacturers Association
South Carolina Chamber of Commerce
Tennessee Chamber of Commerce and Industry
The Business Council of NYS, Inc.
The State Chamber of Oklahoma
Utah Manufacturers Association
Virginia Manufacturers Association
Wisconsin Manufacturers & Commerce
WV Manufacturers Association

CC: All Members of Congress

Chairman of the Board
SCOTT CORBITT
Region Vice-President, State Government Affairs
Anheuser-Busch Companies, LLC



President
RYAN AUGSBURGER

August 7, 2025

Ohio Department of Job and Family Services
30 East Broad St.
Columbus, OH 43215

Chair and Members of the Working Group for the Ohio Supplemental Nutrition Assistance Program (SNAP) Waiver:

On behalf of the Ohio Manufacturers Association (OMA), I am writing to request that the Ohio SNAP Waiver on Soda/Soft Drinks explicitly protect Ohioan's access to medically necessary and nutritionally essential products, by exempting from the SNAP waiver definition of soda/soft drinks several specific categories of food products:

- **Infant formulas**--often sole source of nutrition for infants who are not breastfed and are regulated by the Food and Drug Administration to meet the complete nutritional needs of infants during their first year of life
- **Medical foods**--used under physician supervision, designed for the dietary management of specific diseases/conditions, and include oral rehydration solutions and formulas for metabolic disorders, severe food allergies, and gastrointestinal diseases
- **Foods for special dietary use**--include oral nutrition supplements which are often prescribed or recommended by healthcare providers to help maintain weight, strength, and immune function.

These food products are not sugar-sweetened beverages in the conventional sense and serve critical roles in health maintenance, disease management, and survival for vulnerable populations.

OMA members— Ohio's manufacturers—are deeply invested in the success of our state and the nation, and we recognize that a healthy workforce is a critical driver of economic growth. Representing 1,300 manufacturers across Ohio, the OMA is solely dedicated to protecting and growing manufacturing—the state's largest industry and the top contributor to Ohio's GDP, generating \$130 billion and employing nearly 700,000 Ohioans.

Broad restrictions on "sugar-sweetened beverages" could prevent Ohio SNAP recipients from accessing products crucial to their nutrition, health, and well-being. Infant formula, medical foods, and foods for special dietary use should be exempt from such restrictions to ensure these foods remain available to those Ohioans in need.

Thank you for the opportunity to submit comments. The OMA is happy to answer any questions members of the Working Group may have.

Sincerely,

A handwritten signature in blue ink, appearing to read "James Lee".

James Lee
Managing Director, Public Policy Services
The Ohio Manufacturers' Association



Manufacturers Warn HHS' MAHA Strategy Undermines Trump Regulatory Agenda Without Improving Health and Safety

September 9, 2025 4

Washington, D.C. — Following the release of the Make America Healthy Again (MAHA) Commission's strategy report, National Association of Manufacturers President and CEO Jay Timmons issued the following statement:

“Manufacturers share the administration's goals of safeguarding Americans' health and safety. However, in light of this administration's exceptional track record to drive a rebalanced regulatory agenda to strengthen manufacturing and benefit consumers, the Commission's strategy report is a shocking misstep.

“Manufacturers are concerned that policies based on faulty information and misguided science could result in overly burdensome and ineffective regulatory proposals for manufacturers without making consumers safer. If implemented, the strategy would harm manufacturers across the country and the consumers who benefit from an efficient, healthy and cost-effective supply chain. It also would add to the compliance burden that the administration has made so many great strides to unwind. Manufacturers in the U.S. shoulder nearly \$350 million every year in compliance costs—capital that manufacturers would much rather invest in their facilities, their employees, their products, and this administration has been a key partner in alleviating that burden.

“Manufacturers throughout the chemical, pharmaceutical, and food and beverage supply chains prioritize Americans' health and safety. They comply with strict regulatory guidelines and lead with innovation to deliver safe and reliable products, ensure resilient and secure supply chains, safeguard health, preserve consumer choice, and enhance accessibility and affordability.

“Manufacturers are committed to working with the administration to ensure our industry can continue to deliver safe, innovative and affordable products to American families. But the strategy of the MAHA report will take America in the wrong direction.”

Columbus Dispatch

POLITICS

Ohio Lt. Gov. Jim Tressel won't run for governor in 2026, clearing GOP field for Ramaswamy

[Haley BeMiller](#) and [Jessie Balmert](#) Columbus Dispatch

Updated Sept. 19, 2025, 2:09 p.m. ET

Lt. Gov. Jim Tressel won't run for governor in 2026, all but assuring Vivek Ramaswamy will be the Republican nominee.

Tressel's Sept. 19 announcement ended speculation that he would mount a primary challenge against Ramaswamy, who secured the backing of [President Donald Trump](#) and the Ohio Republican Party. Unlike past election cycles, Republicans are pushing unity over messy primaries in the races for governor and U.S. Senate.

[Attorney General Dave Yost](#) dropped out of the governor's race as his party began to coalesce around Ramaswamy. But Tressel, a former Ohio State University football coach, said he was [still considering a run](#).

"I believe that our crucial opportunities in the areas of education and workforce deserve my full attention for the remainder of our term," Tressel said in a statement on Sept. 19. "My goal is to help finish the amazing work started by the DeWine- Husted administration. Ohio is winning and must continue!"

[DeWine appointed Tressel](#) in February to replace now-Sen. Jon Husted as lieutenant governor. Husted was DeWine's preferred successor as governor until he had to pick someone to fill Vice President JD Vance's vacant Senate seat.

Following Tressel's appointment, DeWine sidestepped questions about whether he was priming the former coach for a run. The governor unsuccessfully urged members of the Ohio Republican Party to delay their [May endorsement of Ramaswamy](#).

Right now, Ramaswamy's only competition among Democrats is former Ohio Department of Health Director Amy Acton. Former Congressman Tim Ryan will decide by the end of September [whether to enter the race](#) after former Sen. Sherrod Brown opted to run for Senate against Husted.

A spokesperson for Ramaswamy declined to comment on Tressel's decision.

Who is Jim Tressel?

Tressel, a Mentor native, served as Youngstown State University's president from 2014 to 2023.

Before that, he was [Ohio State's head football coach](#) from 2001 to 2011, winning the national championship in 2002. Tressel's nickname was "the senator" for his diplomatic demeanor despite never serving in public office.

Tressel resigned from that role amid an NCAA investigation into improper benefits, including tattoos, that his players received during the 2010 season. Ohio State vacated its wins from that season as a punishment.

Prior to his job at Ohio State, Tressel served as the head coach at Youngstown State University from 1986 to 2000 and as a position coach at Syracuse University and Miami University.

As lieutenant governor, Tressel [launched a fitness challenge](#) with former Ohio State players to promote healthy lifestyles.

(This story was updated with additional information.)

State government reporter Haley BeMiller can be reached at hbemiller@gannett.com or [@haleybemiller](https://twitter.com/haleybemiller) on X.

Ramaswamy, Husted endorse each other in races months out from Ohio elections

The Statehouse News Bureau | By [Sarah Donaldson](#)

Published September 23, 2025 at 1:02 AM EDT



More than seven months out from Ohio's partisan primaries, GOP candidate for governor Vivek Ramaswamy and incumbent U.S. Sen. Jon Husted have endorsed each other, in another signal that neither of them will face a serious contest in May 2026.

The two men addressed a standing room only crowd, which included lawmakers and strategists and lobbyists, at The Boat House near downtown Columbus on Monday night. "We know we won't be alone, because we know that President (Donald) Trump will be here, Vice President (JD)

Vance will be here, and all of you will be here working side-by-side with us to getting a victory in 2026, won't you?" Husted said.

His endorsement of Ramaswamy came just days after Lt. Gov. Jim Tressel officially ruled out a run. The former Ohio State University football coach, who Gov. Mike DeWine made his second-in-command in February, shut the door Friday afternoon. Issues like the state's education system and its workforce "deserve my full attention for the remainder of our term," Tressel wrote on X, formerly Twitter.

Attorney General Dave Yost exited the race months ago, after failing to secure the Ohio GOP's endorsement in May. That went to Ramaswamy, who was endorsed by Trump the day he launched his bid. When asked by the Statehouse News Bureau about whether wading into races will be more common in future cycles, Chairman Alex Triantifilou said the Ohio GOP endorsed as early as it did in a show of unity.

"We're united around this ticket," Triantifilou told reporters after the event. "There's still a primary process, but we're telling Republicans, this is a winning team for Ohio."

The only declared Democrat in the governor's race so far is former Ohio Department of Health Director Amy Acton, who served and then resigned under DeWine and Husted during the early days of the COVID-19 pandemic.

"As Ohioans continue to struggle with the cost of living, politicians like Jon Husted and Vivek Ramaswamy will be punished at the ballot box," Ohio Democratic Party spokesperson Katie Seewer said in an email statement Monday.

Husted, who holds the Ohio seat vacated by Vance, is more than likely to face off with former U.S. Sen. Sherrod Brown, a Democrat, next November.

"He's not as tough as he once was," Husted told reporters. "He lost by over 200,000 votes in the last election."

Ramaswamy left without answering any questions from reporters.

Emerson College

POLLING

Ohio 2026 Poll: Senator Husted Starts Matchup with Six-point Lead Over Sherrod Brown

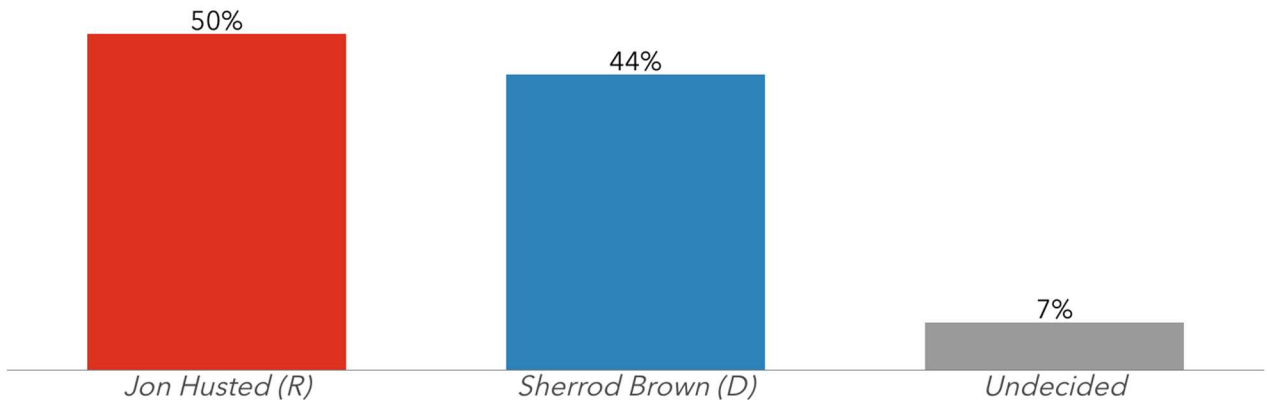
August 22nd, 2025

A new Emerson College Polling survey of the 2026 Ohio Senate race finds incumbent Republican Jon Husted leading former Democratic Senator Sherrod Brown, 50% to 44%, with 7% of voters undecided. Forty-four percent have a favorable view of Brown, 42% unfavorable, and 14% are neutral or have not heard of the former Senator. A third of voters (33%) have a favorable view of Husted, 28% unfavorable, and 40% are unsure or have never heard of the Senator.

OHIO 2026 POLL



If the 2026 election for US Senate were held today, and the candidates were Democrat Sherrod Brown and Republican Jon Husted, who would you support?



Ohio Voters, Aug. 18-19, 2025, n=1,000, MOE +/- 3%

“In the first public poll following Sherrod Brown’s 2026 campaign kick-off, the former Senator trails the incumbent Jon Husted by six points, though he has a higher name recognition than the first-term Senator,” Spencer Kimball, executive director of Emerson College Polling, said. “Husted has a 16-point lead among male voters and voters without a college degree, and a 14-point lead among voters over 40. Brown has a 13-point lead among voters under 40, a three-point lead among women voters, and an eight-point lead among independent voters.”

In a hypothetical gubernatorial election between declared candidates Republican Vivek Ramaswamy and Democrat Amy Acton, Ramaswamy leads by ten: 49% to 39%, with 12% undecided. In a matchup against Democrat Tim Ryan, Ramaswamy leads 49% to 41%, with 10% undecided.

Job Approval

Forty-nine percent of Ohio voters approve of the job Donald Trump is doing as President, while 42% disapprove. A plurality of voters (40%) disapprove of the job Mike DeWine is doing as Governor, while 32% approve, and 28% are neutral.

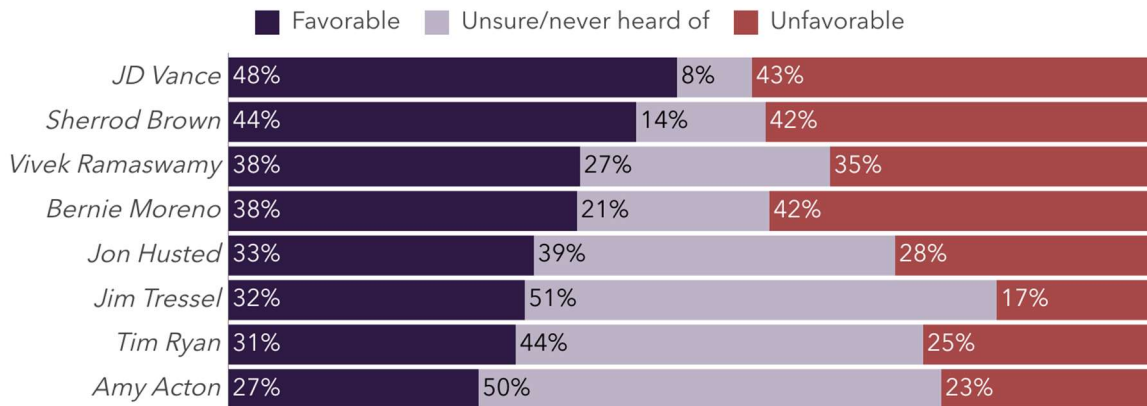
Name Recognition

Ohio voters were presented with a list of public figures and asked how favorably or unfavorably they view each person.

OHIO 2026 POLL



Do you have a favorable or unfavorable view of the following individuals?



Ohio Voters, Aug. 18-19, 2025, n=1,000, MOE +/- 3%

2028 Presidential Nomination

Looking ahead to the 2028 Republican nomination for president, Vice President JD Vance leads the Republican field with 55%, followed by US Secretary of State Marco Rubio (9%), Florida Governor Ron DeSantis (7%), Vivek Ramaswamy (6%), and Nikki Haley (4%).

In the Democratic nomination contest, Gavin Newsom leads with 20%, followed by Pete Buttigieg with 15%, Alexandria Ocasio-Cortez at 8%, and Tim Walz, Kamala Harris, and Bernie Sanders at 7% respectively.

Ohio Issues

A majority of voters (57%) think mass deportations of undocumented or illegal immigrants in Ohio are a good thing for the state, while 43% think they are a bad thing for Ohio.

- 77% of Ohio Democrats think deportations are a bad thing for the state, 87% of Republicans think they are a good thing, and independents are split: 52% think deportations are good for Ohio, while 48% think they are bad for Ohio.

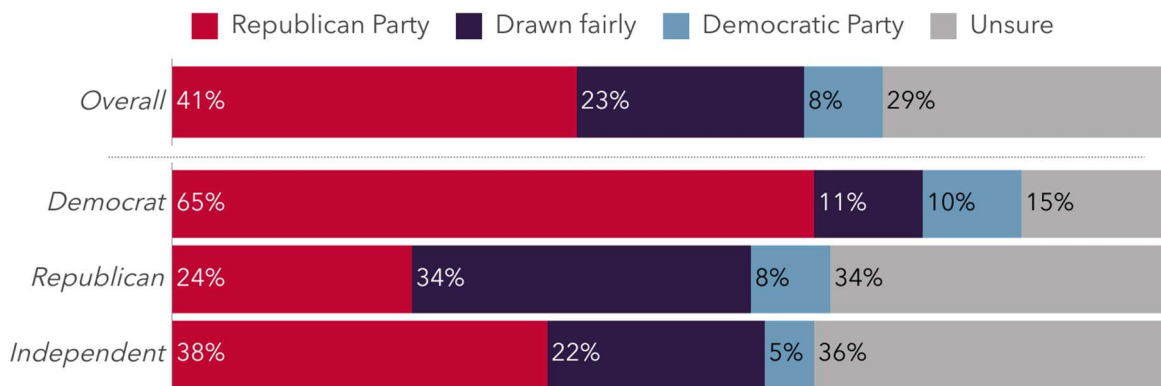
Ohio voters are split on sending National Guard troops to Washington, DC: 44% approve of Ohio sending troops to the nation’s capital, while 42% disapprove of the action; 14% are unsure.

Voters were asked if they think Ohio Congressional district lines are being drawn fairly, based on what they know, or if they are drawn to give an advantage to the Republican or Democratic Party. A plurality (41%) think they are drawn to give an advantage to the Republicans, 23% think they are drawn fairly, 8% think they are drawn to give an advantage to Democrats, and 29% are unsure.

OHIO 2026 POLL



Based on what you know, do you think the Ohio Congressional district lines are being drawn fairly, or are they being drawn to give an advantage to the Republican Party or the Democratic Party?



Ohio Voters, Aug. 18-19, 2025

The economy is the top issue for 44% of Ohio voters, followed by threats to democracy (15%), housing affordability (10%) and healthcare (8%).

“Among voters whose top issue is threats to democracy, 82% think congressional district lines are being drawn to benefit the Republican Party,” Kimball noted.

Methodology

The Emerson College Polling Ohio survey was conducted August 18-19, 2025. The overall sample of Ohio active registered voters, n=1,000, has a credibility interval, similar to a poll's margin of error (MOE), of +/- 3 percentage points. The 2026 Republican Primary consists of n=490, with a credibility interval of +/- 4.4%. The 2026 Democratic Primary consists of n=383, with a credibility interval of 5.0%.

The data sets were weighted by gender, education, race, age, party registration, and region based on U.S. Census parameters and voter file data.

It is important to remember that subsets based on demographics, such as gender, age, education, and race/ethnicity, carry with them higher credibility intervals, as the sample size is reduced. Survey results should be understood within the poll's range of scores, and with a confidence interval of 95% a poll will fall outside the range of scores 1 in 20 times.

Data was collected by contacting a voter list of cellphones via MMS-to-web text (list provided by Aristotle), and an online panel and mobile phone panel of voters provided by the Consensus Panel. Panel responses were matched to the Aristotle voter file using respondents' full name and ZIP code. The survey was offered in English.

All questions asked in this survey with the exact wording, along with full results, demographics, and cross tabulations can be found under Full Results. This survey was funded by Emerson College.



He planned to run for Ohio governor. Now Jon Husted could be in the US Senate's toughest 2026 race

BY JOEY CAPPELLETTI

Updated 12:05 AM EDT, September 24, 2025

Share

COLUMBUS, Ohio (AP) — Sen. Jon Husted looks on as Vivek Ramaswamy fires up a standing-room-only crowd in Ohio, making the case for why he should be their next governor. It's a speech Husted, just months ago, [had expected](#) to give himself.



But Husted's political path took an abrupt turn in January, when Gov. Mike DeWine appointed him to the U.S. Senate seat vacated by Vice President JD Vance. In just days, the longtime lieutenant governor went from a low-profile state office to a seat in the U.S. Senate.

Now Republicans are counting on Husted — who last led a general election campaign of his own in 2014, though he's appeared on statewide ballots as lieutenant governor — to defend the Senate seat in a race with national implications. Democrats recruited former Sen. [Sherrod Brown](#), Ohio's best-known Democrat, immediately making it a competitive contest. Brown is among the [candidates](#) giving Democrats hope about gaining ground in the Senate next year, even as the 2026 map will make retaking the majority difficult.

Husted is betting that his personal story, long history in office and alignment with President Donald Trump will help him continue the Republican Party's winning streak in Ohio. That may be tougher without Trump, who motivates GOP voters to turn out, being on the ballot.

"We have a Republican Party that is winning in the state of Ohio," Husted told supporters at the event where he and Ramaswamy endorsed each other. "But there is no guarantee."

From All-American football player to US Senate

Born just outside Detroit, Husted spent his first few months of life in a foster home. Then, he says, "the greatest thing that could ever happen to me in life: I got adopted by my mom and dad."

He grew up in rural Ohio and played football at the University of Dayton, where he became an All-American cornerback. He was elected to the Ohio House of Representatives in his early 30s, then later served as House Speaker, state senator and secretary of state.

Husted became DeWine's running mate in 2018 after an unsuccessful gubernatorial bid of his own. They easily won reelection in 2022, and Husted intended to run to replace the term-limited DeWine before the presidential election scrambled his plans.

On Jan. 17, DeWine announced that Husted would fill Vance's seat — opting for him over Ramaswamy, whom Trump [had encouraged](#) to consider taking the seat. While Husted said he hasn't had an in-depth conversation with DeWine about it, he believes the governor "trusted me the most of anybody to go and do a good job."

Husted has served in a 53–47 Republican-controlled Senate that's been among the most contentious in recent history. Republicans' most [significant legislative win](#) so far has been passing Trump's sweeping spending and tax cut package. Husted, like many Republicans, promotes it as a tax break for the working class. Democrats have criticized it for slashing health care funding.



Back in Ohio during Congress' recess, Husted has repeatedly insisted that no Ohioans will lose Medicaid coverage as a result of the law. But the Congressional Budget Office [projects](#) that across the country, more than 10 million people will become uninsured by 2034.

The incumbent with the low profile

After their cross-endorsement event in Columbus, Ramaswamy rushes out of the room, past a swarm of shouting reporters, while Husted lingers in the crowd before taking questions. It's a glimpse of their contrasting styles — and a reflection of their races. Many Republicans in the crowd predict Ramaswamy will win in a landslide, while Husted is bracing for a tough fight.

Brown is widely expected to secure his party's nomination and is considered one of the top Democratic recruits in the country this cycle. He spent 32 years in Congress — including 18 in the Senate — before losing his seat last year to Republican Bernie Moreno by just over 3.5 percentage points.

But [Moreno's win](#) came with Trump — who carried Ohio by more than 11 points — at the top of the ticket. Without him, and with midterm elections historically favoring the party not in the White House, Democrats believe Brown has a viable path back.

Democrats have signaled that Husted's [as-yet-unresolved ties](#) to what's been described as the largest [corruption scheme](#) in state history will become a campaign issue. Husted has not been accused of wrongdoing.

The 2026 contest is expected to be highly expensive. In 2024, the race between Moreno and Brown was the most expensive of the cycle, with total spending topping \$500 million. The cryptocurrency industry alone spent over \$40 million to defeat Brown, who then chaired the Senate Banking Committee.

In the latest filings in July, Husted had raised just over \$3 million so far in the Senate race, with \$2.6 million in cash on hand. Brown officially launched his bid in August, and his team announced that he raised \$3.6 million in his first 24 hours in the race.

Ohio GOP Chair Alex Triantafyllou said Husted has been one of the state's best fundraising candidates and "I anticipate he'll have the resources he needs to win the race."

Can Democrats still compete in Ohio?

For more than half a century, as Ohio went, so did the nation.

But after former President Barack Obama carried Ohio in both of his presidential campaigns, Trump won it in 2016. He also won the state in 2024 and 2020, when Joe Biden became the first president elected without carrying Ohio since fellow Democrat John F. Kennedy in 1960.

Republicans U.S. Sen. Jon Husted, left, candidate for Senate in 2026, and Vivek Ramaswamy, right, candidate for Ohio Governor in 2026, are pictured at an event where they endorsed each other in Columbus, Ohio, Monday, Sept. 22, 2025. (AP Photo/Sue Ogrocki)

Now the GOP controls both chambers of the state legislature, the governor's office and both U.S. Senate seats.

Whether Brown can win back his seat in 2026 could serve as a key barometer for the Democratic Party's ability to reconnect with the union and blue-collar voters Ohio is known for — [a bloc](#) that helped Trump sweep the so-called Rust Belt battlegrounds of Ohio, Wisconsin, Michigan and Pennsylvania in 2024.

So far, union endorsements have been split for the top Ohio races. The Ohio State Association of Plumbers and Pipefitters and the Central Midwest Regional Council of Carpenters have backed both Ramaswamy and Brown. The state's Teamsters union has endorsed Ramaswamy for governor but hasn't weighed in yet on the Senate contest.

Before a cheering crowd wearing "Vivek for Ohio" stickers and holding "Jon Husted for Senate" signs, the joint endorsement event in Columbus was a celebration. But Ohio Republicans know how close the margin could be and how easily momentum can shift.

Even if he wins, Husted would still need to run again in 2028 to secure a full six-year term. He shrugs off the challenge, telling The Associated Press with a smile: "I've done a lot tougher things in my life than that."

Reineke seeks to replace McColley as Ohio Senate president



COLUMBUS — State Sen. Bill Reineke (R., Tiffin), currently the second- highest-ranking leader in the Ohio Senate, said Thursday he wants to replace current Senate President Rob McColley (R., Napoleon) in the next General Assembly, keeping the top job in northwest Ohio hands.

The next two-year session won't begin until January, 2027, but the Republican caucus is likely to elect its new leadership slate next year.

Mr. McColley is term-limited and will only complete a single two-year term as president. He has been the subject of conjecture that he might be in the running to be Vivek Ramaswamy's lieutenant governor pick in 2026.

The announcement from Mr. Reineke, a partner in a family-run auto- dealership chain, also demonstrated his fundraising clout with the filing of his own campaign finance report for the first six months of the year.

Leadership candidates often point to their ability to raise funds for the caucus and its candidates. Mr. Reineke reported raising \$417,000 with the biggest contribution of \$16,616 coming from fellow auto dealers, the Dublin, Ohio-based Dealers Investment Group.

The conservative Mr. Reineke is now Senate pro tempore. He was easily re-elected last year to represent the 26th District, consisting of Sandusky, Seneca, Union, Crawford, Marion, Morrow, and Wyandot counties.

Like Mr. McColley, he could serve as president for just a single two-year session before running up against term limits himself. Before moving to the Senate, he served six years in the House of Representatives.

"In just six months, we've enacted transformational energy reform on a bipartisan basis and delivered a historic operating budget that includes significant tax relief and meaningful investments in our state," Mr.

Reineke said. "Should I be chosen by my colleagues to serve as president in the next General Assembly, I will work collaboratively to build on the progress made by the strong conservative leadership we've had these past several years."

He boasted of the endorsements of Sen. Theresa Gavarone (R., Bowling Green) and George Lang (R., West Chester), the third and fourth-ranking leaders on the GOP's current team. Republicans outnumber Democrats 24-9 in the chamber.



MEMORANDUM

TO: Ohio Manufacturers' Association
Government Affairs Committee

FROM: Bricker Graydon LLP
Christopher N. Slagle, OMA General Counsel

DATE: September 30, 2025

RE: September 2025 OMA Government Affairs Committee Counsel Report

I. September 2025 Government Affairs Committee Counsel Report.

Please find below several political, legislative, and judicial efforts our Firm has been monitoring for the OMA.

II. Statewide Ballot Issues Overview.

Abolishment of Taxes on Real Property.

On May 1, 2025, a group of petitioners filed a summary of a ballot issue to abolish property taxes. Attorney General Yost certified the summary as fair and truthful statement on May 9, 2025. Following Attorney General Yost's certification, the ballot board met and certified the ballot measure as a single issue. If approved, the proposed amendment would add a new section to Article XII of the Ohio Constitution stating in part that "No real property shall be taxed, and no law shall impose any taxes on real property." The supporters of this ballot issue could submit petitions by July 2, 2025, for review to be placed on the November 2025 ballot. However, due to the short amount of time, it is unlikely the supporters will be able to collect the required number of signatures.

Minimum Wage.

Although, organizers, One Fair Wage, of a proposed constitutional amendment to raise Ohio's minimum wage already had the ability to collect signatures to place the measure on the ballot, the group instead refiled the constitutional amendment with the Attorney General's office on March 27, 2023. The third submission of the constitutional amendment includes an increase of minimum wage to \$12.75 per hour on January 1, 2025, and then increase to \$15 per hour on January 1, 2026. The Attorney General certified the summary as truthful and accurate statement on April 5, 2023. Following, the Ohio Ballot Board met and certified the issue as a single issue for the ballot. The group attempted to collect signatures to file before July 3, 2024, but One Fair Wage made a statement on the deadline date that they failed to collect enough signatures in the required number of counties and therefore will try again for the November 2025 General Election. Supporters of the measure did not submit signatures to be placed on the November ballot.



Secure and Fair Elections/Ohio Voter Bill of Rights.

On December 19, 2023, the group submitted similar same day voting registration language to the Attorney General's office to start the ballot issue process. The Attorney General's office rejected the summary on December 28, 2023. The group waited a few weeks and on January 16, 2024, the group submitted their second submission and renamed it "Ohio Voter Bill of Rights." Again, the Attorney General's office denied the summary. The group filed a writ of mandamus with the Ohio Supreme Court and requested an expedited schedule. The court denied their request for an expedited schedule on February 8. Following, on February 26, 2024, Attorney General Yost filed a motion to dismiss. The Ohio Supreme Court denied the motion to dismiss on May 22, 2024, and set a briefing schedule for the case. After the briefing schedule, on October 30, 2024, the Ohio Supreme Court unanimously ruled that the Attorney General overstepped his statutory bounds to review a summary of a ballot issue. The Court ordered that the Attorney General review the summary within 10 days of the Court's decision. On November 8, 2024, the Attorney General approved the summary as truthful and fair. Now, the Ohio Ballot Board will meet to determine if the proposed constitutional amendment is one issue or multiple. This proposed ballot issue is similar to another ballot issue proposed in 2020 on election process, which the Ohio Ballot Board found to be multiple issues. However, the ballot board on November 18, 2024 approved the issue as a single issue. The supporters of this ballot issue did not submit petitions for consideration to be placed on the November 2025 ballot.

Protecting Ohioans' Constitutional Rights.

After a long litigation battle, the U.S. Supreme Court declined to stay a ruling and that ultimately forced Attorney General Yost to take steps to certify the ballot issue. Attorney General Yost certified the summary on April 22, 2025, and the Ballot Board determined it was a single issue on April 29, 2025. The petitioners did not submit petitions for review for the November 2025 general election.

Ohio Equal Rights Amendment and Marriage Repeal.

On June 24, 2025, supporters of the constitutional amendment filed a summary of the ballot issue with the Attorney General's office. Following, Attorney General Yost certified the summary on July 3, 2025. If approved, this ballot measure would add a new section to Ohio's constitution, which would bar the state or its political subdivisions from denying individuals equal rights under the law based on race, color, creed, religion, sex, sexual orientation or gender identity. The second portion of this constitutional amendment would repeal existing constitutional language defining marriage as between one man and one woman. On July 9, 2025, the Ohio Ballot Board met to consider whether the language in the proposed ballot issue is only one proposed amendment, after a vote of 3-2 the Ballot Board separated the two issues. The supporters of this proposed measure decided not to appeal the decision to the Ohio Supreme Court and instead run two separate but concurrent campaigns. On August 1, 2025, the supporters resubmitted two separate summaries for repeal of the constitutional language defining marriage and the equal rights language. Subsequently, Attorney General Yost certified both summaries on August 8, 2025.



III. Pending Legislation.

The Ohio Legislature wrapped up their work on Ohio's operating budget, House Bill 96, a few days prior to the June 30th constitutional deadline, allowing Governor DeWine time to review and consider potential vetoes. Ultimately, Governor DeWine issued a record breaking 67 line-item vetoes. Many of the line-item vetoes struck language of the Legislature's proposed solutions to Ohio's property tax increases. In Governor DeWine's veto message, he emphasized he recognized the need for property tax reform and is convening a "working group that will include legislators, agency officials, school officials, community members, and property tax experts to ensure this critical topic is given the attention deserved." Following the veto message, Governor DeWine formed the Ohio Property Tax Reform Working Group to review Ohio's property tax system to provide meaningful property tax relief to homeowners and businesses while ensuring that funding for local schools, necessary services is adequate. This working group is charged with issuing a report with proposals by September 30th. Governor DeWine also vetoed certain language which aims to repeal certain sales and use tax exemptions, such as the exemption for printed material production and data centers tangible personal property.

In July, Speaker Huffman announced a special session for July 21, 2025, to consider overturning three of the four property tax vetoes. However, ultimately, the chamber was only able to vote to overturn one of the line-item vetoes. The Senate has yet to announce if they will hold a session to consider the House's overturn vote.

Operating Budget. The marquis policy change in H.B. 96 is the shift to a 2.75% flat income tax rate for Ohioans with an income above \$26,051. The General Assembly has consistently adopted income tax rate and bracket reductions since the 2011 budget.

In addition, the legislation redirects \$1.7 billion from unclaimed funds with \$600 million earmarked for a new Cleveland Browns stadium in Brook Park, \$400 million designated for other sports and cultural facilities projects and the remaining \$700 million staying in an escheatment fund for a later purpose. Here is a list of other notable items contained in the budget.

- Local school board candidates will list their political affiliations on the ballot.
- Redirects \$200 million from the All-Ohio Future Fund to the Brownfield Remediation Fund.
- Eliminates the sales and use tax exemptions for several items including newspapers, digital audio on juke boxes
- Authorizes Summit, Hamilton, and Franklin County to levy county-wide cigarette taxes for the benefit of arts and cultural districts and authorizes Cuyahoga County to expand its current "sin taxes."
- Eliminates the Ohio Election Commission and transferring the Commission's duties to the Ohio Election Integrity Commission within the Secretary of State's office.



- Requires the Auditor of State to conduct a performance review audit of the Public Utilities Commission of Ohio and Ohio Power Siting Board and issue the audit by May 1, 2027.
- Directs Ohio EPA to remove the Air Nuisance Rule from the state’s federal air compliance plan, protecting manufacturers from abusive litigation.
- Revises the commercial activity tax, by converting a CAT credit for specific net operating losses that were accrued under the former corporation franchise tax from a refundable credit to a nonrefundable credit after calendar year 2029.
- Invests \$ 10 million in funding for Ohio’s network of industry sector partnerships.
- Invests approximately \$50 million for the allocation to support Ohio workers in expanding their skills under Ohio’s innovative TechCred program.

Manufacturing Technology Assistance Grants. Representatives Santucci (R-Howland Township) and Steve Demetriou (R-Bainbridge Township) reintroduced legislation to create a manufacturing technologies grant program, House Bill 159, on March 6, 2025. The bill was referred to the House Technology & Innovation Committee and has received three hearings.

Income Tax Reduction. Representatives Adam Mathews (R-Lebanon) and Brian Lampton (R-Beavercreek) introduced House Bill 30, to phase-down the state income tax to a flat rate of 2.75% over two years. The bill was referred to House Ways and Means Committee. H.B. 30 received a hearing on March 26, 2025. Senator George Lang (R-West Chester) and Senator Steve Huffman (R-Tipp City), introduced companion language, Senate Bill 3. Senate Bill 3 was referred to Senate Ways and Means Committee and received its first hearing on March 26, 2025.

Pricing Algorithms. Senators Bill Blessing (R-Colerain Township) and William Blackshear (D-Dayton) introduced Senate Bill 79, to regulate the use of pricing algorithms. This is similar to Senator Blessing’s bill from the 135th General Assembly. The bill was referred to Senate Financial Institutions, Insurance and Technology Committee. Senate Bill 79 prohibits a business from using to distributing a pricing algorithm that uses, incorporates or is trained with nonpublic competitor data. Nonpublic competitor data means “nonpublic data that is derived from or otherwise provided by another person that competes in the same market as a person, or a related market.” “Nonpublic competitor data” does not include information distributed, reported, or otherwise communicated in a way that does not reveal any underlying data from a competitor, such as narrative industry reports, news reports, business commentaries, or generalized industry survey results. Thus far, the bill has received one hearing on March 4, 2025.

PFAS Ban. Representatives Justin Pizzuli (R-Franklin Furnace) and Monica Robb-Blasdel (R-Columbiana) introduced House Bill 272 on May 13, 2025. House Bill 272 aims to regulate certain substances, focusing on per- and polyfluoroalkyl substances (PFAS). The bill restricts the intentional addition of PFAS in certain products, with a phased implementation beginning January 1, 2027. By 2032, the sale of products containing PFAS is prohibited unless deemed unavoidable by the Director of the Ohio Environmental Protection Agency. The bill has serious implications



for Ohio's manufacturers, as Ohio currently does not have a state law restricting products containing PFAS. The bill was referred to House General Government Committee and received its first hearing on June 10, 2025.

Prompt Payment. Representative Sweeney (D-Westlake) and Representative Bill Roemer (R-Richfield) reintroduced prompt pay for private contractors, House Bill 288, on May 20, 2025. The bill was referred to House Small Business Committee, in which it received four hearings, and was voted out of committee on June 17th right before the summer recess.

Post-Employment Agreements. Senators Bill Blessing (R-Colerain Township) and Bill DeMora (D-Columbus) introduced Senate Bill 11, which would prohibit non-compete agreements. The bill was referred to Senate Judiciary Committee, and thus far, has received four hearings. OMA provided opponent testimony on the bill during its third hearing. Testimony can be found [here](#).

Digital Repair Act. Senate Bill 176 is reintroduced legislation from the 135th General Assembly. Senator Bill Blessing (R-) introduced Senate Bill 176 on April 17, 2025, and was referred to Senate Small Business and Economic Opportunity Committee. If enacted, the bill requires manufacturers of certain digital electronic equipment to provide documentation, tools, and parts to independent repair providers and owners. OMA opposed the legislation during the 135th General Assembly (S.B. 73). Thus far, the bill has only received sponsor testimony on May 15, 2025.

IV. Tort Reform.

Counsel is currently monitoring various tort reform legislative efforts and await the possible re-introduction of certain civil justice legislative items from prior legislative cycles.

Third Party Litigation Funding. Senator Steve Wilson (R-Maineville) reintroduced the non-recourse civil litigation legislation, Senate Bill 10. Among other provisions, the bill requires the disclosure of consumer agreements and commercial agreements to other parties to a legal action. The bill was referred to Senate Judiciary Committee and has received five hearings since its introduction. During its third hearing, on June 11th, the committee adopted a substitute bill. The substitute bill included additional consumer protections, specifies that commercial agreements are subject to disclosure if ordered by a court and caps the fee that can be charged at 28%.

A companion bill, House Bill 105 (Craig/ Mathews) was introduced on February 18, 2025. The bill was referred to House Insurance Committee and has received five hearings. The committee amended the bill twice. H.B. 105 similar to S.B. 10 seeks to reform third party litigation funding agreements. The bill requires such agreements to adhere to certain terms and disclosure requirements. Additionally, an agreement must be disclosed with the court. House Bill 105 protects consumers who obtain an advancement loan by prohibiting or curtailing the lenders from certain activities. Among these key prohibited provisions: paying an attorney or medical provider for a client referral, failing to provide contracts to consumers and their attorneys, adding additional contracts for the same claim, assigning the loan to a third-party, and entering into a contract where the consumer's legal counsel has an interest in the loan company. Lastly, House Bill 105 also prohibits foreign actors from funding litigation. The bill was referred to House Insurance



Committee on February 26, 2025. Thus far, the bill has received six hearings, including several amendments and one substitute bill. OMA provided proponent testimony on the bill.

Ohio's legislative activity on third party litigation funding has led it to be placed on the "Heat Watch" list for the American Tort Reform Association (ATRA). ATRA's press release can be found [here](#).

Public Nuisance. House Bill 126 was introduced on February 24, 2025 and seeks to codify the Ohio Supreme Court holding in the *In Re National Prescription Opiate* Litigation case. Specifically, the bill prohibits public nuisance actions arising from the sale of a product. After introduction, the bill was referred to the Senate Judiciary Committee. Thus far, the bill has received four hearings. During the bill's third hearing, the committee adopted a substitute bill. The Ohio Alliance for Civil Justice provided proponent testimony on House Bill 126 during the bill's second hearing. The bill received a hearing on May 7, 2025, during such hearing the committee reported the bill out. House passed the bill out of the chamber on May 8th by a vote 59-36. The Senate referred the bill to Senate Judiciary Committee.

Ohio's legislative activity on House Bill 126 has led it to be placed on the "Heat Watch" list for the American Tort Reform Association (ATRA). ATRA's press release can be found [here](#) and attached following this report.

Product Liability. Senator Bill DeMora (D- Columbus) introduced Senate Bill 38 on January 28, 2025, which seeks to reverse the Ohio Supreme Court decision in *Berkheimer v. REKM* (the boneless chicken wing case). The bill creates a civil cause of action for persons who suffer injury, death, or loss to person allegedly caused by consuming food containing a substance injurious to human health when that food was provided by a food supplier or food service operation. The bill requires the trier of fact to use the reasonable expectation test meaning liability of the food supplier or the food service operator is determined by whether the injured person had a reasonable expectation that the food did not contain a substance injurious to human health when consuming the food. The bill was referred to Senate Judiciary Committee and received one hearing.

Corporate Veil. Senate Bill 146 was introduced on March 12, 2025, and it was referred to Senate Judiciary Committee. Senate Bill 146 aims to codify elements that must be proved with respect to the liability of a "covered person" (individual such as an officer) of a "covered entity" (corporation) for damages or civil penalties under the common law doctrine of "piercing the corporate veil." Without these elements, a plaintiff cannot pierce the corporate veil. The bill states that a covered person has no liability to any person for damages or civil penalties unless the person seeking to pierce the corporate veil demonstrates the following: (1) "covered person" exerted control over the "covered entity" that the covered entity had no separate mind, will, or existence of its own; (2) the "covered person" caused the "covered entity" to be used for the purpose of perpetuating, and the "covered entity" perpetrated, an actual fraud on the person seeking to pierce the corporate veil primarily for the direct pecuniary benefit of the "covered person;" and (3) the person seeking to pierce the corporate veil sustained an injury or unjust loss as a direct result of the control and fraud described above. If passed, this new statute will apply to all pending cases at



the time it becomes effective. So far, the bill has received three hearings. OMA provided proponent testimony during the bill's second hearing. The testimony can be found [here](#).

Contract Statute of Limitations. Senator George Lang (R-West Chester) introduced Senate Bill 157 on March 25, 2025. Following Senator Lang's work on previously enacted Senate Bill 13 in the 134th General Assembly, Senate Bill 157 proposes to lower the statute of limitations for written contracts from six to three years. Additionally, Senate Bill 157 seeks to lower the statute of limitations for oral contracts from three to two years. The bill was referred to Senate Judiciary Committee and has received sponsor testimony and proponent testimony thus far.

V. Energy Related Legislation.

Repeal of Electric Security Plans/ EDU Ownership of Generation Prohibition. Both chambers expressed that energy policy would be a priority this general assembly.

Representative Klopfenstein (R-Haviland) introduced House Bill 15, which among other things will repeal an EDU's ability to file an electric security plan and prohibits an EDU from owning a generating facility in Ohio. House Bill 15 has several other competitive provisions that allow for consolidated supplier billing. Chairman Adam Holmes (R-Nashport) provided a thorough committee process, including six hearings and multiple substitute bills considering feedback from interested parties. OMA provided testimony on the bill several times throughout the committee process. On March 26, 2025, the Ohio House passed the bill with bipartisan support (90-3). The House passed version of HB 15 included the elimination of ESPs, mandatory rate cases for EDUs, repeal of subsidies, such as OVEC, enacted in HB 6 (2019), and quicker timelines and procedures for rate cases at the PUCO and siting cases at the Ohio Power Siting Board.

The Senate introduced a placeholder bill, Senate Bill 2 (Reineke), on January 22, 2025. Senate Energy Committee held its first hearing on the bill on February 11, 2025, and released the substitute bill the day prior. Senate Bill 2 included similar provisions to House Bill 15, but included changes to the definition of behind the meter generation, permitted BTM generation on property that is owned by the customer and no longer needs to be adjacent to the customer's property. Additionally, Senate Bill 2 allowed for "mini-rate cases" for EDUs to recover capital investment costs for energy development projects, although Senate Bill 2 also repeals the ESP statute. After a thorough committee process on SB 2, the Senate Energy Committee passed the measure after six hearings. OMA participated in many of these hearings. The Senate unanimously passed the bill out of the chamber on March 19, 2025.

After both chambers passed their respective versions of an energy overhaul bill, the bill sponsors, committee leadership and caucus leadership met to reconcile the differences between the two bills and determine the final version. After a few weeks of negotiations, Senate Energy Committee met on April 29, 2025 to adopt a substitute bill for House Bill 15. The Senate again unanimously passed out the measure, and the House concurred to the Senate amendments by a vote of 94-2. The final version of the bill included:

- Reform to the tangible personal property tax on new generation and energy conversion.



- Creation of priority investment areas for siting projects.
- Repeals OVEC subsidies.
- Repeals ESPs and requires EDUs to file rate cases every three years.
- Expands opportunities for behind the meter generation.
- Requires EDUS to public capacity maps and heat maps of their systems.
- Contains definitions of advanced transmission technologies and requires the Commission conduct a study of such technologies.

Governor DeWine signed the bill into law on May 15, 2025. H.B. 15 will become effective on August 12, 2025.

Carbon Capture. House Bill 170 (Robb-Blasdel, Peterson) was introduced on March 12, 2025. If enacted, House Bill 170 would set a regulatory framework for carbon capture and storage technologies in Ohio. After introduction, the bill was referred to the House Natural Resources Committee and received four hearings. The committee adopted a substitute bill during its June 18, 2025 meeting.

Senate Bill 136, introduced by Senator Chavez (R- Marietta) and Senator Schaffer (R-Lancaster), is companion legislation to H.B. 170. The bill was referred to Senate Energy Committee, which Senator Chavez also chairs.

Voluntary Demand Response Program. Representative Klopfenstein (R-) introduced House Bill 427 over the summer, which would authorize a voluntary demand response program for residential and small commercial customers. Specifically, the bill allows an EDU to propose such a program in its rate case application. The bill was referred to House Energy Committee.

VI. Political Updates.

Congressional Redistricting. Ohio must redraw its congressional districts, and the Legislature has until September 30th to do so. Speaker Huffman and President McColley appointed members to the Joint Committee on Congressional Redistricting, which must hold at least two public hearings before the Legislature adopts any congressional maps. If the Legislature fails to adopt new maps prior to September 30th, then the drafters become the Ohio Redistricting Commission with an October 31st deadline.

U.S. Senate. In April, President Trump endorsed U.S. Senator Husted as he begins to run his race to be reelected to the U.S. Senate seat he was appointed to in January. The Ohio Republican Party followed President Trump's lead and endorsed Husted during their May 9th meeting. Although Senator Husted will likely not race a Republican primary challenger, he will face a challenger in the general election. Former U.S. Senator Sherrod Brown (D) announced he is challenging Senator Husted in 2026.

Ohio Governor. Lt. Governor Tressel announced that he is considering a run for governor to replace term-limited Governor DeWine just a day before the Ohio Republican Party was scheduled to consider certain endorsements for the 2026 election cycle. However, the Ohio Republican Party



met and endorsed Vivek Ramaswamy ahead of the Republican primary in May 2026. Ramaswamy was already endorsed by President Trump earlier. Shortly after the Party's endorsement of Ramaswamy, Attorney General Dave Yost (R-Delaware) suspended his campaign for Governor.

Statewide Races. All of Ohio's statewide offices are up in 2026. Quickly after the presidential inaugural and the 2024 election cycle wrapped up, candidates made their announcements for certain statewide spots. Most notably, Treasurer Robert Sprague (R-Findlay) withdrew out of the race for Governor and is running for Secretary of State. Current Auditor Keith Faber (R-Celina) is set to run for the Republican ticket for Attorney General. Current Secretary of State Frank LaRose (R-Upper Arlington) announced his candidacy for Auditor of State. Current State Senator Kristina Roegner (R-Hudson), former State Senator Niraj Antani (R-Miamisburg) and former State Representative Jay Edwards (R-Athens), along with Lake County Treasurer Michael Zuren (R-Willoughby) are in a crowded Republican primary race for Treasurer of State. Ohio has a busy upcoming election cycle.

Ohio Supreme Court. Republicans currently have a 6-1 majority after key races in 2024. Current Justice Pat Fischer (R-Cincinnati) announced that he was challenging Justice Jennifer Brunner (D-Columbus) in her reelection race. Justice Fischer's current term is not set to expire until 2028, however, his run is to try and remain on the court and avoid the mandatory retirement due to age. However, there is a crowded Republican primary for the seat, including Judge Andrew King (Fifth District Court of Appeals) and Judge Ron Lewis (Second District Court of Appeals), and former Franklin County Common Pleas Judge Colleen O'Donnell (R-Columbus).

Justice Dan Hawkins (R) must run for a new term after winning the remainder of Justice Kennedy's term in 2024. Justice Hawkins was endorsed by the Ohio Republican Party in September.

Ohio General Assembly. Although control of the Ohio House and Senate is not likely to change following the 2026 elections, with Republicans likely to keep their robust majorities, Republican leadership in the Senate will change in 2026 due to term limits. President Rob McColley (R-Napoleon) is term limited. Therefore, two other State Senators have announced their intent to run for Senate President, current Senate President Pro Tempore Bill Reineke (R-Tiffin) and current Finance Chairman Jerry Cirino (R-Kirtland). This will be the first Senate President race that is contested in many years

VII. Litigation Updates.

A. Monitored cases

1. *State of Ohio v. Du Pont de Nemours and Co., Washington County Common Pleas Court, Case No. 18OT000032 (dismissed); Fourth District Court of Appeals, designated as Case No. 19CA000015 (dismissed); Fourth District Court of Appeals, Case No. 20CA000030 (dismissed); Fourth*



District Court of Appeals, Case No. 21CA000022 (dismissed); Fourth District Court of Appeals, Case No. 24CA000001

On February 8, 2018, Ohio Attorney General Mike DeWine filed a lawsuit against DuPont and the Chemours Company in the Washington County Common Pleas Court alleging that the company released perfluorooctanoic acid (PFOA) from its 1,200 acre facility on the Ohio River for decades, all while knowing the harm the toxic chemical posed to people and the environment.

The complaint cites a 2017 University of Cincinnati study that found residents of the Mid-Ohio River Valley had elevated levels of PFOA. The state further alleges that at least 150,000 pounds of the chemical used to manufacture Teflon products was put into the Ohio River in the 1980s and an additional 350,000 pounds was discharged into the river in the 1990s. The complaint alleges that DuPont negligently caused environment contamination and created a public nuisance through its release of PFOA in the air, soil, and water.

The State is asking for (1) a declaration of DuPont's duty to compensate the state for expenses related to the contamination from the chemical; (2) damages for injury to the state's natural resources; (3) an award of present and future costs to clean up the contamination; and (4) restitution damages for profits DuPont obtained through the conduct alleged in the complaint.

On April 12, 2018, Defendants each filed a motion to dismiss. DuPont argues that the court lacks jurisdiction because the US EPA consent orders preempt such claims and that the state lacks standing. Defendant Chemours Company's motion to dismiss argues that the state failed to state a claim upon which relief can be granted against Chemours. On May 14, 2018, the state filed its memoranda in opposition to Defendants' motions to dismiss, and DuPont filed its reply in support. An oral hearing was held on this motion on July 20, 2018.

On October 12, 2018, the Little Hocking Water Association ("Little Hocking") filed a motion to intervene as a plaintiff. The State opposed the motion. This motion has been fully-briefed and the parties are awaiting the Court's decision.

In January 2019, this case was assigned to Judge Timothy Hogan, a retired judge from Hamilton County, Ohio. In late February, Plaintiff requested a status conference with the Court in late March to address the pending motion to dismiss, the pending motion to intervene, and to discuss a scheduling order.

On June 4, 2019, the court denied the Defendants' motions to dismiss and also denied Little Hocking's motion to intervene. On July 5, 2019, Little Hocking filed a motion for reconsideration, which awaits the court's decision.

On July 5, 2019, Little Hocking also appealed from the June 4 decision denying its motion to intervene. This appeal is pending in the Fourth District Court of Appeals, designated as Case No. 19CA000015. On July 25, the Court of Appeals ordered Appellant to file a memorandum addressing the issue of jurisdiction. Ultimately, the appeal was dismissed for lack of a final appealable order.



On July 29, 2019, Plaintiff filed an amended complaint to add claims for actual and constructive fraudulent transfer under the Uniform Fraudulent Transfer Act, R.C. 1336.01, *et seq.* On August 28, 2019, Defendant filed a motion to separate and stay Plaintiff's claims for actual and constructive fraudulent transfer. The State opposed this motion. On December 26, 2019, the Court denied this motion. On January 15, 2020, Defendants filed their answers to the amended complaint.

On March 12, 2020, the court granted Plaintiff's motion to compel discovery. The court indicated that it was not impressed with some of the Defendants' objections to discovery and stated that, "discovery, if obstructed, shall be met with punishing sanctions."

A new case scheduling order was issued on October 16, 2020, which sets the following deadlines: (1) fact discovery – February 26, 2021; (2) expert discovery – November 30, 2021; and (3) dispositive motions – January 15, 2022. The trial was scheduled to begin on April 4, 2022.

Also, on October 16, 2020, the Court found Defendants to be in noncompliance with some of its previous orders. It ordered Defendants to produce all documents responsive to Plaintiff's First Request for Production of Documents without regard to privilege. If the State intends to use a document, then Defendants may assert a privilege and seek an *in camera* review.

On October 23, 2020, DuPont appealed to the Fourth District Court of Appeals (Case No. 20CA000030) from the October 16, 2020 order to the extent it requires the production of privileged information. On October 26, it also filed an emergency motion for stay pending the outcome of the appeal. Plaintiff opposed the motion to stay. On July 22, 2021, the Fourth District Court of Appeals dismissed the appeal for lack of a final appealable order.

On November 2, 2020, Plaintiff filed a motion for leave to file its second amended complaint due to DuPont's corporate reorganization and alleged attempt to transfer its assets. DuPont opposed this motion. The second amended complaint was filed on March 3, 2021. Answers were filed on April 1, 2021.

On December 22, 2020, the Court ordered Defendants to produce the Corporate Environmental Database and other items listed in Plaintiff's December 2, 2020 letter. The court further indicated that failure to comply by December 15, 2020 "will result in an evidentiary sanction."

Judge Hogan retired, effective December 31, 2020 and withdrew from the case. Retired Judge Richard McMonagle was assigned as the presiding judge for this case effective February 1, 2021.

On April 1, 2021, Defendants moved to dismiss Plaintiff's unjust enrichment claim, which was denied on May 12. Also, on April 1, 2021, Defendants moved to join the Ohio EPA and its Director as real parties in interest. This motion was denied on May 17.

On April 26, 2021, Defendants Corteva, Inc. and DuPont de Nemours, Inc. moved to dismiss the complaint for lack of personal jurisdiction.



On May 10, 2021, Plaintiffs moved for partial summary judgment on the assumption of liabilities of Corteva Inc. and DuPont de Nemours, Inc.

On May 18, 2021, the Court set a final pretrial and settlement conference for October 4, 2022, and trial on November 1, 2022.

On June 11, 2021, E.I. du Pont de Nemours and Company's filed a Motion for a Protective Order Over Documents Plaintiff Seeks from Third-Party Deloitte.

On June 17, 2021, Plaintiff filed a Motion to Compel Discovery from Defendants E.I. du Pont de Nemours and Co. and The Chemours Company.

On July 2, 2021, the court amended the scheduling order. A final pretrial and settlement conference was scheduled for October 4, 2022. The trial was scheduled for November 1, 2022.

On August 4, 2021, the court denied Corteva and DuPont's Motion to Dismiss and granted plaintiff's cross-motion for partial summary judgment on the assumption of liability.

On August 5, 2021, Plaintiff filed a Motion to Compel Production of Documents Improperly Withheld on the Basis of Privilege by Third-Party Deloitte Transactions and Business Analytics LLP, which has been fully briefed. On August 17, 2021, Plaintiff filed a notice of deposition for Deloitte's deposition. In late October and early November, Plaintiff filed several notices of depositions duces tecum on governmental agencies, including the Ohio EPA and the Ohio Department of Health.

On November 19, 2021, the Court denied Defendants' motion for a protective order, which was filed on August 13, 2021. The order requires Defendants to produce all documents requested regardless of privilege.

On December 30, 2021, Defendants filed a notice of appeal of this order in the Fourth District Court of Appeals (Case No. 21CA000022) requiring Defendants to produce privileged documents. The appeal was dismissed on March 25, 2022.

On December 3, 2021, the State filed an expedited motion to stay the agency depositions that Defendants have noticed and to hold Defendants in contempt for not providing the documents ordered to be provided on November 19, 2021. This motion has been fully briefed.

On December 30, 2021, DuPont appealed to the Fourth District Court of Appeals (Case No. 21CA000022) from the November 19, 2021 order requiring defendants to produce privileged documents.

An Amended Scheduling Order was filed on May 3, 2022. A status conference was held on September 29, 2022.

On May 18, 2022, defendants filed a motion for summary judgment. Defendants' motion for summary judgment was denied on July 19, 2022.



On August 22, 2022, Plaintiff filed a motion for further sanctions seeking entry of default judgment against Defendants E.I. DuPont de Nemours and Co. and The Chemours Company. On September 14, 2022, Defendants filed an opposition to plaintiff's motion for entry of default judgment, and plaintiff filed its reply in support on September 26, 2022.

On October 3, 2022, the court filed an amended scheduling order: fact discovery due February 13, 2023; second supplemental expert disclosures due February 13, 2023; plaintiff's experts' reports due March 3, 2023; defendants' experts' reports due May 3, 2023; expert discovery due August 3, 2023; dispositive motion due September 29, 2023; responses to dispositive motions due October 30, 2023; replies in support of dispositive motions due November 15, 2023; final pretrial conference scheduled in January 2024; and trial is set for February 2024, but no date has been specified.

On November 3, 2022, the court filed a procedural order appointing a special referee to hear and make recommendations regarding privilege and work product determinations. On November 7, 2022, the court filed an order stating that, before the court enters a protective order, Deloitte is ordered to produce a privilege log so that the court and plaintiff can weigh old DuPont privilege claims over individual documents. Production is to be completed by December 20, 2022. A hearing on objections is set for January 11, 2023.

On December 19, 2022, Plaintiff filed (under seal) its Position Statement Regarding the Challenged Documents. On January 18, 2023, Defendant filed (under seal) its Position Statement Regarding the Challenged Privileged Documents. On February 10, 2023, Plaintiff filed (under seal) its Reply in Support of its Position Statement Regarding the Challenged Documents. No ruling has been made yet.

On January 11, 2023, (1) Plaintiff filed a letter to the Court addressing the Motion to Compel that was filed. That same date, (2) E.I. DuPont filed a letter to the Court in response to Plaintiff's letter asking the Court to rule on a Motion to Compel; and (3) Plaintiff filed a letter to the Court addressing the privilege log that was served on December 30, 2022. On January 19, 2023, Defendants E.I. du Pont de Nemours and Company filed a response to Plaintiff's January 10 letter challenging the privilege log. On January 18, 2023, Defendants filed its position statement regarding the challenged privileged documents (under seal). On February 10, 2023, Plaintiff filed its reply in support of its position statement (under seal).

On February 23, 2023, Plaintiff filed its notice of supplemental authority, and Defendant filed its response to same. On May 4, 2023, the court filed an Order regarding supplemental discovery. The court ordered E.I. DuPont to conduct a search for the documentation referenced in Plaintiff's April 10, 2023 letter and, to the extent such document(s) exists and is/are reasonably accessible, to produce any and all non-privileged, responsive documentation, that has not already been produced on or before June 1, 2023 and supplement its prior written discovery responses as necessary.

On April 24, 2023, several notices of deposition subpoenas were issued, including to the Ohio Department of Natural Resources, Ohio Environmental Protection Agency.



On July 21, 2023, a Stipulation related to discovery on fraudulent transfer claims was filed.

On July 31, 2023, an Amended Scheduling Order was filed, scheduling the trial in October, 2024, with a date not yet specified. The Court also filed an order granting, in part defendant's motion to compel and stating that plaintiffs must submit its expert report as scheduled, which must comply with the information sought by defendants.

On November 6, 2023, Plaintiff filed objections to Special Referee's privilege recommendations on Challenged Documents (filed under seal). The First Report and Recommendation of Special Referee was filed on November 7, 2023 (filed under seal). Defendants objected to the Report and Recommendation of Special Referee on November 7, 2023.

A Consent Judgment was filed with the court on December 7, 2023. This case was settled/dismissed and terminated on December 8, 2023 and a final appealable order was filed on December 8, 2023.

On January 2, 2024, a Notice of Violation of Court Order and Motion to Reopen and Stay Effect of Consent Judgment to Allow Court-Ordered Process was filed with the court. Plaintiff filed its Response and Opposition to the notice on January 5, 2024.

On January 10, 2024, a Notice of Appeal to the Consent Judgment was filed by the Little Hocking Water Association ("LHWA") to the Fourth District Court of Appeals (Case No. 24CA000001).

On January 12, 2024 (in Case No. 18OT000032), Little Hocking filed an amicus brief seeking ruling clarifying consent judgment and requiring public process for implementation. On May 2, 2024, the court filed an order denying all other relief requested in Little Hocking's brief, both on the merits and because it lacked standing to see post-judgment relief under Civ.R. 60 and 70; and (2) denying all relief requested in the brief for the reasons set forth in plaintiff's response thereto.

In Case No. 24CA000001, DuPont and others filed a motion to dismiss this appeal for lack of standing of LHWA. On January 22, 2024, LHWA filed an opposition to the motion to dismiss. On January 10, 2024, LHWA filed a motion to stay appeal and to remand to the trial court for consideration of its Rule 60(B) motion. DuPont and others opposed this motion. On February 21, 2024, the court denied the appellees' motion to dismiss the appeal and denied LHWA's motion for stay of appeal and limited remand.

On March 8, 2024, LHWA filed its brief. On March 28, 2024, DuPont and the State of Ohio filed their briefs. On April 8, 2024, LHWA and filed its reply brief.

Oral argument occurred on August 8, 2024. The court of appeals has not issued a decision yet.

2. *John Paganini v. The Cataract Eye Center of Cleveland, Cuyahoga County Court of Common Pleas, Case No. CV-22-971901; Eighth District Court of*



Appeals, Case Nos. CA 24 113867 and CA 24-114019; Ohio Supreme Court, Case No. 2025-0386

Paganini involves a challenge to R.C. 2323.43(A), which establishes a two-tiered cap on noneconomic damages in medical malpractice cases. Under this statute, plaintiffs with catastrophic injuries may recover up to \$500,000 in noneconomic damages, while those with less severe injuries are limited to \$250,000 or three times their economic loss, up to \$350,000, whichever is greater. Plaintiff John Paganini received a jury award for noneconomic damages exceeding the \$500,000 cap and argued that applying the statutory limit to his case was unconstitutional. Both the trial court and the Eighth District Court of Appeals agreed, finding the cap violated his due process rights as applied to his circumstances.

In support of the Defendants’ discretionary appeal to the Ohio Supreme Court, five organizations filed an amicus brief on March 18, 2025: the Ohio Hospital Association, Ohio State Medical Association, Ohio Osteopathic Association, Ohio Alliance for Civil Justice (of which the OMA is a leading member), and Academy of Medicine of Cleveland & Northern Ohio. These groups argue that the appellate court’s decision was flawed in several respects. First, they contend that Paganini’s “as-applied” challenge is in substance a facial challenge because it could be raised by any plaintiff whose award exceeds the cap. Facial challenges must be proven beyond a reasonable doubt — a higher standard than the “clear and convincing evidence” standard used for as-applied challenges. According to the amici, by accepting Paganini’s theory, the court effectively rendered the statute unconstitutional in every instance where it applies, bypassing the proper legal framework.

The amici also argue that the statute easily satisfies the applicable rational basis test, which requires only that the law bear a real and substantial relationship to a legitimate government interest. When it enacted R.C. 2323.43(A) through Senate Bill 281, the General Assembly made express findings about the need to stabilize the medical liability insurance market, retain physicians, and ensure access to care — particularly in underserved areas. The brief emphasizes that noneconomic damages are (1) inherently subjective and difficult to measure, (2) the statutory caps were enacted to promote fairness, reduce volatility in jury awards, and (3) control healthcare costs. The amici warn that affirming the lower court’s decision would not only disrupt Ohio’s carefully balanced tort reform system but also eliminate an important tool for controlling liability exposure in the healthcare sector. On May 27, 2025, the Ohio Supreme Court accepted the appeal. Briefing is ongoing.

3. *Susan Lyon v. Riverside Methodist Hospital, et al.*, Franklin County Common Pleas Court, Case No. 16CV-12056; Tenth District Court of Appeals, Case No. 23AP-379

On August 21, 2025, the Tenth District Court of Appeals issued its long-awaited decision in *Lyon*, a case involving both “as applied” and facial constitutional challenges to the same statute (R.C. 2323.43) as is being challenged in *Paganini*. In *Lyon*, the Plaintiff challenged the noneconomic damage cap applicable to medical malpractice claims on three constitutional grounds: (1) due process, (2) equal protection, and (3) right to trial by jury.



Relying heavily on *Morris v. Savoy* and *Paganini*, the Tenth District held that the statute was constitutional on its face but unconstitutional as applied to the Plaintiff on due process and equal protection grounds. The Court did not decide the issue of whether the statute violated the right to a trial by jury, stating that it did not need to address this issue in light of finding other constitutional violations.

Defendants intend to appeal to the Ohio Supreme Court. This case is similar to *Paganini* in that both hold that the statute violates the Ohio Constitution's due process (or "due course of law") provision. It differs from *Paganini* in that the *Lyon* decision also finds that the statute violates the Ohio Constitution's equal protection clause. As a result, the *Lyon* Defendants need to win on the equal protection argument even if *Paganini* holds that the statute is not unconstitutional under the due process clause.

VIII. Tax Updates.

A. Selected Proposed Ohio Legislation

Regards taxpayer deductions for depreciation, enhancing expensing – H.B. 69

Introduced on February 10, 2025, H.B. 69 proposes several amendments aimed primarily at simplifying tax deductions and enhancing efficiency for taxpayers/businesses in Ohio. It allows taxpayers to deduct the full bonus depreciation and enhanced expensing allowances in a single year, aligning state tax deductions with federal deductions. The bill also clarifies definitions related to qualifying investors and entities, ensuring consistent treatment with federal tax laws. The bill was referred to the Ways and Means Committee on February 12, 2025, and the first hearing was held on March 19, 2025.

Regards a property tax freeze for certain owner-occupied homes – S.B. 81

Introduced on February 4, 2025, S.B. 81 proposes a reduction of real property taxes on a homestead owned and occupied by a person sixty-five years of age or older and whose total income does not exceed seventy thousand dollars. The bill was referred to the Ways and Means Committee on February 12, 2025. No further action has been taken as of June 1, 2025.

Regards total property tax exemption for homestead of totally disabled veterans and their surviving spouses – S.B. 92

Introduced on February 10, 2025, S.B. 92 proposes to authorize a total property tax exemption for the homesteads of totally disabled veterans and their surviving spouses. The bill was referred to the Ways and Means Committee on February 12, 2025. No further action has been taken as of June 1, 2025.

Regards a non-refundable tax credit for handgun training and firearms storage –H.B. 235



Introduced on April 15, 2025, H.B. 235 proposes a nonrefundable income tax credit for the cost of handgun training and firearms storage and locking devices. The bill was referred to the Ways and Means Committee on April 30, 2025.

Regards a state income tax deduction for overtime wages – H.B. 39

Introduced on February 3, 2025, H.B. 39 proposes a state income tax deduction for overtime wages for seven years after the year in which the amended is effective. The bill was referred to the Ways and Means Committee on February 5, 2025, and the first hearing was held on April 2, 2025.

Regards modification of the amount of the homestead exemptions and owner-occupancy property tax credit – H.B. 61.

Introduced on February 5, 2025, H.B. 61 proposes to replace the standard homestead exemption with a flat property tax credit and replaces the enhanced homestead exemptions for disabled veterans and surviving spouses of emergency responders with a flat property tax credit of \$1500. The bill was referred to the Ways and Means Committee on February 12, 2025, and the first hearing was held on February 19, 2025. No further action has been taken as of June 1, 2025.

Regards a phase-down of state income tax to a flat rate of 2.75% over two years. S.B. 3

Introduced on January 22, 2025, S.B. 3 proposes to phase-down the state income tax applicable to nonbusiness income to a flat rate of 2.75% over two years. For the 2025 taxable year, the bill reduces the rate of the top bracket from 3.5% to 3.125%. The bill was referred to the Ways and Means Committee on January 29, 2025. No further action has been taken as of June 1, 2025.

Regards a tax on certain high-volume landlords – S.B. 28

Introduced on January 22, 2025, S.B. 28 proposes to implement a tax on taxpayer/landlords owning more than fifty “taxable houses” in one county. Taxable houses are single-family, two-family, or three-family dwellings. For purposes of funding S.B. 28, a levy is proposed entitled a “housing market impact tax” on each person owning fifty or more taxable houses in a county. The “housing market impact tax” is equal to two thousand dollars for each taxable house owned on the first day of each tax period. The bill was referred to the Ways and Means Committee on January 29, 2025, and the first hearing was held February 19, 2025. No further action has been taken as of June 1, 2025.

Regards a reduction in property taxes for eligible individuals – H.B. 143

Introduced on March 3, 2025, H.B. 143 proposes to relieve Ohioans from rising property taxes by providing a credit for eligible individuals. The credit reduces property taxes up to \$28,000.00 for the market value of their home and up to \$56,000.00 for disabled veterans. The bill was referred to the Ways and Means Committee on March 5, 2025, and its first hearing was held on May 14, 2025.



Regards an exemption from sales and use tax on building materials and to amend sections 5739.02 and 5739.03 of the Revised Code – H.B. 147

Introduced on March 3, 2025, H.B. 147 exempts from sales and use tax building materials sold to a contractor under a contract valued at \$25 million or more for projects in areas with a port authority. The bill was referred to the Development Committee on March 5, 2025. The first hearing was held on May 28, 2025.

Authorizes a refundable thriving families tax credit for taxpayers with dependents. – H.B. 140

Introduced on February 26, 2025, H.B. 140 authorizes a refundable thriving families tax credit for certain income taxpayers with dependents who are minor children. The bill was referred to the Ways and Means Committee on March 5, 2025. No further committee activity has taken place as of June 1, 2025.

Authorizes a tax credit for small businesses with health reimbursement. – H.B. 133

Introduced on February 24, 2025, H.B. 133 authorizes a nonrefundable income tax credit for small employers that cover their employees with an individual coverage health reimbursement arrangement. The bill was referred to the Ways and Means Committee on February 26, 2025. The fifth hearing before the Ways and Means Committee was held on May 28, 2025.

Regards a property tax freeze for certain owner-occupied homes. - H.B. 156

Introduced on March 6, 2025, and referred to the Ways and Means Committee on March 19, 2025, H.B. 156 authorizes a property tax freeze for certain owner-occupied homes. To qualify, the homeowners must meet the following requirements: 1) be at least 65 years old; 2) must have lived in the home or manufactured home for at least two years; 3) the homeowner's total income must be less than \$50,000.00 per year; and 4) the county auditor's appraised value of the homeowner's home must be less than \$500,000.00. The first hearing was held on May 21, 2025, before the Ways and Means Committee.

Regards Ohio counties authority to cut property taxes – H.B. 309

Introduced on May 27, 2025, H.B. 309 gives Ohio counties new powers to cut property taxes and requires the county budget commissions to review the property tax rates annually for its residents and reduce the rates if the county collects more than needed. This bill would modify the law governing county budget commissions, property taxation, and alternative apportionment formulas for local government and public library funds. The bill was referred to the Ways and Means Committee on May 28, 2025.

Regards exemption of tips from state, municipal, and school district income taxes – H.B. 209

Introduced on March 31, 2025, H.B. 209 proposes to amend sections 718.01, 5747.01, and 5748.012 of the Revised Code to exempt tips from state, municipal, and school district income taxes. The bill was referred to the Ways and Means Committee on April 2, 2025.



Regards an increase to the homestead exemption for real property taxes – H.B. 261

Introduced on May 13, 2025, H.B. 261 increases the homestead exemption for real property taxes from twenty-five thousand to fifty thousand. The bill was referred to the Ways and Means Committee on May 14, 2025.

Authorizes exemption from sales and use tax certain logistic business items. – S.B. 126

Introduced in the Senate on February 25, 2025, and referred to the Ways and Means Committee on February 26, 2025, S.B. 126 would exempt from sales and use tax items purchased by a logistics business to transport manufactured products, general merchandise, and grocery products. The first hearing was held on March 18, 2025. No further action has taken place as of June 1, 2025.

Regards the reduction of tangible personal property tax for pipe-line companies. S.B. 116

Introduced in the Senate on February 25, 2025, and referred to the Public Utilities Committee on February 26, 2025, S.B. 116 would amend Section 5727.111 of the Revised Code to reduce the tangible personal property tax assessment rate for pipe-line companies. The first hearing was held on March 19, 2025. No further action has taken place as of June 1, 2025.

B. Update to Previously Tracked Legislation

Amend competitive retail electric service law – H.B. 15

Introduced in the House on January 23, 2025, and passed by the House and the Senate on March 26, 2025, and April 30, 2025, respectively, this bill was signed into law by the Governor on May 15, 2025, and becomes effective on August 14, 2025. This bill has the following provisions:

1. Beginning in tax year 2027, the bill reduces the assessment rate for electric generation and energy conversion equipment of electric and energy companies from 24% to 7% (and 25% to 7% for rural electric companies) for property placed into service in 2027 and thereafter.
2. The bill reduces the assessment rate for electric transmission and distribution property from 88% to 25% for property placed into service in or after tax year 2027.
3. The tangible personal property of pipeline companies placed into service on or after tax year 2027 is assessed at 25% of its value instead of 88%. The reduction in assessment rates will result in an annual revenue loss of \$49 million to \$74 million.
4. The bill provides for a five-year property tax exemption for tangible personal property used to transport or transmit electricity or natural gas



within an approved priority investment area (PIA – which is a new designation created in the bill).

5. The bill repeals the current charge on electric ratepayers for costs related to the Ohio Valley Electric Company on the effective date of the bill (8/14/25), saving ratepayers an estimated \$582.5 million through 2030.

C. Judicial Actions

Krešević v. Chittok, Case No. CV-2023-01-0031, pending in the Summit County Court of Common Pleas, has been reactivated, with a pretrial hearing scheduled June 4, 2024. Another pretrial hearing was scheduled for December 10, 2024. *Krešević* involves a medical assistant who worked in, and was subject to the municipal withholding taxes of the City of Akron was fired from her position in 2020. She successfully sued her former employer in a wrongful termination suit. However, the City of Akron withheld municipal income taxes from the settlement fund. The question raised by the plaintiff is whether the City of Akron is entitled to withhold taxes on the settlement under Section 29. More specifically, it asks whether Section 29 entitles a municipality to withhold from the settlement in a wrongful termination case. This case is still pending before the Summit County Common Pleas Court.

Rover Pipeline LLC c/o Energy Transfer L.P. v. Tax Commissioner of Ohio, et al. BTA Case No. 2020-1540, Appeal to the Ohio Supreme Court, Case No. 2024-0484. *Rover* concerns a natural gas pipeline spanning across Appalachia, through Ohio and into Michigan. The case involves the proper valuation of the Ohio portion of Rover’s pipeline as to Ohio’s public utility personal property tax. *Rover* is appealing the decision by the Ohio Board of Tax Appeals in that the valuation method and calculation was incorrect. On May 2, 2024, The Ohio Supreme Court has referred this matter to mediation and suspended all deadlines at this time. On August 6, 2024, The Ohio Supreme Court returned the case to the regular docket. Appellant’s merit brief was filed on October 7, 2024. On November 5, 2024, the Court issued a stipulation to extend time for the Appellee to file merit brief to November 26, 2024. A reply brief was filed on December 16, 2024, and a Motion for the Supreme Court to hear oral arguments. Oral arguments were granted on January 9, 2025, and are to be held on Wednesday, June 4, 2025.

Appeal from the Board of Tax Appeals:

Aramark Corp., v. Harris, Case No. 2023-1540, Ohio Supreme Court. On December 5, 2023, Aramark Corporation appealed the November 6, 2023, Decision of the Board of Tax Appeals (“BTA”) (B.T.A. No. 2019-2975, 2023 WL 7431918 (Nov. 6, 2023)). In it, the BTA applied the *Stingray Pressure Pumping, LLC*¹ review standard and determined that Aramark Corporation (“Aramark”) could not exclude certain taxable gross receipts under the agency exception to the Commercial Activity Tax (“CAT”) because it failed to demonstrate that transactions arose from an agency relationship between Aramark and its clients and were not simple business transactions.

¹ *Stingray Pressure Pumping, LLC v. Harris*, Slip Op. No. 2023-Ohio-2598 (Aug. 2, 2023).



The matter was fully briefed as of April 22, 2024, and is pending decision. On October 9, 2024, the Court scheduled oral arguments which were held on February 19, 2025.

D. Administrative Actions

1. Ohio Sales Tax Holiday is expanded this year and is scheduled for August 1, 2025, through August 14, 2025.
2. The fee to apply for a new vendor's license increased from \$25.00 to \$50.00 effective April 9, 2025.
3. Ohio Administrative Code 5703-29-16: Clarification of the exclusion for qualifying distribution center receipts for purposes of the Commercial Activity Tax (CAT). Final and Effective November 22, 2024.

The tax commissioner provided additional guidance as to the conditions which must be met (along with conditions specified in Section 5751.40 of the ORC) to be certified as a “qualified distribution center, a warehouse, a facility similar to a warehouse, or a refining facility.” Abbreviated version: 1) The operator of the warehouse, a facility similar to a warehouse, or the refining facility and members of the operator's consolidated elected taxpayer group, had at least five hundred million dollars in cumulative costs from qualified property delivered to a distribution center by its suppliers during the qualifying period; and 2) The operator of such warehouse, a facility similar to a warehouse, or a refining facility had more than fifty per cent of the cost of the qualified property shipped to a situs outside Ohio under the provisions ORC 5751.0333 during the qualifying period.

To: OMA Government Affairs Committee
From: Lindsey Short
Re: Energy Public Policy Report
Date: September 30, 2025

Overview

Earlier this year, the legislature moved quickly to pass significant energy policy reform to support energy reliability and affordability. The reform was enacted via the passage of House Bill 15, which became effective in August. Importantly, this bill promoted competitive generation as the legislature resisted calls for re-regulation from electric utilities who sought to monopolize the generation industry at the expense of customers. While the bill ultimately included many wins for customers, it also contained a profit mechanism for electric utilities. Details below in legislative section. While utilities stand to gain from this provision and have touted the bill to their investors, rumors have circulated that they are seeking a large economic development package from the state.

While House Bill 15 has been completed and already succeeded in attracting additional generation to the state, claims remain of Ohio facing an imminent power shortage due to increased demand from data centers and new technologies locating in the state. However, regional grid operator PJM reports a reserve margin of approximately 19%. While demand may rise after years of decline, forecasts of data center energy use are considered by many to be overblown.

Meanwhile, at the Public Utilities Commission of Ohio (PUCO), a case was recently decided that determined how rates are applied to certain energy-intensive users, enabling an industry-specific discriminatory precedent against data centers. The OMA Energy Group has opposed this tariff since its introduction at the PUCO and plans to take further action. See data center tariff update below.

Customers on the Hook for Price Spike from PJM Auction

On July 22, PJM released the results of its latest capacity auction for the 2026/27 delivery year, which produced a record-high clearing price of \$329.17/MW-day. This marks a significant increase from the 2025/26 auction price of \$269.92/MW-day and hits the ceiling of a newly imposed cap, which will remain in effect for one more auction before expiring. The outcome translates to a total customer cost of \$16.1 billion for the 2026/27 period—up sharply from \$2.2 billion in 2024/25.

The OMA has raised concerns to PJM leadership, pointing out that a lack of accountability and poor oversight are contributing to rising electricity costs for Ohio consumers without delivering improvements in grid reliability. Following the latest auction, total capacity charges paid by customers are expected to reach nearly \$31 billion over just two years—exceeding the total from the past six years combined. Despite this, PJM continues to face delays in both interconnection processing and capacity auctions.

In response to the auction results, the OMA issued a public statement calling on PJM to accelerate generation interconnections, return to its standard three-year auction schedule, and adopt more transparent load forecasting practices. See statement in meeting materials. Additionally, the OMA has asked PJM's board to prioritize customer-focused leadership that restores confidence in PJM's role as a steward of competitive markets.

PUCO Approves Data Center Tariff, Sets Precedent for Discriminatory Rate Design for Energy-Intensive Users

Recently, the Public Utilities Commission of Ohio approved a new AEP Ohio rate structure that is designed to specifically target large data centers. The OMA Energy Group opposed the tariff throughout the regulatory process, arguing that the tariff is discriminatory in nature, lacks sufficient evidence, and sets a precedent which could impact industrial customers, including manufacturers, in the future.

Additionally of concern, the PUCO's rationale for the tariff was based upon overstated and double-counted speculative load by AEP, despite OMAE Energy Group's arguments that AEP failed to actually demonstrate the existence of a capacity constraint.

The PUCO refused the OMA Energy Group's request for a rehearing on the matter. As a result, the OMA Energy Group will be appealing the decision to the Ohio Supreme Court.

Legislation Watch List:

- **Priority Energy Reform Bills**

The House and Senate each had their own bill to address comprehensive energy reform during this General Assembly, House Bill 15 and Senate Bill 2. While the bills initially contained some different provisions, both pieces of legislation took the approach of bolstering Ohio's competitive energy market to incentivize new generation in the state. Importantly, both bills also included elements of critical pro-customer reforms, taking aim at ending customer-paid subsidies and repealing "riders" on customers' power bills.

Ultimately, the pieces of legislation were consolidated into House Bill 15, which passed the General Assembly overwhelmingly prior to the legislature's summer recess and became effective in August. House Bill 15 marks a welcome turning point in Ohio energy policy, tipping the scales back in favor of the customer rather than a monopoly electric utility. The OMA engaged on the bill every step of the way during the House and Senate process: suggesting many changes to ensure consumer protections were added, testifying numerous times before both energy committees, and sending out calls to action to OMA member companies.

This bill contains many components, including:

- Repeal of the electric security plan (ESP) mechanism that has long been used to add above-market charges, known as "riders," to customers' power bills.
- Repeal of customer-paid subsidies enacted as part of House Bill 6 for two uneconomic coal power plants, including one power plant in Indiana, known as the Ohio Valley Electric Corporation (OVEC).
- Prohibit electric distribution utilities from owning generation or bidding into wholesale markets using ratepayer funds.
- Language to require electric utilities to publish electric grid heat maps. These maps will identify where the electric system has room for new load and reduces red tape for customers so they can assess economic development opportunities quickly.
- Language to continue customer programs on a non-discriminatory basis to foster economic development, transmission, and demand response programs.

While House Bill 15 included many pro-customer reforms, a provision was added in allowing electric utilities to use “forecasted test years” in their ratemaking. This test year could allow a utility to make up how much money it wants to spend and collect, creating profits for their shareholders.

- **State Operating Budget**

The state operating budget proposal, House Bill 96, contained minimal substantive changes to energy policy. While there was language of concern contained in the initial proposal that would have expanded a little-known loophole that was enacted as part of House Bill 6 allowing electric distribution utilities to gain a foothold in the competitive generation market by constructing behind-the-meter renewable generation for mercantile customers, so long as the electric utility directly contracts with the customer and passes no costs on to other ratepayers, this provision was removed before passage.

The OMA also urged removal of language added during the House budget process that allowed for either electric distribution utility ownership of EV chargers, or utility construction of “make ready” infrastructure for EV chargers, in specially defined areas of last resort five years after the effective date of the bill. The OMA testified in the Senate to express concern with this language, stating that EV charging stations are in a competitive, rapidly maturing market and there is no reason to allow utility ownership of charging stations. Additionally, the provision for “make ready” infrastructure could have allowed utilities to socialize a greater percentage of the electrical line extension work needed, which would increase everyone’s electric bills while profiting the utility and EV charging companies. This language was removed as well prior to the budget’s passage.

A favorable provision was added in during the Senate’s review of the budget that allows for greater transparency into the Public Utilities Commission of Ohio. This language requires the Auditor of State to conduct a performance audit of the PUCO to be completed by May 1, 2027. This language remained in the final version of the budget and the audit will be set to go through in the future.

- **Natural Gas Alternate Rate Plans**

Senate Bill 103 and House Bill 142 are currently being evaluated in both chambers. These bills provide for alternative rate plans for some natural gas companies and contain many concerning provisions that will benefit utilities at the expense of customers, such as:

- Allows gas companies to propose partially or fully forecasted test periods. This provision allows utilities to project future costs and revenues, which can result in consumers paying higher rates based on speculative estimates rather than actual, verifiable data
- States that the Public Utilities Commission (PUCO) can only consider a settlement if the utility supports the settlement
- Erodes customer protections by changing what is deemed used and useful
- Requires approval of above-market charges without any caps or limits on the amounts collected from customers
- Allows utilities to collect money from customers for capital expenditure riders on a projected basis, regardless of whether the funds are actually used

The OMA testified in opposition to House Bill 142 before the House Energy Committee in the spring to express concern with the impact this bill would have on customers. Both SB 103 and HB 142 are currently pending in their respective committees.

- **Submetering**

Companion bills Senate Bill 108 and House Bill 173 to address submetering have been receiving hearings in both chambers. Recent cases have been brought before the Public Utilities Commission of Ohio to question the definition of a public utility and how private companies offer submetering services.

These bills would exempt submeterers and billing agents in apartment complexes from being considered a public utility. Both pieces of legislation are currently pending in their respective committees.

- **Consumer Utility Billing Transparency Act**

The Consumer Utility Billing Transparency Act has been introduced as House Bill 158 and is currently pending in House Energy Committee. This bill would require additional transparency from utilities, requiring the itemization of riders, taxes, and other costs on customers' bills.

While the OMA is supportive of transparency from utilities, it is currently unknown whether enactment of this bill would result in increased costs to customers in order to alter the utility's billing system.

- **Carbon Capture and Storage**

Companion pieces of legislation to regulate carbon capture and storage (CCS) technologies have been introduced in both chambers, House Bill 170 and Senate Bill 136.

Bill sponsors have noted that the bills will help better regulate CCS activity and allow companies to deal directly with the Ohio Department of Natural Resources rather than the federal government. Both bills are currently pending in their respective chambers.

- **Demand Response Programs for Residential and Small Commercial Customers**

A recently introduced bill, House Bill 427, would give utilities the ability to create voluntary demand response programs for residential and small commercial customers. Large commercial and industrial customers already have access to voluntary demand response programs through competitive business providers.

Demand response is an eligible capacity resource in the PJM capacity auction and can have the effect of lowering the price of electric capacity. However, it is not common for residential and small business customers to enroll with competitive demand response providers, and this resource remains underutilized. The proposed bill would allow utilities to create incentivized programs that would allow small energy users to sign up to agree to reduce their energy usage during high demand hours on the network.

Energy News

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Energy Legislation
Prepared by: The Ohio Manufacturers' Association
Report created on September 26, 2025

- HB15** **ELECTRIC SERVICE LAW CHANGES** (KLOPFENSTEIN R) To amend the competitive retail electric service law, modify taxation of certain public utility property, and repeal parts of H.B. 6 of the 133rd General Assembly.
Current Status: 5/15/2025 - **SIGNED BY GOVERNOR**; eff. 8/18/25
State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA136-HB-15>
- HB66** **REPEAL LEGACY GENERATION RESOURCE PROVISIONS** (BRENNAN S, DEAN L) To repeal the legacy generation resource provisions of H.B. 6 of the 133rd General Assembly and provide customers refunds.
Current Status: 2/12/2025 - Referred to Committee House Energy
State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA136-HB-66>
- HB96** **OPERATING BUDGET** (STEWART B) To make operating appropriations for the biennium beginning July 1, 2025, and ending June 30, 2027, to levy taxes, and to provide authorization and conditions for the operation of state programs.
Current Status: 7/21/2025 - Consideration of Governor's Veto; House Overrides Veto on Item 66, Vote 61-28
State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA136-HB-96>
- HB121** **PUBLIC UTILITY STATUS-RNG PRODUCERS** (STEWART B) To declare certain renewable natural gas producers are not public utilities.
Current Status: 2/26/2025 - Referred to Committee House Energy
State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA136-HB-121>
- HB142** **ALLOW NATURAL GAS ALTERNATIVE RATE PLANS** (DOVILLA M, FISCHER T) To allow for alternative rate plans for natural gas companies to serve large load customers and to make changes to the process of valuating natural gas company property.
Current Status: 9/24/2025 - **SUBSTITUTE BILL ACCEPTED**, House Energy, (Fifth Hearing)
State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA136-HB-142>
- HB158** **REQUIRE UTILITY BILL ITEMIZATION** (BRENNAN S, THOMAS D) To enact "The Consumer Utility Billing Transparency Act" requiring the itemization of all riders, taxes, and other costs on certain utility bills.
Current Status: 5/14/2025 - House Energy, (Third Hearing)
State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA136-HB-158>
- HB170** **ESTABLISH CARBON CAPTURE REGULATION PROCESS** (ROBB BLASDEL M, PETERSON B) To establish a process to regulate carbon capture and storage technologies and the geologic sequestration of carbon dioxide for long-term storage.
Current Status: 6/18/2025 - **SUBSTITUTE BILL ACCEPTED**, House Natural Resources, (Fourth Hearing)

State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA136-HB-170>

- HB173 REGULATORY EXEMPTION-BEHIND-THE-METER UTILITY SERVICES** (THOMAS D) To exempt from regulation as a public utility certain persons or entities providing behind-the-meter utility services and to allow the Public Utilities Commission to register providers of such services.
Current Status: 10/1/2025 - House Energy, (Third Hearing)
State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA136-HB-173>
- HB265 PUBLIC UTILITY SERVICES RESELLER REGULATION** (BRENNAN S, FISCHER T) To regulate resellers of public utility services as public utilities.
Current Status: 6/4/2025 - House Energy, (First Hearing)
State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA136-HB-265>
- HB303 ESTABLISH COMMUNITY ENERGY PROGRAM** (RAY S, HOOPS J) To establish the community energy program and pilot program and to define electricity measurement in alternating current.
Current Status: 10/1/2025 - House Energy, (Second Hearing)
State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA136-HB-303>
- SB2 LAW CHANGES-PUBLIC UTILITIES** (REINEKE W) Regarding public utilities law, to make changes regarding utility tangible personal property taxation, and to repeal parts of H.B. 6 of the 133rd General Assembly.
Current Status: 3/26/2025 - Referred to Committee House Energy
State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA136-SB-2>
- SB99 MAKE CHANGES-PUCO NOMINATING COUNCIL, PROCESS** (HICKS-HUDSON P, DEMORA B) To make various changes to the Public Utilities Commission nominating council and nomination process.
Current Status: 3/5/2025 - Senate Public Utilities, (First Hearing)
State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA136-SB-99>
- SB103 MAKE CHANGES-VALUATING NATURAL GAS PROPERTY** (WILKIN S) To serve large load customers and to make changes to the process of valuating natural gas company property.
Current Status: 10/1/2025 - Senate Public Utilities, (Fourth Hearing)
State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA136-SB-103>
- SB106 REGULATE OWNERSHIP-EV CHARGING STATIONS** (REINEKE W) To regulate the ownership of electric vehicle charging stations.
Current Status: 3/26/2025 - Senate Public Utilities, (Second Hearing)
State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA136-SB-106>

- SB108** **EXEMPT BEHIND THE METER UTILITIES (BRENNER A)** To exempt from regulation as a public utility certain persons or entities providing behind-the-meter utility services and to allow the Public Utilities Commission to register providers of such services.
Current Status: 3/5/2025 - Senate Public Utilities, (First Hearing)
State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA136-SB-108>
- SB116** **REDUCE PROPERTY TAX ASSESSMENT-PIPELINE COMPANIES (LANG G)** To reduce the tangible personal property tax assessment rate for new pipe-line company property.
Current Status: 3/19/2025 - **SUBSTITUTE BILL ACCEPTED**, Senate Public Utilities, (First Hearing)
State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA136-SB-116>
- SB136** **REGULATE CARBON CAPTURE, STORAGE TECHNOLOGY (SCHAFFER T, CHAVEZ B)** To establish a process to regulate carbon capture and storage technologies and the geologic sequestration of carbon dioxide for long-term storage.
Current Status: 3/19/2025 - Referred to Committee Senate Energy
State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA136-SB-136>
- SB151** **ALLOW CARBON OFFSET OFFERS (WILKIN S)** To allow for competitive retail natural gas service suppliers to offer carbon offsets to customers.
Current Status: 10/1/2025 - Senate Public Utilities, (First Hearing)
State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA136-SB-151>
- SB219** **CHANGE LAWS-OIL, GAS WELLS (LANDIS A)** To make changes to the law governing oil and gas wells.
Current Status: 6/11/2025 - Referred to Committee Senate Energy
State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA136-SB-219>
- SB231** **ESTABLISH COMMUNITY PROGRAM, PILOT PROGRAM-ELECTRICITY MEASUREMENT (ROMANCHUK M, SMITH K)** To establish the community energy program and pilot program and to define electricity measurement in alternating current.
Current Status: 7/7/2025 - Introduced
State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA136-SB-231>
- SCR2** **URGE CONGRESS, GOVERNOR-ELECTRIC GRID INVESTMENT (JOHNSON T)** Urging Ohio electric utility stakeholders, the Governor, and the Congress of the United States to invest resources into the security, reliability, and resiliency of the state and national interconnected electric grids against natural and man-made threats.
Current Status: 10/1/2025 - House Energy, (First Hearing)
State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA136-SCR-2>



[Opinion](#)

By ignoring structural weaknesses, grid operator PJM is harming Ohio: Ryan Augsburger

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By [Guest Columnist, cleveland.com](#)

Ohio's electricity grid operator is feeling the heat, and not just when our temperatures are spiking. Our electricity prices are spiking, too, and PJM Interconnect — the organization that runs our grid — keeps offering excuses that melt under scrutiny.

One of PJM's favorites is: "[Don't blame us, blame your states' leaders for bad policies.](#)" It's a polished deflection from its core job — ensuring that new, competitive electricity sources come online quickly to meet demand and keep prices low. Why aren't they doing that?

Contrary to PJM's claims, Ohio and the 12 other states in PJM's footprint haven't seen sweeping new policies, a surge of unsustainable energy demand, or sudden plant closures — all challenges recently implied by PJM. The real issue is PJM and its monopoly utility members: They're too slow, too bogged down in bureaucracy, and too quick to blame others while chasing profits instead of serving customers.

Fact: Ohio's power supply is not in crisis. PJM reports a reserve margin of [roughly 19%](#), more than enough to handle current demand and growth from data centers and electric vehicles over the next few years. Demand is finally rising after years of decline, but it's not spiking.

Rising bills instead stem from a flawed system that rewards inefficiency, blocks competition, and allows questionable, subsidized transmission projects with little oversight.

What's missing from PJM's defense of itself is any acknowledgment of how its red tape discourages innovation. When approvals drag on for years, investors hesitate, and

communities lose out on jobs and tax revenues from projects that could already be delivering affordable power. Ohio has no shortage of willing developers or capital, but PJM's bureaucracy keeps slamming the brakes on progress while families and businesses foot the bill for delays they didn't cause.

Competitive power companies — the legacy utility companies' nemesis — want to meet demand and have the money to do it, but they need PJM's approval to connect plants to the grid — an approval process that can take years. PJM touts recent reforms and approvals for [46 gigawatts of new generation](#), but delays mean only a fraction has actually come online, so prices continue to climb.

These aren't growing pains; they're structural problems. PJM's bottlenecks stifle the free market from meeting demand with supply and rewarding the most efficient producers. Meanwhile, utilities steadily try to undermine competitive markets, revive monopolies, and extract more publicly funded subsidies. 2019's House Bill 6 — the corruption scandal that forced Ohioans to pay for inefficient coal plants, including one in Indiana — is proof of what happens when these interests succeed. Some of the same players are again pushing public subsidies and re-regulation, using manufactured demand spikes and reliability fears to justify utility company gains at the public's expense.

Ohio's growing economy will need more power, but not because we're in crisis or free markets can't handle demand. Competitive markets have always managed growth. What's needed now is PJM reform and accountability to ensure they're making sound decisions and not fleecing ratepayers.

Ohio's manufacturers understand supply, demand, and the benefits of competition. Competitive energy markets have brought billions in private investment to Ohio, cut wholesale prices to record lows, and spurred innovation. PJM's dysfunction and delays threaten that progress.

Ohioans don't need excuses or high-wattage talk. They deserve a grid that works as hard as they do.

Ryan Augsburger is president of the Ohio Manufacturers' Association.

Strengthen Ohio's Economy: Choose Competitive Energy Over Entrenched Interests

A persistent truth of the last few years is that energy businesses are investing in growth and seeking communities that will welcome their investment. Ohio is attractive, both to our rejuvenated domestic manufacturing and to new energy-intensive industries like artificial intelligence (AI) data centers. These growing energy intensive loads are in turn attracting investment in electric generation in Ohio.

But investors have a choice of where to locate and will come to the state that can hold itself to the standards of business. The business need now is for speed and innovation, which is the domain of American enterprise and competitive markets. In contrast, the status quo for our electric utility systems is the slow speed of electric regulation. Fortunately, Ohio's General Assembly took an important step to put the state in a competitive position with the recently passed House Bill 15 (HB 15).

HB 15 harnessed the speed and fair play of markets with the following critical law changes:

- Levels the playing field by repealing subsidies for certain coal and solar power plants, saving Ohioans hundreds of millions of dollars,
- Reduces tangible personal property tax on new generation, pipelines and transmission lines,
- Promotes energy infrastructure development projects on brownfields,
- Encourages customer-sited power by allowing generation facilities to be located off-site,
- Repeals Electric Security Plans (ESPs) and with it the above-market-rate fees known as "riders" that utilities have used to derive billions of dollars from customers on their power bills, and
- Requires electric utilities to publish electric grid heat maps. These maps will identify where the electric system has room for new load and reduces red tape for customers so they can assess economic development opportunities quickly.

For these reasons, HB 15 was supported by a wide breadth of business groups, customer watchdogs, competitive power producers, free-market advocates and environmental groups, and passed Ohio's House and Senate chambers by a combined vote of 127-2.

Some tempering of HB 15's excitement is warranted, however. An esoteric provision was included in the law allowing electric utilities to use "forecasted test years" in their ratemaking. Now the electric utilities trumpet this provision to their shareholders, saying,

"AEP Ohio's transition from ESPs...expires concurrently when the forward looking test year rate case will take effect. This is very positive for AEP Ohio"¹.

Investors lauded the profit potential as well: "...but given we're going to a test year, hopefully, in Ohio... the overall trajectory on the ROE (Return on Equity) trend from that ...should push higher as well."² The inscrutable part of HB 15 is clearly viewed by electric utilities as creating profits for their shareholders.

¹ American Electric Power Company Q2 2025 Earnings Call, <https://seekingalpha.com/article/4806289-american-electric-power-company-aep-q2-2025-earnings-call-transcript>

² Id.

For all the good of HB 15, forecasted test years may come back to haunt. Cloaked as an abstruse inside-baseball term in utility ratemaking, a fully forecasted test year could essentially allow a utility to make up how much money it wants to spend and collect.

Ohio Can Be a Global Leader in Attracting Power Generation

Let there be no doubt that Ohio has the resources to attract investment in power generation of all types. And welcome news has paralleled the passage of HB 15, as significant investment in new power generation is coming to Ohio. This includes:

- 2,980 MW across three new natural gas fired power plants³ built in recent years, enough to power 2.3 million homes,
- 3,363 MW of new gas plants and existing plant updates recently selected by the multi-state grid operator PJM for quick interconnection⁴, enough to power 2.7 million homes⁵,
- Over 3,700 MW of utility-scale solar has come online in Ohio within the past 4 years, another 5,100 MW of utility-scale solar is approved for construction, and still 835 MW is waiting for approval at the Ohio Power Siting Board⁶,
- 690 MW of approved electric batteries⁷, and
- 1,536 MW of natural gas behind-the-meter power submitting applications for approval at the Ohio Power Siting Board⁸.

Combined with Ohio's existing nuclear, coal, and wind power generation, and customers' management of their peak power, the projects give Ohio a diverse, reliable, increasingly clean, and growing power portfolio.

Looking further out, Ohio is also well positioned for innovation and could use pilot and demonstration projects to welcome emerging and promising energy technologies, many of which are made in Ohio. These technologies include small modular nuclear reactors made by Akron's Babcock and Wilcox, microgrid controllers made by Cleveland's Eaton, energy efficiency products made by Owens Corning and Copeland, long duration vanadium flow redox energy storage supplied by Cambridge's AMG Vanadium, vehicle-to-grid virtual power plants by Honda and GM, and load response residential and business virtual power plants, among many other Ohio-made energy innovations.

With so many emerging competitive services and products, Ohio legislators should be ready to protect markets by closing any loopholes that utilities could create or exploit to own or operate emerging competitive services. Emerging technologies can also be initially expensive, and some will remain expensive and fail in the market. Small modular nuclear reactors, for example, while technically feasible, have not demonstrated economic viability yet, being quite large and expensive⁹.

For this reason, allowing utilities to own or operate emerging technologies, or subsidizing emerging technologies with taxpayer or ratepayer dollars, could stick ratepayers with the bill for failures. Emerging technology financial support is best provided by investors or federal policy, and monopoly electric utilities should be banned from participating in these nascent competitive markets.

Key Points

- Ohio has a diverse mix of resources – natural gas, solar, wind, nuclear, coal, batteries, load response.
- Ohio is home to innovating companies with energy products.
- Protect markets by closing loopholes that could allow utility ownership.
- Some products fail in a market – protect customers by avoiding subsidies.

³ Ohio Power Siting Board, Gas Generation and CHP Map and Statistics

⁴ PJM's Reliability Resource Initiative, <https://insidelines.pjm.com/pjm-chooses-51-generation-resource-projects-to-address-near-term-electricity-demand-growth/> and <https://www.pjm.com/-/media/DotCom/committees-groups/committees/pc/2025/20250506/20250506-rri-addendum---post-meeting.pdf>

⁵ Assuming 1.25 kW per home

⁶ Ohio Power Siting Board, [Solar Farm Map](#)

⁷ Ohio Power Siting Board, [Battery Storage and Facilities Map](#)

⁸ Ohio Power Siting Board, [Gas Generation and CHP Map and Statistics](#)

⁹ <https://ieefa.org/resources/eye-popping-new-cost-estimates-released-nuscale-small-modular-reactor>

Reform Needed at PJM to Keep Electricity Affordable

Yet, more can be done to attract power generation and more may be needed. Certainly, Ohioans are already paying handsomely to attract power. Ohio is part of a multi-state competitive regional electric grid called PJM, which will have an additional \$28 billion available for power generation over the next two years¹⁰. PJM's lucrative payments to power plants are expected to stay elevated, providing billions of additional dollars in revenue for new power plants for years to come. The lucrative power payments are raised from utility fees on Ohio's citizens and businesses, and Ohio should compete to bring this money back into our economy.

In the meantime, Ohioans are contributing to the \$28 billion in additional electric revenue that generators are receiving. That's about a 20% increase on manufacturer utility bills. The \$28 billion is also revenue at stake and Ohio can compete for if it can attract generation. Legislators should be ready to open opportunities for investment that can move quicker than the bottlenecked and stalled PJM interconnection queue, which continues to throttle new power generation to a trickle, despite record high prices.

HB 15's innovative change to allow behind-the-meter generation to be located off-site is already yielding over 1,500 MW of new gas generation. This initial momentum can be built upon by promoting competitive microgrids, allowing customers to purchase transmission service at the same rate as our electric distribution utilities, and by creating competitive distributed energy resource aggregators for PJM's markets. And, while interconnection to PJM's electric transmission system is bottlenecked, interconnection to Ohio's electric distribution utilities does not need to be. Ohio's electric distribution system is ripe to host local generation and can be done by Ohio leaders, including the General Assembly, Public Utilities Commission of Ohio (PUCO), and the Ohio Power Siting Board. As technological advances have allowed power generation sizes to scale down, the electric distribution grid can become a sought-after interconnection point that could lead to a rapid expansion in local power generation.

Bringing local power plants back to our communities can be a force multiplier: it creates economic investment, lowers utility costs, improves reliability, and yields environmental benefits. Ohio can open these new markets by creating open-access utility interconnection processes and clarifying and streamlining standards with distribution utilities. All this can be done while supporting needed reforms to competitive regional electric markets, and without reverting to the slow, monopoly-controlled generation that thwarts competitive investment.

Concerns over Future Demand are Overblown

There have been claims of Ohio facing an imminent power shortage due to increased demand from new technologies and the uptick in data center sites locating to the state. However, Ohio's power supply is not in crisis. In fact, regional grid operator PJM Interconnection reports a reserve margin of roughly 19%. This is more than enough to handle current demand and growth from data centers and electric vehicles over the next few years. And while demand may rise after years of decline, forecasts of data center energy use are considered by many to be overblown. Instead, our rising utility bills right now stem from a flawed system that rewards inefficiency, blocks competition, and allows questionable, subsidized transmission projects with little oversight.

¹⁰ \$30.8 billion total for 2025/26 and 2026/27 delivery years as compared to \$2.2 billion for 2023/24 and 2024/25 delivery years. See Table 2 in [PJM 2026/2027 Base Residual Auction Report](#).

CONSUMERS HAVE BEEN HIT BY:

Increasing costs

\$28B

Additional Power Costs

Increasing Bills

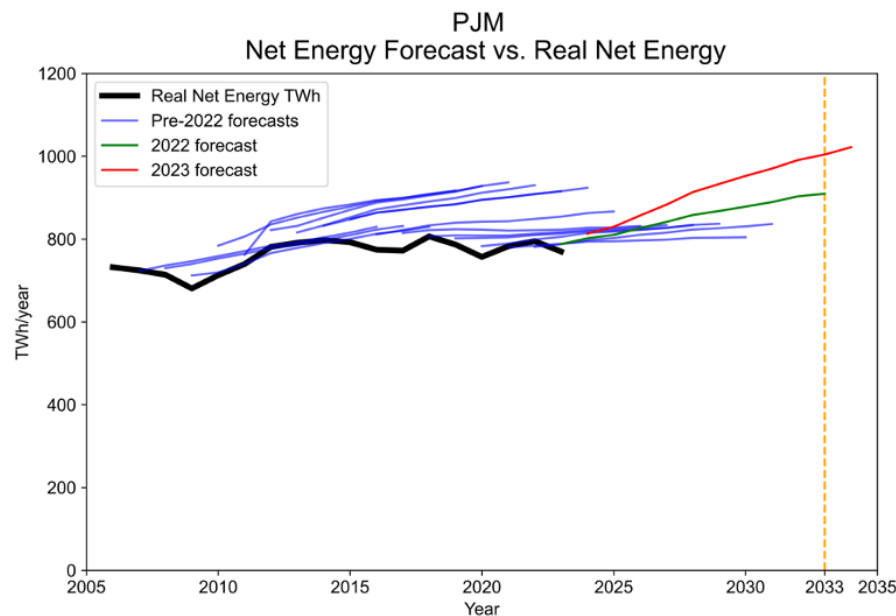
20%

For Electricity

Confusion on future energy needs stems from a lack of scrutiny at our PUCO and at PJM of utility load forecasts, which could put Ohio's businesses on the hook for un-needed infrastructure. While AI data centers do indeed use prodigious amounts of electricity, electric utilities have overcounted data center development, under counted behind-the-meter generation, and don't have to account for computer chip efficiency gains or AI adoption risks. For example, our utilities and PUCO are not accounting for behind-the-meter gas, fuel cells, and solar generation in utility load forecasts. And while computer chips are the poster child for how technologies can rapidly improve efficiency, as described by Moore's Law¹¹ and Koomey's Law¹², utilities don't account for these efficiency improvements in their load forecasts. The oversight by utilities has drawn critique from Koomey himself, who also points to utilities counting the same data center multiple times in their load forecasts as problematic, stating

“Data center developers consider multiple states as possible locations for data centers, and they query multiple utilities simultaneously for electricity rates and incentives prior to making a final selection. Therefore, counting data center project proposals to forecast load growth can result in the overestimation of data centers...”¹³

The considerable evidence that utilities are over forecasting electric load matches their historical behavior as well. For decades, PJM has relied on utility load forecasts that are significantly wrong. Koomey's report for the Bipartisan Policy Institute documents PJM's long history of over-forecasting electricity growth, with actual energy use coming in considerably lower than forecasts.¹⁴



Source: <https://www.ferc.gov/industries-data/electric/general-information/electric-industry-forms/form-no-714-annual-electric/overview>

11 Moore's Law is an observed empirical trend that shows the number of transistors on an integrated circuit doubles about every two years. See: https://en.wikipedia.org/wiki/Moore%27s_law

12 Koomey's law is an observed empirical trend that shows the number of computations per joule of energy doubles about every 2.5 years. See: https://en.wikipedia.org/wiki/Koomey%27s_law

13 Koomey, J., Schmidt, Z., and Das, T. (2025) [Electricity Demand Growth and Data Centers: A Guide for the Perplexed](#). Prepared for the Bipartisan Policy Institute with funding from NVIDIA and other data center interests. Page 10.

14 Id., Page 9.

Over-forecasting data center energy use creates phantom load that drives up capacity costs and creates unnecessary transmission infrastructure investments. These costs will be borne by manufacturers and other ratepayers, not data centers.

Energy-using customers are skeptical – the Electricity Customers Alliance joined with the Electricity Consumers Resource Council (ELCON), Industrial Energy Consumers of America (IECA), PJM Industrial Customer Coalition (PJM ICC), Coalition of MISO Transmission Customers (CMTCC), and the National Association of State Utility Consumer Advocates (NASUCA) in a letter to the Federal Electric Regulatory Commission stating their concern that “artificially high forecasts risk overinvestment, unnecessary rate increases for already burdened customers, and stranded costs.”¹⁵

Grid Operator PJM Needs to Be Held to Higher Standards

When businesses invest, be it manufacturers or data centers, they want to move quickly to receive a return on their investment. The underpinnings of speedy business are transparent information, choice in suppliers and technologies, and clear but robust regulatory processes and protections. To attract investment in energy using and producing businesses, Ohio must not rest on the success of HB 15 but instead should take quick action on additional legislation and regulatory rulings to open markets.

Ohio has competitive advantages on which to build. Ohio already has one of the most extensive and robust electrical transmission grids in the nation, for which customers have paid billions of dollars for in recent years. And businesses have been coming to Ohio because Ohio is starting with access to plentiful power - PJM has a reserve margin of about 19% – with about 178,400 MW of generation and demand response to handle its forecasted 154,000 MW of peak load¹⁶. But an important debate has emerged: how much more power will be needed? And will more power be built? PJM has 230,000 MW of generators waiting in line to connect to the grid, and has for years¹⁷, and has raised the cost of electricity by tens of billions of dollars to attract investment in new power plants. Yet PJM warns of a crisis.¹⁸

The tale of an expensive crisis is familiar with the electric sector. For example, despite hundreds of millions of dollars of investment specifically for grid modernization, in addition to billions more to maintain and improve its distribution and transmission grid, Ohio's electric system's reliability has not improved in recent years. This reflects lack of accountability, a lack of oversight, and ineffective penalties and incentives for Ohio's electric utilities to perform. The lack of reliability improvement is underscored by the embarrassing absence of an open investigation into the June 2022 power outage in central Ohio. To be clear, Ohio's relative lack of natural disasters and abundant energy resources is one of the reasons that critical businesses want to locate here. But Ohio is not risk free. Summertime straight-wind derechos and winter polar vortices have pushed our grid to the limits and caught our utilities unprepared, and regulators have not responded to this present threat with open investigations. The lack of oversight and lack of urgency to protect customers from blackouts needs an urgent response and an accompanying culture change within Ohio's government.

Key Points

- Customers and generators need quick grid interconnection.
- PJM's interconnection and delayed auctions have log-jammed new generation.
- Grid operators and regulators need held to account.

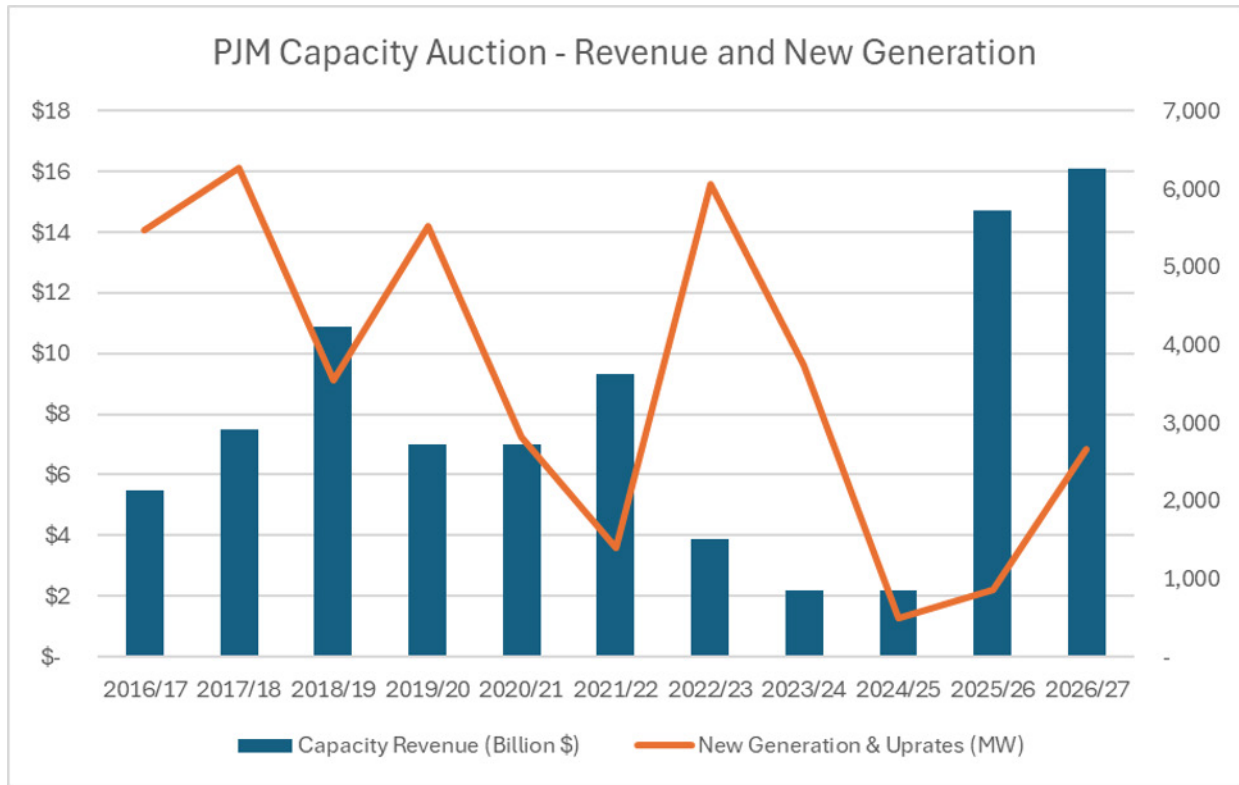
¹⁵ Joint [Letter to the Federal Energy Regulatory Commission from the Electricity Customer Alliance](#), May 30, 2025.

¹⁶ [PJM Summer Outlook 2025: Adequate Resources Available for Summer Amid Growing Risk | PJM Inside Lines](#)

¹⁷ <https://insidelines.pjm.com/pjm-reaches-next-milestone/>

¹⁸ <https://insidelines.pjm.com/pjm-board-supports-action-in-support-of-urgent-grid-reliability-needs/#:~:text=A%20capacity%20shortage%20may%20affect.the%20retiring%20thermal%20generating%20fleet>

While PJM has raised compensation to attract generators with billions of additional dollars per year, paid for by manufacturers and other ratepayers, this potential for a generational investment in new power is falling flat, with only marginal amounts of new generation clearing PJM's capacity auction.¹⁹



PJM's log-jammed interconnection queue, its chronically delayed power auctions, ever-changing market rules, and crisis messaging have created significant uncertainty and the risk of being counterproductive. Let's be clear: PJM postponed interconnection requests of new power generation years ago. When FERC approved emergency interconnections earlier this year, it said PJM's interconnection queue solution:

“...includes the unfortunate feature of pausing study of all new interconnection requests while PJM implements its new, faster process. This pause remains in place today, more than two years after the Commission accepted PJM's queue reforms. The result? Developers' ability to respond to market signals by constructing new resources is severely limited.”²⁰

Problems at PJM aren't a surprise, they're a natural consequence of poor decisions. And they add lengthy development time to other systemic headwinds such as supply chain issues, workforce availability, and local opposition to power plants, no matter the fuel. Simply put, PJM needs to do better,²¹ and Ohio lawmakers should call for such.

¹⁹ Graphic data compiled from [PJM 2024/25](#) (Table 4), [2025/26](#) (Page 7), and 2026/27 Base Residual Auction Report (Page 7)

²⁰ Commissioner Phillips and Commissioner Rosner Concurrence Regarding PJM's Reliability Resource Initiative (RRI) Proposal (ER25-712-000)

²¹ Ohio Manufacturers' Association, [Letter to PJM](#)

PJM's recent Reliability Resource Initiative and Capacity Interconnection Rights rule changes, which allowed for speedier power generation interconnection, are good but common sense changes that should have been implemented years ago. However, PJM still turned away willing investments in this process. There's no reason to discriminate, new investments in gas power, batteries, and solar power will all help meet power needs, if in different ways.

The Next Steps for Ohio's Energy Transformation

Ohio's natural resources and competitive advantages are finally starting to be unlocked by key provisions of House Bill 15. But the work is not done. Ohio's political leaders need to engage with PJM and demand additional generation interconnection queue reform. PJM should be held to a high standard befitting its importance and it should quickly process any power generator connection request – this is not the time to bog down business with years-long approval processes or selecting some generators over others. PJM also needs to be held to account on its power auction timeline, as its many delays have made power development extremely challenging, even if tweaks to the auction rules offer improvements.

Our PUCO needs to step up to the moment and protect customers and open markets, not monopoly utility profits. The PUCO needs to enforce the creation of workable and valuable heat maps of the electric grid, as required by case settlements and now HB 15. The PUCO needs to follow through on the promise and spirit of the repeal of Electric Security Plans, and they need to ensure utility spending on distribution service yields benefits and is kept under control. A stiffer backbone is needed from the PUCO is necessary to prevent the "forecast test year" from becoming the next utility cash-grab.

There must be more regulatory oversight of local transmission projects, called supplemental transmission projects, which cost Ohioans' billions of dollars annually with no clear reliability benefit and no true state or federal oversight. To accomplish this, the Ohio Power Siting Board (OPSB) needs to comply with Ohio law to review these projects to ensure that they serve the interests of electric system economy and reliability.²² The OPSB does not currently conduct an adequate economic or technical reliability review of utility transmission projects. The OMA has recommended²³ guidance on how supplemental transmission spending should be reviewed in order for the OPSB to comply with the law. Additionally, utilities should be required to invest in economic grid-enhancing technologies (GETS) when it's a cost-effective alternative to demonstrated needs to increase transmission system capacity.

Utility load forecasts need deep and open scrutiny, not a rubber stamp from the PUCO and PJM. In AEP territory alone, the PUCO failed to act on testimony that the utility is not accounting for behind-the-meter generation in its load forecasts and planning – a mistake on the scale of Gigawatts, certain to cause electric price increases.

Importantly, the PUCO needs to demonstrate its ability to hold utilities accountable with meaningful actions in the FirstEnergy House Bill 6 cases. The OMA's expert witness recommended that \$769 million of "free cash" collected by FirstEnergy be returned to ratepayers.

Key Points

- Hold PJM accountable on interconnection queue reform and the capacity auction.
- PUCO action needed on forecast test years, utility load forecasts, and HB 6 refunds.
- Ohio General Assembly should pursue microgrids, behind-the-meter generation, and distribution-grid interconnected generation.

²² Ohio Revised Code Section [4906.10 \(A\) \(4\)](#)

²³ [Comments](#) of the Ohio Manufacturers' Energy Group, In the Matter of the Ohio Power Siting Board's Review of Ohio Adm. Code Chapters 4906-1 through 4906-7, Case No. 21-902-GE-BRO

Ohio's legislature is just steps away from making Ohio a clear global leader on competitive energy investments. More can be done to create competitive microgrids, to encourage local generation projects that benefit our communities, and to reform customer billing to encourage behind-the-meter generation. Finally, Ohio's heritage of exploration and technical innovation makes us well suited to host pilot and demonstration projects of emerging energy technologies made by our own businesses.

It is this forward-looking vision of American entrepreneurialism, resourcefulness, and ingenuity that can support Ohio's manufacturing, businesses, and communities to become global leaders.

###



PROTECTING & GROWING

OHIO MANUFACTURING

For Immediate Release

OMA Issues Statement on PJM Capacity Auction

COLUMBUS, Ohio – Ryan Augsburger, president of the Ohio Manufacturers' Association, issued the following statement in response to the results of PJM's capacity auction for the 2026/2027 delivery year:

"After years of delay of PJM's critical capacity auction, and for the second year in a row, new electrical generation is stuck at the gate, and customers are paying the price to the tune of billions of dollars more.

It's clear that Gov. Shapiro's demands, though anti-free market, helped shield PJM's customers from the brunt of its flawed process.

In the near term, we encourage every state's leaders to now do likewise: step in and demand remedies that shield every state from PJM's dysfunction. In the long term, PJM needs reform, new leadership, a new direction—faster connection of all generation, regular three-year auctions, transparent load forecasting—and a renewed priority on customers, not legacy generators. Only with this refreshed direction will our region can realize our full economic potential."

Ohio's power generation is supplied through competitive capacity auctions operated by PJM Interconnection, the regional grid operator. PJM is charged with curating enough power for all hours of the year, plus a reserve margin. Results of the [2026/27 capacity auction](#) include:

- Auction cleared at \$329 /MW-day up from \$269 /MW-day (compared to last year: \$28.92/MW-day)
- Without price collar from Gov. Shapiro, the auction price would have been \$388.57 /MW-day
- PJM's reserve margin rose to 18.9%
- Capacity will cost \$16B in 26/27 compared to \$2B in 2024

###

The Ohio Manufacturers' Association is Ohio's largest statewide business association comprised solely of manufacturers. Established in 1910, the OMA's mission is to protect and grow Ohio manufacturing. It represents manufacturers of all sizes in every subsector of the industry. Manufacturing is Ohio's largest economic sector, employing approximately 690,000 Ohioans and contributing more than \$133 billion annually to the economy. Visit ohiomfg.com, or follow us on [LinkedIn](#), [Twitter](#), [Facebook](#), and [YouTube](#).

Tom Evans

Director, Communications and Marketing

STATEMENT - PUCO Opens Door to Discriminatory Tariffs on Energy-Intensive Users

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PROTECTING & GROWING OHIO MANUFACTURING

For Immediate Release:

PUCO Opens Door to Discriminatory Tariffs on Energy-Intensive Users

(COLUMBUS, OH) – The Ohio Manufacturers' Association (OMA) today issued the following statement in response to the Public Utilities Commission of Ohio (PUCO) allowing the creation of a data center specific tariff:

"It is disappointing that the PUCO decided today to allow discriminatory tariffs on energy-intensive users, creating a slippery slope for utilities to potentially punish industrial and other high-energy users.

The PUCO's rationale for the special tariff and the demonstration of "a real transmission constraint concern that requires a solution" is deeply flawed, based upon overstated and double-counted speculative load by AEP.

The OMA is considering its options to appeal the PUCO's decision."

###

The Ohio Manufacturers' Association is Ohio's largest statewide business association comprised solely of manufacturers. Established in 1910, the OMA's mission is to protect and grow Ohio manufacturing. It represents manufacturers of all sizes in every subsector of the industry. Manufacturing is Ohio's largest economic sector, employing approximately 690,000 Ohioans and contributing more than \$133 billion annually to the economy. Visit ohiomfg.com, or follow us on [LinkedIn](#), [Twitter](#), [Facebook](#), and [YouTube](#).

Tom Evans

Director, Communications and Marketing

(614) 557-0937

tevans@ohiomfg.com

TO: OMA Government Affairs Committee
FROM: James Lee
RE: Environment Public Policy Report
DATE: September 30, 2025

Overview

There have been numerous policy developments for Ohio manufacturers at both the state and federal levels. State legislators have wrapped up their budget process with the OMA securing a major legislative victory including the elimination of the Air Nuisance Rule from Ohio's State Implementation Plan (SIP). As legislators return home for summer break, the OMA prepares to address policy threats from recently introduced legislation banning PFAS and essential chemistry.

On the state regulatory front, the Ohio EPA finds itself with a new director as Anne Vogel leaves to lead the USEPA's region 5 office. In the midst of state leadership changes, the OMA is actively engaging in state proposed water quality rulemakings and monitoring state implementation of federally mandated air emission requirements.

With Donald Trump now in office, manufacturers are likely to see significant regulatory relief after facing years of costly and complex EPA regulations under the Biden administration. The Trump administration has already taken steps to roll back environmental oversight, including cutting funding for environmental justice initiatives and reducing federal intervention in state-level environmental policies.

Environment Legislation

OMA secures Air Nuisance Rule Removal in State Budget

For years, the OMA has worked to remove the infamous Air Nuisance Rule from Ohio's federal State Implementation Plan (SIP) that uniquely subjects Ohio's manufacturers and businesses to frivolous litigation from activist environmental attorneys. The rule was finalized and reinserted in Ohio's SIP in the final hours of the Biden administration, following Trump's decision to remove the rule in his first term. Following stilled attempts at the federal level to remove the rule via congressional action, the OMA successfully secured language in the budget that establishes an effective state remedy, requiring the Ohio EPA to petition the federal EPA to remove the rule from Ohio's SIP. When the state is granted authority from US EPA to remove rule following the SIP modification process, manufacturers in Ohio will be protected from future harassment enabled by this regulation.

State Operating Budget

The state operating budget largely maintains the status quo for the state's environment policy. However, the House's recent changes in the budget take aim at certain gubernatorial priorities:

- **H2Ohio Funding Cut** – The governor's program supporting phosphorus reduction, drinking water improvements, and wetland restoration saw a 45% cut from state legislators, bringing the proposed funding from \$270 million to \$170 million
- **Ohio EPA Air Permit Fee Increases** – To maintain the solvency of Ohio's Division of Air Pollution Control program, the agency was required to raise air permit fees for the first time in nearly 30 years, avoiding a potential federal takeover by US EPA Region 5. The budget included these necessary air permit fee increases at rates that remain competitive with or lower than neighboring states. New fees include:

- *Title V Facilities*: \$5,000 additional base fee per year remains; with alterations made for emissions fee calculations
- *Synthetic Minor Facilities*: \$5,000 additional base fee per year; with altered calculations for emissions fees
- *Permit to Install (PTI) Fees*: 50% increase in the current fee structure
- **No Solid Waste Fee Increases** – The state legislature removed an Ohio EPA proposal to increase Construction Demolition and Debris fees from \$1.60 to \$4.75, plus any local district fees. The OMA supported the move to eliminate this provision.
- **Move to Eliminate E-Check**: The final budget included a provision to require the Ohio EPA Director to immediately discontinue the E-check program and take any actions necessary to effectuate its termination if the USEPA determines that it is not necessary for Ohio or any area of Ohio to comply with the federal Clean Air Act

HB 272: MAHA Proposal to Ban PFAS, Fluoride Dyes and More

Representatives Justin Pizzulli (R-Portsmouth) and Monica Robb-Blasdel (R-Columbiana County) recently introduced House Bill 272, legislation that seeks to ban PFAS in consumer products, along with certain food dyes and additives, while also restricting local control over water fluoridation, creating significant challenges for manufacturers.

Key Concerns:

- Bans PFAS in Consumer Products – Targets food packaging and materials, adding regulatory burdens amid ongoing federal review
- Bans Dyes & Additives – Prohibits ingredients like Titanium Dioxide, Red 40, Yellow 5 & 6, BHT, BHA, and Brominated Vegetable Oil, requiring costly reformulations
- Restricts Local Control Over Fluoridation – Removes the ability of local governments to decide on water fluoridation, imposing a one-size-fits-all mandate that may not align with community needs
- Banning Cloud Seeding – Bans cloud seeding, a weather modification technique that raises concerns about unintended consequences and the ethics of manipulating rainfall. Modeled after Tennessee’s SB269/HB2063

If enacted, this proposal would put Ohio manufacturers at a competitive disadvantage, imposing costly restrictions not found in other states. The OMA is actively monitoring and highlighting the potential negative impacts. The bill received its first hearing from the bill sponsors and has not yet been called for public testimony.

House Bill 182: Fluoride Ban for Public Water Systems

State Representative Levi Dean (R-Xenia) has introduced legislation to prohibit adding fluoride to public water systems. House Bill 182, which simply reads, “No public water system shall add fluoride to the water supplied by the system,” would effectively ban the mineral from being added to public water systems. This legislation follows the Make America Healthy Again, or MAHA movement, being pushed by US Health and Human Services Secretary, Robert F. Kennedy, who has been publicly stated his skepticism for the need of fluoridated water. Water fluoridation bans are one of many facets on the MAHA agenda, which also encompasses bans on multiple chemicals, dyes, additives, and PFAS as mentioned above.

Out of several states that have moved to restrict fluoridation in public water systems, Utah was the first to pass legislation in February of 2025.

E-Check Bill Included in Transportation Budget

Legislation to fund transportation agencies for the next two years advanced quickly this week, with the House Finance Committee accepting a substitute version of House Bill 54. Notably, the bill includes the "E-Check Ease Act," which aims to reduce the administrative and financial burden on Ohio drivers by providing an alternative to the current E-Check program.

Ohio has long required E-Check as an air pollution control measure in certain congested counties. While the U.S. EPA has historically prohibited alternatives to centralized emissions testing, the Trump administration may be more open to changing that policy.

State Regulatory Activity

DeWine Taps John Logue to lead Ohio EPA as Ann Vogel Heads to lead Trump's US EPA Region 5 office.

Governor Mike DeWine has tapped John Logue to be the next director of the Ohio Environmental Protection Agency. The OMA praised the announcement in a statement, highlighting his reputation as a "steady hand" in his prior position as the Administrator of the Ohio Bureau of Workers' Compensation (BWC).

His predecessor, Anne Vogel, was appointed to lead the U.S. EPA's Region 5, which covers Ohio, Illinois, Indiana, Michigan, Minnesota, and Wisconsin. Vogel served as the Ohio EPA director since December 2022, where she received national attention for handling the East Palestine train derailment.

US EPA's Good Neighbor Rule Paused in Ohio due to Yost's Successful Challenge

In June of 2024, the U.S. Supreme Court granted a stay against the U.S. EPA's so-called "Good Neighbor Plan," temporarily blocking its implementation in Ohio. In their decision, the court ruled that the emissions-reduction standards set by the plan were likely to cause "irreparable harm" to nearly half of all U.S. states.

The rule significantly expands federal oversight of interstate air emissions. Ohio Attorney General Dave Yost joined Indiana and West Virginia in the suit to successfully obtain stay on the rule, which will cost manufacturers and industrial producers an estimated \$910 million in yearly compliance costs. Manufacturers of cement, iron and steel, glass, and chemicals will be severely impacted by new regulations. Multiple justices on the court have publicly stated their skepticism of the rule and are set to issue an opinion on its constitutionality in a separate case before the court.

The OMA issued a statement on the block, pointing out the unattainable and damaging standards the rule would have put in place and thanking Ohio Attorney General Dave Yost for leading the charge to challenge the rule, which can be found in today's materials.

In June of 2025 – the Supreme court ruled that states can challenge the rule in local regional courts that will likely advantage the plaintiffs suing to eliminate the rule. While litigation remains ongoing, the Trump Administration has stated that they plan to repeal the rule.

Lucas County and Toledo Sue USEPA Over Maumee Watershed TMDL General Permit

Lucas County and the City of Toledo have filed a lawsuit against the U.S. Environmental Protection Agency (US EPA). The lawsuit alleges that the EPA knowingly violated the Clean Water Act by approving the total maximum daily load (TMDL) plan to restore the western basin

of Lake Erie. This legal action is part of a broader effort to combat harmful algal blooms in Lake Erie, which have been a persistent environmental issue. The county commissioners argue that the TMDL plan, which is a regulatory component of the Clean Water Act intended to address the cleanup of impaired waters, fails to meet the legal standards necessary to prevent the pollution that leads to these algal blooms. They are particularly concerned about the runoff from “mega farms” and other non-point sources, which they believe is a significant contributor to the problem. The OMA advocated for the northwest region’s manufacturers during the drafting of the TMDL plan, pushing back against inequitable policy proposals unfairly targeting point sources, which are not responsible for the major sources of pollution that come from non-point sources like agricultural runoff.

New Nutrients Implementation of Water Quality Standards Rule

Ohio EPA is considering a new rule to determine if streams and rivers are impaired by excessive nutrients, using a weight of evidence approach for consistency.

In June, the OMA submitted comments supporting this approach and emphasized using the 2015 Stream Nutrient Assessment Procedure (SNAP) for the proposed Nutrient ESO. The OMA also raised concerns about the 2018 framework for large river rulemaking in developing the Nutrient Implementation Standards rule.

OMA Engages on Ohio EPA’s New Implementation of Water Variance Rule

The Ohio EPA has proposed a new Water Quality Standards Variance Rule (OAC 3745-1-38) to allow some manufacturers to meet adjusted, achievable water quality limits. This rule is intended to help companies gradually improve water quality when full compliance with strict standards isn’t feasible, as seen with pollutants like mercury.

The OMA provided comments on August 23, 2023, supporting the rule’s approach for certain ammonia discharges. However, OMA raised concerns about Ohio EPA’s methods for setting these variance limits, particularly for mercury, which sometimes sets limits below what is realistically achievable. OMA has urged Ohio EPA to revise its guidance to make these permit limits more attainable for manufacturers.

H2Ohio PFAS Rivers Survey

The Ohio EPA has announced plans to utilize H2Ohio Funds for a comprehensive statewide river survey focused on PFAS contamination. This initiative positions Ohio as the first state in the country to embark on such an extensive survey. Although the Governor has clarified that this effort is not a prelude to immediate regulations and defers to the federal government for remediation guidelines, concerns over data collection remain as the survey results could be weaponized as a precursor to future regulatory actions from succeeding administrations or the legislature.

Federal Regulatory Activity and OMA Action

US EPA Director Zeldin Announces Aggressive Deregulatory Agenda:

The US EPA has announced 31 major deregulatory actions, aiming to reduce regulatory burdens on energy, automotive, and manufacturing sectors. These rollbacks are expected to lower compliance costs, ease emissions rules, and increase state-level control. Manufacturers will benefit from reduced operational costs and more flexibility in production and energy use.

Key initiatives include:

- **Reconsideration of the 2009 Endangerment Finding** - the legal keystone for all federal climate-related regulations, potentially upending current and future GHG-related restrictions, reporting requirements and costs
- **Reconsideration of the Green House Gas Reporting Program** - relieving reporting burdens, especially for energy-intensive sectors like cement, steel, and chemicals
- **Reconsideration of PM 2.5 National Ambient Air Quality Standards** – providing permitting relief to last year’s finalized rule reducing standards to the unattainable 9 micrograms per cubic meter
- **Reconsideration of Multiple NESHAPs** - reducing permitting complexity, reporting burdens, and tech upgrade mandates
- **Ending the “Good Neighbor Plan** - lifting costly NO_x emissions controls on industrial sources like cement, steel, and chemical plants in upwind states, reducing compliance costs, limiting expansion of US EPA regulatory authority
- **Reconsideration of Automotive EV Mandates** - allowing broader production of internal combustion vehicles, reducing R&D costs, and easing supply chain constraints on rare minerals needed for EVs
- **Reconsideration of Technology Transition Rule** - Easing supply chain pressures and potentially lowering input costs by restoring access to affordable technologies.
- **Termination of US EPA’s Office of Environmental Justice**

The US EPA’s announcement outlining all 31 targeted regulations can be found in today’s Environment materials.

US EPA Suspends Decarbonization Projects

On May 30, 2025, the Trump administration’s Department of Energy canceled over \$3.7 billion in Biden-era grants for industrial decarbonization and carbon capture, calling the projects uneconomical and misaligned with U.S. energy needs. The cuts, targeting industries like cement, food processing, and chemicals, disrupt manufacturers already investing in cleaner technologies and threaten U.S. competitiveness. Critics say the move undermines jobs, pollution cuts, and U.S. leadership in clean energy.

Trump Takes Aim at Environmental Justice

The Trump administration is targeting the EPA’s Office of Environmental Justice and External Civil Rights as part of its broader crackdown on Biden initiatives and environmental regulations. The administration has canceled nearly \$60 million in environmental justice contracts, prioritizing industry interests—particularly the U.S. auto sector—over environmental protections. These moves demonstrate Trump’s stated agenda to roll back burdensome and costly regulations.

PM2.5 Standard

In a devastating blow to manufacturers, the Biden administration finalized the US EPA’s PM 2.5 rule, lowering the National Ambient Air Quality Standards for fine particulate matter to 9 micrograms per cubic meter. Lowering this standard will force manufacturers to comply with unattainable emissions requirements, cost as much as \$197 billion in lost U.S. economic activity, and result in a loss of 974,000 jobs nationwide.

The OMA has made numerous efforts to oppose the rule through public comments and coalition letters to federal agencies, Congress, and the White House. Upon release of the final rule,

President Ryan Augsburger issued as statement opposing the rule as a disaster for manufacturers in Ohio.

In June, the National Association of Manufacturers (NAM) filed the opening brief in litigation opposing the rule. The OMA will keep its members apprised of the efforts to fight this rule in the courts. In March, Trump's US EPA announced that the agency would target the rule for reconsideration.

PFAS Drinking Water Standards

In 2024, The Biden administration finalized its excessively stringent PFAS Drinking Water Standards rule that will require utilities to reduce PFAS compound levels to the lowest level they can be reliably measured. The already exceptionally low standards will be reduced from 70 parts per trillion to 4 parts per trillion. The rule will lead to significant cost increases throughout the supply chain impacting not only manufacturers but the US economy as a whole.

With Trump's recent election, many are predicting a rollback on these new standards. Although his previous administration-initiated steps to regulate PFAS under the Safe Drinking Water Act, a second Trump term is expected to emphasize voluntary compliance, slower timelines, and reduced enforcement to align with his broader deregulatory agenda – a sharp contrast to Biden's stringent and unattainable standards. Limits for the other for particles, PFHxS, PFNA, HFPO-DA, and PFBS, are being rescinded and reconsidered.

In May 2025, Zeldin made the first modification to the rule, extending compliance deadlines for PFOA and PFOS from 2029 to 2031 for utilities.

In an early action on the issue, Trump recently placed a freeze on pending USEPA PFAS rules via executive order.

The OMA has engaged on this rule through multiple comments to federal agencies and alerted state regulators of its detrimental impact since the rule was proposed in 2023. In the weeks prior to finalization, The OMA wrote to the Biden White House asking the administration to rescind their unattainable drinking water standards that fail to provide benefits to public health and threaten Ohio's manufacturers with inordinate compliance burdens and costs. That letter can be found in today's Environment materials.

Environment News

[Click here for Environment Community articles from previous Leadership Briefings.](#)

Environment Legislation
Prepared by: The Ohio Manufacturers' Association
Report created on September 26, 2025

- HB54** **TRANSPORTATION BUDGET (STEWART B)** To make appropriations for programs related to transportation for the biennium beginning July 1, 2025, and ending June 30, 2027, and to provide authorization and conditions for the operation of those programs.
Current Status: 3/31/2025 - **SIGNED BY GOVERNOR**; eff. 3/31/25
State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA136-HB-54>
- HB93** **RESTORE CLEAN OHIO FUND (HALL T, SWEENEY B)** To restore the Clean Ohio Fund to be administered by the Department of Development and the Clean Ohio Council.
Current Status: 5/20/2025 - House Finance, (First Hearing)
State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA136-HB-93>
- HB96** **OPERATING BUDGET (STEWART B)** To make operating appropriations for the biennium beginning July 1, 2025, and ending June 30, 2027, to levy taxes, and to provide authorization and conditions for the operation of state programs.
Current Status: 7/21/2025 - Consideration of Governor's Veto; House Overrides Veto on Item 66, Vote 61-28
State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA136-HB-96>
- HB115** **E-CHECK PROGRAM COMPLIANCE ALTERNATIVE (DEMETRIOU S)** To create an alternative method to certify compliance with the E-Check program and to name this act the E-Check Ease Act.
Current Status: 2/26/2025 - Referred to Committee House Transportation
State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA136-HB-115>



May 22, 2025

Ohio Senate Majority Leaders
1 Capitol Square
Columbus, Ohio 43215

Re: HB 96 Amendment SC 136_1929: Urgent Need for State-Led Action to Remove the Nuisance Rule from Ohio's SIP

Dear Ohio Senate Majority Leaders,

On behalf of Ohio's business community—including the Ohio Manufacturers' Association, the Ohio Chemistry Technology Council, the Ohio Chamber of Commerce, and the Ohio Oil and Gas Association—we urge your support for a state budget amendment requiring the Ohio EPA to petition the U.S. EPA for removal of the nuisance rule from Ohio's State Implementation Plan (SIP).

This rule, which the U.S. EPA originally removed from Ohio's SIP in 2020, was determined to be unnecessary for achieving or maintaining federal air quality standards (NAAQS). At the time, the EPA acted in line with precedent, having removed similar provisions from SIPs in multiple other states, including California, Kentucky, Georgia, Michigan, Minnesota, Nevada, New Hampshire, New York, Rhode Island, and Wyoming.

However, in the final hours of the previous administration, the EPA reinserted the nuisance rule into Ohio's SIP, making our state an outlier. No other state is subject to this kind of federal enforcement for general "nuisance" conditions under the Clean Air Act. As a result, Ohio businesses now face federal citizen suits, where plaintiffs' attorneys can recover legal fees and pursue duplicative claims that would otherwise be handled by Ohio EPA or through state tort law.

This rule's reinstatement provides no additional environmental protections. Nuisance issues remain fully enforceable under Ohio law. Instead, the federal overlay exposes Ohio manufacturers and employers to unnecessary, costly litigation with no environmental benefit.

Ohio's Congressional delegation, led by Senators Jon Husted and Bernie Moreno and Congressmen Troy Balderson and Michael Rulli, took steps to reverse this rule through a Congressional Review Act resolution. Despite their leadership, these federal efforts have stalled in Washington due to partisan inaction.

Given this breakdown at the federal level, it is now essential that Ohio act independently. The proposed state budget amendment (SC 136_1929 Attachment 1) would direct the Ohio EPA to formally petition the U.S. EPA for the removal of this unfair and redundant rule from our SIP. This is a targeted and appropriate remedy that puts Ohio on equal footing with peer states and defends Ohio's business community against unjustified federal overreach.

Our organizations have briefed the Ohio EPA and Governor's administration on the amendment language. On April 23, 2024, Ohio EPA Director, Anne Vogel, made public comments to US EPA opposing the Biden administration's proposal to re-insert the nuisance rule (Attachment 2).

We respectfully urge members of the Ohio Senate to support this amendment in the state budget. Let's ensure Ohio businesses are not uniquely and unfairly burdened under the Clean Air Act.

Thank you for your leadership and attention to this critical matter.

Sincerely,

The Ohio Manufacturers' Association
The Ohio Chemistry Technology Council
The Ohio Chamber of Commerce
Ohio Oil & Gas Association

Cc:
Senator Tim Schaffer
John Barron
Liz Connolly
Goran Babic

SC1929

Am. Sub. H. B. No. 96
As Passed by the House

_____ moved to amend as follows:

After line 72964, insert:

"Sec. 3704.0310. (A) As used in this section:

(1) "Air nuisance rule" means a rule adopted by the
director of environmental protection that declares any of the
following to be a public nuisance:

(a) The emission or escape into the open air from any
source or sources whatsoever, of smoke, ashes, dust, dirt,
grime, acids, fumes, gases, vapors, or any other substances or
combinations of substances, in such manner or in such amounts as
to endanger the health, safety, or welfare of the public, or
cause unreasonable injury or damage to property;

(b) The emission or escape into the open air from any
source or sources of odors whatsoever that is subject to
regulation under Chapter 3704. of the Revised Code and is
operated in such a manner to emit such amounts of odor as to
endanger the health, safety, or welfare of the public, or cause
unreasonable injury or damage to property;

(c) Activities that are substantially similar to those
described in divisions (A) (1) (a) and (b) of this section.

Legislative Service Commission



ny2jo2fgtp8ravsdwk8mts

(2) "State implementation plan" means the state 20
implementation plan regarding national ambient air quality 21
standards required to be submitted under section 110 of the 22
"Clean Air Act," 42 U.S.C. 7410. 23

(B) If the state implementation plan includes an air 24
nuisance rule, the director of environmental protection shall 25
remove the air nuisance rule from the plan and take such steps 26
as are necessary to do so. 27

On and after the effective date of this section, the 28
director shall not include an air nuisance rule in the state 29
implementation plan or rely upon an air nuisance rule to 30
implement or enforce ambient air quality standards adopted 31
pursuant to the federal Clean Air Act." 32

Update the title, amend, enact, or repeal clauses accordingly 33

The motion was _____ agreed to.

SYNOPSIS 34

Air nuisance rule 35

R.C. 3704.0310 36

Requires the Ohio EPA Director to remove any air nuisance 37
rule from the federally required national ambient air quality 38
standards state implementation plan and to take such steps as 39
are necessary to do so. 40

Prohibits, on and after the effective date of the 41
amendment, the Ohio EPA Director from including an air nuisance 42

rule in the state implementation plan or relying on an air	43
nuisance rule to implement or enforce ambient air quality	44
standards adopted pursuant to the federal Clean Air Act.	45



April 23, 2024

Ms. Debra Shore
Regional Administrator
U.S. EPA, Region V
77 West Jackson St.
Chicago, IL 60604

Re: Docket ID No. EPA-R05- OAR-2020-0055

Dear Ms. Shore,

On February 22, 2024, U.S. EPA proposed to insert the Ohio Nuisance Rule back into the Ohio State Implementation Plan (SIP) (89 Fed Reg 13304). For the following reasons, we believe that the proper course of action is for the nuisance rule to remain out of the Ohio SIP.

U.S. EPA has removed several nuisance rules from SIPs, in some cases using the same provision, Clean Air Act (CAA) section 110(k)(6), that was used in the removal of the nuisance rule from the Ohio SIP. See e.g. 84 Fed Reg 45422 (August 29, 2019) (removal of nuisance rule from California SIP). By proposing to reinstate the nuisance rule into the Ohio SIP, U.S. EPA is treating Ohio inconsistently with other states that no longer have a nuisance rule in the SIP. This can have a direct effect on facilities deciding which location to expand or build, since the nuisance rule does not have any specific quantifiable limitations to determine compliance and is not required to be part of the SIP as demonstrated by U.S. EPA's removal in many other states. Since U.S. EPA took the affirmative action to remove nuisance provisions from so many other states, including states with more challenging air quality issues than Ohio, there is no air quality justification to include the nuisance rule in the Ohio SIP.

Ohio does not rely on the nuisance rule for attainment of the National Ambient Air Quality Standards (NAAQS). U.S. EPA dictates a rigorous methodology for the approval of a SIP to address a revised NAAQS or a violation of the NAAQS. For example, the various steps in developing an attainment demonstration SIP are involved and lengthy. These include:

1. Initial discussions with U.S. EPA about project scope, potential issues, available guidance, scheduling needs, and feasibility

2. Pre-development engagement with U.S. EPA on modeling protocol and inventory development
3. U.S. EPA reviews and comments on modeling protocol and inventory development plan
4. State develops Reasonably Available Control Measures (RACM) and control strategies
5. Iterative photochemical modeling of RACM and control strategies
6. State develops attainment year emissions inventories
7. Draft modeling results, draft control strategy, and draft emissions inventory sent to U.S. EPA
8. U.S. EPA reviews and comments on modeling results, draft control strategy, and draft emissions inventory
9. Rulemaking by state to make control strategies federally enforceable
10. State develops entire SIP package with inventories, modeling, control strategies/RACM and rulemaking, among other required elements such as contingency measures and triggers and reasonable further progress
11. Early engagement draft of SIP sent to U.S. EPA
12. U.S. EPA feedback on early engagement draft including any approvability issues
13. Follow-up meetings between state and federal agencies
14. Public comment period and public hearing on draft SIP
15. State evaluates public comments, including those from U.S. EPA, and develops a response to comments
16. State submits SIP

These steps are fleshed out in the U.S. EPA publication: *State Implementation Plan (SIP) Lean Toolkit for Collaboration Between EPA and Air Agencies* (December 6, 2019). None of these steps for developing a SIP were used by U.S. EPA when it proposed to reinstate the nuisance rule into the Ohio SIP. Nor could they be. Any attempt to reinstate the nuisance rule in the Ohio SIP does not lend itself to developing modeling, an emissions inventory, or a control strategy. There is no Reasonably Available Control Measures document for nuisance emissions. The nuisance rule is simply not a “necessary or appropriate” emissions limitation or other control strategy that is needed to be part of a SIP. Clean Air Act, section 110 (a)(2)(A). See *Environmental Committee of Florida Electric Power Coordinating Group, Inc. v EPA*, 94 F.4th 77 (D.C. Circuit, 2024).

Ohio has not utilized the nuisance rule for the SIP strategies for the 2015 ozone standard, the 2012 particulate matter standard, and the “bump up” to moderate ozone nonattainment in the Cleveland area. In the upcoming Canton lead submittal to address the SIP Call, Ohio will not rely on the nuisance rule for attainment of the NAAQS. Actually, Ohio has never relied on the nuisance rule as a strategy for attaining or maintaining the NAAQS. The nuisance rule is

an inappropriate measure for attaining and enforcing the NAAQS, and U.S. EPA would never approve it as a strategy for reducing emissions in a SIP. U.S. EPA cannot use NAAQS attainment as a reason to reintroduce the Ohio nuisance rule into the SIP.

Furthermore, U.S. EPA does not have the technical support to reintroduce the Ohio nuisance rule into the SIP. One of the key components of the SIP is the process that demonstrates how a rule is being used to address the NAAQS. That key element is missing from the nuisance rule. It is not possible for U.S. EPA to quantify the amount of emission reductions attributable to the application of the nuisance rule in the state of Ohio. U.S. EPA is not able to illustrate how the nuisance provisions have an impact on air quality through modeling. Without that analysis, U.S. EPA fails to provide a justification that the nuisance rule belongs in the SIP. Also, as pointed out above, in the state's previous SIP revisions for the various NAAQS, Ohio did not rely on the nuisance rule for the various control strategies that are needed to show attainment and maintenance of the NAAQS.

The recent *Environmental Committee* decision of the D.C. Circuit also illustrates the problem for U.S. EPA to reintroduce the nuisance rule into the SIP. The Court provided U.S. EPA with guidance on how generalized SIP revision mandates are not approvable and that U.S. EPA must provide detailed analysis before imposing a SIP mandate. U.S. EPA has not developed the necessary analysis to justify inserting the nuisance rule into the SIP. U.S. EPA handling of the action as an administrative matter is flawed and should not go forward until U.S. EPA can provide the technical analysis and nexus that shows the need for the nuisance rule for compliance with the NAAQS in Ohio.

The Republic Steel Court case cannot be used as a reason for reinstating the Ohio nuisance rule into the SIP. U.S. EPA gets it exactly backwards when evaluating the Republic Steel case. Ohio considered the plant's impact on an air quality monitor that exceeded the NAAQS to be evidence of a threat to public health and therefore a nuisance, not that the NAAQS exceedance would be sufficiently addressed by a nuisance claim. The Ohio Attorney General's Office has provided detailed comments as to why Ohio did not rely on the nuisance rule as the means to enforce the NAAQS but to support Ohio's nuisance claim, which included non-NAAQS impacts associated with the plant. Over several years, the emissions from the facility caused red-orange staining of homes and sidewalks due to iron oxide emissions and dust on cars. Also note the main relief provided to the nearby residents as a result of the enforcement case was to power wash homes to remove the stains; certainly not an action related to NAAQS attainment. We concur with the analysis provided by the Ohio Attorney General. Also note that at the time of filing of the court case, the nuisance rule was already excluded from the SIP. Ohio's use of the nuisance rule on the state level should not be confused with the need

for this rule to be included in the Ohio SIP as the state has independent authority to utilize state regulations to address air pollution issues, especially in circumstances that are not directly tied to the NAAQS.

Although Ohio had developed an interim plan to address the lead NAAQS violation at the Republic Steel site in Canton, Ohio with existing authorities (and without the nuisance rule), U.S. EPA decided to issue a finding of nonattainment of the lead NAAQS at the site, thereby engaging the state in U.S. EPA's preferred approach to address the NAAQS exceedance. 88 Fed Reg 14920 (March 10, 2023) (Air Quality Redesignation for the 2008 Lead National Ambient Air Quality Standards; Canton, Ohio; Stark County, Ohio). Determining that there has been a NAAQS exceedance, making a nonattainment designation, and engaging in the process for a state to address the exceedance through an attainment demonstration is a deeply intricate process, as demonstrated above. If the nuisance rule was meant to ensure attainment of the lead NAAQS, there would be no need to engage in such an attainment demonstration at the Canton site. Further, the nuisance rule will play no role in the state's demonstration of attainment at the site nor would U.S. EPA accept the nuisance rule as a necessary or appropriate control measure to demonstrate attainment at the site.

Finally, given the state's position, engaging in a backsliding analysis does not make sense. If the nuisance rule is not a necessary or appropriate element of a SIP, then removing it cannot be considered backsliding under CAA section 110(l). Since emissions addressed by the nuisance rule cannot be quantified, a backsliding analysis is not justified.

In conclusion, Ohio EPA requests that U.S. EPA formally withdraw the proposed action to reinstate the nuisance rule into the Ohio SIP. To move forward with this action is inconsistent with the actions taken by U.S. EPA in a number of other states and U.S. EPA has failed on the most basic level to demonstrate any need for the Ohio nuisance rule to be a part of the Ohio SIP for the attainment and maintenance of the NAAQS.

Thank you for the opportunity to comment on this important proposal.

Sincerely,

A handwritten signature in cursive script that reads "Anne M. Vogel".

Anne Vogel, Director

Ohio Environmental Protection Agency



VIA ELECTRONIC MAIL

April 23, 2025

The Honorable Lee Zeldin
Administrator
United States Environmental Protection Agency
Mail Code: 1101A
1200 Pennsylvania Avenue, N.W. Washington, DC 20460

Re: Request to Rescind Air Plan Approval, Ohio; Withdrawal of Technical Amendment (90 Fed. Reg. 6811 (Jan. 21, 2025)) pursuant to Executive Order 14219, Ensuring Lawful Governance

Dear Administrator Zeldin:

On February 19, 2025, the President issued Executive Order 14219 directing the heads of all executive departments and agencies to, within 60 days, provide a list of unlawful regulations that should be rescinded. The Ohio Manufacturers' Association ("OMA") hereby requests that the Environmental Protection Agency ("EPA") rescind a midnight regulation by the Biden EPA that illegally incorporated a state law nuisance rule in Ohio's State Implementation Plan.¹

During the prior Trump administration, EPA determined that it had incorrectly approved the incorporation of a state common law nuisance rule (OAC-3745-15-07) into Ohio's state implementation plan ("SIP") for attainment and maintenance of the National Ambient Air Quality Standards ("NAAQS").² To address its mistake, on November 19, 2020, EPA used its error correction authority under Clean Air Act ("CAA") section 110(k)(6) to remove it.³ Four years later, on January 21, 2025, the Biden EPA issued a "midnight regulation" putting the nuisance rule back into Ohio's SIP.⁴ In doing so, EPA violated the CAA and put Ohio's manufacturers at a competitive disadvantage by inviting unlawful CAA citizen suit actions not cognizable in other jurisdictions. The reinstatement of the nuisance rule has been challenged in the U.S. Court of Appeals for the Sixth Circuit. That litigation should be stayed while EPA works to rescind the illegal rule.

¹ 90 Fed. Reg. 6811 (Jan. 21, 2025).

² 85 Fed. Reg. 73636 (Nov. 19, 2020).

³ *Id.*

⁴ *See* Footnote 1.

Ohio's Manufacturers Are Being Harmed.

Ohio's manufacturers spent millions of dollars defending illegal CAA citizen suit actions before the nuisance rule was removed. Unless the midnight regulation is rescinded, Ohio's manufacturers will again be the targets of illegal citizen suit actions, harming critical American industry and their communities and employees throughout Ohio.

The Midnight Regulation Is Illegal.

As part of the 1970 CAA amendments, states were required to submit their plans to attain and maintain compliance with the NAAQS. Due to resource constraints, EPA conducted focused reviews of the submissions, paying attention to "the required technical, legal, and enforcement elements" and conducting only "minimal review" of the rest.⁵ As a result, many provisions initially approved in SIPs "were not appropriate for approval," because they did "not have a reasonable connection to the NAAQS and they have since been removed."⁶ EPA has removed nuisance and odor rules, like Ohio's, from the New York, Georgia, Kentucky, Michigan, Wyoming, Minnesota, California, Nevada, New Hampshire, Rhode Island, and Arizona SIPs.

Ohio's common law public nuisance rule, like the others that have been removed, contains a general prohibition on creating public nuisances.⁷ After removing the nuisance rule from the SIP, EPA proposed, on February 22, 2024, to restore the rule after receiving public comments from environmental groups and a plaintiffs' law firm.

EPA's decision to restore the nuisance rule was not merit driven. Ohio EPA disagreed with the commenters that it had used the nuisance rule to enforce the NAAQS. In addition, EPA lacks authority under Section 110(k)(6) (error correction authority) to rescind the 2020 removal of the nuisance rule, and the decision was untimely.

⁵ 61 Fed. Reg. 47058, 47058 (Sept. 6, 1996); 83 Fed. Reg. 43576, 43576 (Aug. 27, 2018).

⁶ 83 Fed. Reg. at 43576.

⁷ OAC-3745-15-07 reads as follows:

- (A) The emission or escape into the open air from any source or sources whatsoever, of smoke, ashes, dust, dirt, grime, acids, fumes, gases, vapors, or any other substances or combinations of substances, in such manner or in such amounts as to endanger the health, safety or welfare of the public, or cause unreasonable injury or damage to property, is hereby found and declared to be a public nuisance. It shall be unlawful for any person to cause, permit or maintain any such public nuisance.
- (B) The emission or escape into the open air from any source or sources of odors whatsoever that is subject to regulation under Chapter 3745-17, 3745-18, 3745-21, or 3745-31 of the Administrative Code and is operated in such a manner to emit such amounts of odor as to endanger the health, safety, or welfare of the public, or cause unreasonable injury or damage to property, is hereby found and declared to be a public nuisance. It shall be unlawful for any person to cause, permit or maintain any such public nuisance.

For all of these reasons, the nuisance rule reinstatement was illegal and the “Withdrawal of Technical Amendment,” 90 Fed. Reg. 6811, must be rescinded and replaced with a new rulemaking, again, using the agency’s error correction authority in CAA Section 110(k)(6).⁸

The Midnight Regulation Runs Afoul of Numerous Executive Orders.

The Biden EPA’s midnight regulation is inconsistent with several of President Trump’s recent executive orders and should therefore be rescinded:

- On January 20, 2025, the President issued Executive Order 14154 to unleash American energy, including coal as a source of energy and to produce coke.
- On February 19, 2025, the President issued Executive Order 14219 directing the heads of all executive departments and agencies to identify unlawful regulations and rescind or modify them. For the reasons stated above, the nuisance rule is illegal and should be rescinded.
- On April 9, 2025, the President issued the Executive Order titled “Reducing Anti-Competitive Regulatory Barriers,” directing the Federal Trade Commission to rescind anticompetitive regulations. The inclusion of the nuisance rule in the Ohio SIP will make Ohio less competitive with other states that are able to avoid frivolous litigation.

* * *

We seek your support for enforcing the rule of law by rescinding the illegal reinstatement of the nuisance rule into the Ohio SIP. Thank you for your consideration of these comments.

Sincerely,



James Lee
Director, Public Policy Services

cc: Aaron Szabo, EPA Office of the Administrator (by electronic mail)
John Mooney, Director of Air and Radiation Division, EPA Region 5 (by electronic mail)
Anne Vogel, EPA Region 5 Administrator (by electronic mail)

⁸ See Comments submitted by the Ohio Chamber of Commerce, the Ohio Chemistry Technology Council, and The Ohio Manufacturers’ Association at 3–18, Docket ID No. EPA-R05-OAR-2020-0055-0904 (Apr. 24, 2024).

TO: The Ohio Manufacturers' Association
FROM: Bricker Graydon
RE: HB 272 Pure Life
DATE: May 21, 2025

Ohio House Bill 272, the Protecting Utility and Resources for Enhanced Living, Improved Food, and Environment Act, introduced on May 13, 2025, aims to regulate harmful substances, focusing on per- and polyfluoroalkyl substances (PFAS). The bill restricts the intentional addition of PFAS in certain products, with a phased implementation beginning January 1, 2027. By 2032, the sale of products containing PFAS is prohibited unless deemed unavoidable by the Director of the Ohio Environmental Protection Agency (OEPA). The bill has serious implications for Ohio's manufacturers, as Ohio currently does not have a state law restricting products containing PFAS.

I. PFAS Bans on Consumer Products

The bill prohibits manufacturers from selling the following products if the product contains an "intentionally added" PFAS: cookware, food packaging, dental floss, juvenile products, and firefighting foam. This prohibition will be implemented in phases starting January 1, 2027. Beginning January 1, 2028, manufacturers are prohibited from selling the following products that contain an intentionally added PFAS: carpets or rugs, cleaning products, cosmetics, fabric treatments, feminine hygiene products, textiles, textile furnishings, ski wax, and upholstered furniture. By January 1, 2032, the sale of products containing intentionally added PFAS will be banned unless deemed unavoidable by the OEPA.

Until January 1, 2032, OEPA may adopt rules to prohibit a manufacturer from selling a consumer product not otherwise listed above that contains an intentionally added PFAS upon a finding that prohibiting the sale of the consumer product is necessary to protect human health or the environment. The effective date for each such prohibition is not less than six months after the adoption of the final rule establishing the prohibition, with an effective date after January 1, 2027. The prohibition does not apply to pesticides regulated under the Federal Insecticide, Fungicide, and Rodenticide Act.

"Currently unavoidable use" means a use of PFAS that OEPA has determined by rule to be essential for health, safety, or the functioning of society, and for which alternatives are not reasonably available.

"Intentionally added" means a PFAS deliberately added or used during the manufacture of a product in which the continued presence, at any level or concentration, of the PFAS is desired or expected in the final product or one of the product's components.

"Manufacturer" means a person, firm, association, partnership, corporation, organization, combination, or a joint venture that creates, produces, or assembles a product or whose brand name is affixed to a product; in the case of a product imported into the United States, an importer or first domestic distributor of the product, provided that the entity or person that created, produced, or assembled the

product or whose brand name is affixed to the product does not have an office or employees in the United States.

“Product” means an item created, produced, assembled, packaged, or otherwise prepared for sale to consumers, including a product component sold or distributed for personal, residential, commercial, or industrial use, including for use in making another product.

"PFAS" has the same meaning as "per- and polyfluoroalkyl substances or PFAS" in 40 C.F.R. 705.3, which defines PFAS as any chemical substance or mixture containing a chemical substance that structurally contains at least one of the following three sub-structures: (1) R-(CF₂)-CF(R')R'', where both the CF₂ and CF moieties are saturated carbons; (2) R-CF₂OCF₂-R', where R and R' can either be F, O, or saturated carbons; (3) CF₃C(CF₃)R'R'', where R' and R'' can either be F or saturated carbons.

II. PFAS Reporting Requirements

Manufacturers will be required to provide detailed information about PFAS in their products. Specifically, the bill directs OEPA to adopt rules requiring a manufacturer to submit the following information to OEPA for a product that contains an intentionally added PFAS:

- A brief description of the product, including a universal product code, stock keeping unit, or other numeric code assigned to the product;
- The purpose for which the PFAS is used in the product;
- The amount of each PFAS in the product, identified by its chemical abstracts service registry number and reported as an exact quantity determined using commercially available analytical methods, or reported as falling within a range approved for reporting purposes by OEPA;
- The name and address of the manufacturer, and the name, address, and telephone number of a contact person for the manufacturer;
- Any additional information requested by OEPA as necessary, provided that OEPA shall not require disclosure of records, reports, or information, or particular parts of records, reports, or information, that would divulge confidential business records, methods, or processes that the manufacturer demonstrates is entitled to protection as a trade secret.

Manufacturers of a product for sale in Ohio that contains an intentionally added PFAS must submit the required reporting information to OEPA by January 1, 2027.

Beginning January 1, 2028, manufacturers are prohibited from selling products that contain intentionally added PFAS unless the manufacturer has submitted to OEPA the reporting information required by the rules. Also beginning January 1, 2028, manufacturers are prohibited from selling a product if testing requested by OEPA demonstrates that the product contains an intentionally added PFAS and that the manufacturer failed to provide OEPA the information required by the rules.

Manufacturers are required to submit revisions to the reporting information about a product within thirty days after significant change to the information that the manufacturer previously submitted.

Upon written approval from OEPA, a manufacturer may provide the reporting information for a category, type of product, or product component. OEPA may waive the obligation of a manufacturer to submit all or part of the reporting information if OEPA determines that substantially equivalent information is publicly available. OEPA may grant a waiver to a manufacturer or a group of manufacturers for multiple products or a product category. OEPA may enter into an agreement with other states to collect and share information otherwise required to be reported and this information can be accepted by OEPA as meeting the reporting information submission requirements.

Within sixty days after receiving the reporting information from a manufacturer, OEPA is required to notify the manufacturer that adequate information has been received or that additional information is required. A manufacturer is required to submit to OEPA any additional information requested within thirty days of the request.

OEPA is permitted to direct a manufacturer of a product that it believes contains intentionally added PFAS to provide testing results demonstrating the amount of each PFAS in the product.

OEPA is required to adopt rules exempting from the reporting requirements any product that contains an intentionally added PFAS that has been designated as having a “currently unavoidable use” by OEPA.

III. PFAS Rule Exemptions

The following categories of products are exempt from the PFAS rule and do not need to be reported to OEPA:

- A product where federal PFAS law preempts state authority;
- Used products offered for sale or resale;
- Medical devices or drugs, and the packaging of the medical devices or drugs, that are regulated by the US Food and Drug Administration, including prosthetic and orthotic devices;
- Cooling, heating, ventilation, air conditioning, or refrigeration equipment that contains intentionally added PFAS or refrigerants listed as acceptable, subject to use conditions, or subject to narrow use limits by the US Environmental Protection Agency pursuant to the significant new alternatives policy program, provided the equipment is for sale for the authorized use specified under that program;
- Veterinary products;
- A product developed or manufactured for the purpose of the public health or environmental or water quality testing;
- A motor vehicle or motor vehicle equipment, except the exemption does not apply to any textile article or refrigerant that is a component of such products;
- Any other motor vehicle, including farm equipment and personal assistive mobility devices;
- Watercraft, aircraft;

- Semiconductors, including semiconductors incorporated in electric equipment and materials used in the manufacture of semiconductors;
- Non-consumer electronic and non-consumer laboratory equipment not ordinarily used for personal, family, or household purposes;
- A product that contains intentionally added PFAS with uses that are currently listed as acceptable to narrow use limits in the US Environmental Protection Agency’s regulations under the significant new alternatives policy program, provided the product contains PFAS that are being used as substitutes for ozone-depleting substances under the conditions specified in the regulations;
- A product used for the generation, distribution, or storage of electricity;
- Equipment directly used in the manufacture or development of the above-exempted products;
- A product that OEPA has adopted a rule providing the use of the PFAS in that product is a currently unavoidable use; and
- A product that contains fluoropolymers consisting of polymeric substances for which the backbone of the polymer is either a per- or polyfluorinated carbon-only backbone or a perfluorinated polyether backbone that is a solid at standard temperature and pressure.

OEPA is authorized to conduct testing and enforce compliance. Violations could result in penalties up to \$15,000 per violation.

IV. Other Non-PFAS Provisions

a. Adulterated Food Products

The bill expands the definition of food that is considered “adulterated” and therefore bans the manufacture and sale of those listed “adulterated” food and products under Ohio’s Pure Food and Drug Law, which regulates the safety and labeling of food and other consumer products. Food is considered adulterated if it bears or contains the following: Titanium dioxide, Brominated vegetable oil, potassium bromate, propylparaben, azodicarbonamide, butylated hydroxytoluene (BHT), or Butylated hydroxyanisole; or if it bears or contains any of the following food dyes: red dye 3 or erythrosine, red dye 40, yellow dye 5 or tartrazine, yellow dye 6 or sunset yellow, blue dye 1, blue dye 2 or indigotine or indigo carmine, or green dye 3.

The bill does not contain an effective date for the additional food additives added to the ban.

b. Fluoride Use in Public Water Systems

The bill provides for some level of flexibility for fluoride use in public water systems, providing if the natural fluoride content of supplied water of a public water system is less than eight-tenths milligrams per liter of water, a public water system “may” add fluoride to such water to maintain fluoride content of not less than eight-tenths milligrams per liter of water nor more than one and three-tenths milligrams per liter of water. This is currently a requirement of Ohio law and not at the discretion of the public water system.

c. Atmospheric Releases

Additionally, the bill categorizes atmospheric releases of harmful chemicals as misdemeanors with penalties of \$10,000 per day, per violation.

V. **Conclusion**

House Bill 272 if passed in current form would impose a significant compliance burden and likely significant increased costs on manufacturers and other regulated entities to audit their operations, comply with reporting requirements, find suitable alternatives to replace PFAS, and comply with the phase out deadlines.

Government

State budget kills a 50-year-old clean air law in Ohio

The now-former law gave citizens and governments a powerful legal tool to sue industrial polluters.



by Jake Zuckerman

July 2, 2025

Cleveland's industrial heart near the Cuyahoga River. Credit: Jeff Haynes



Ohio's new budget revokes a rule that gives neighbors of industrial polluters a legal pathway to sue them for emissions of smoke, ash, grime and other airborne outflows that endanger public health and safety.

The rule was not among the 67 items Gov. Mike DeWine vetoed within the state budget late Monday evening, meaning the change will go into effect in 90 days.

Since 1974, Ohio has included an "**air nuisance rule**" as part of its implementation plan to comply with the federal

Clean Air Act, the bedrock environmental law protecting ambient air quality in the United States.

The rule declares air pollution to be a public nuisance. It prohibits facilities from causing such a nuisance and gives Ohioans living on the fenceline of dirtier operations like steelmaking factories or coal-fired power plants legal power to hold owners accountable for airborne messes they cause.

For example, a Middletown woman recently invoked the rule against a former AK Steel facility after she said deposits from its plant rained "clouds and plumes" of ashy soot down on her home, car, yard and more. A Dayton woman used the law to force a **\$1.3 million settlement** from a nuclear waste disposal company in 2007.

Different Ohio governments have used the law to target polluters as well. Ohio Attorney General Dave Yost's office used it in 2021 against an iron and steel manufacturer for its lead emissions. And the City of Ashtabula used it in 2008 against Norfolk Southern after, among other air and water disturbances, **water runoff from its coal piles flowed into Lake Erie.**

Ohio's budget directs the Ohio Environmental Protection Agency to remove the air nuisance rule from the state's Clean Air Act implementation plan.

Steel industry benefits from rule change

The legal change is of particular importance to the steel industry - which has a large footprint in Ohio and is a major emitter of air pollutants including nitrogen oxides, sulfur dioxide and fine particulate matter. Rates of cancer due to air toxics exposure are 12% higher near steel plants than the national rate, according to an analysis of federal data by Industrious Labs, while residents living near coke manufacturing plants have cancer rates 26% higher than national levels from air toxics exposure.

Ohio has six steel and coke plants, more than any other state, all owned by either Cleveland-Cliffs or SunCoke Energy. All of them are among the top emitters in the state of either nitrogen oxides, sulfur dioxide, fine particulate matter, carbon monoxide or lead, according to Industrious Labs.

The repeal campaign has drawn heavy industry backing in recent years, including legislative, administrative and legal efforts to kill it outright.

Ohio Senate won't say who championed killing the law

The state Senate included its repeal in its 5,500-page budget, but a Senate spokesman declined to say which Senator offered the amendment. Senate Finance Chair Jerry Cirino said in an interview he didn't remember who proposed the idea and directed a reporter toward his aide. Signal Ohio contacted several Republican members of the Senate Energy committee - three said they didn't know the origin of the amendment, and the rest didn't respond.

Map of U.S. Coal-Based Steel and Coke Plants.



Note: Plant locations are not exact in order to show all plants with minimal overlap. (Industrious Labs)
Page 116

The repeal of the air nuisance rule traces back to a political effort launched in 2019 by SunCoke, which makes coke, a product derived from coal that's used to make steel.

At first, SunCoke hired lawyers with the firm Perkins Coie, who quietly and successfully lobbied the U.S. Environmental Protection Agency to repeal the air nuisance rule from its state implementation plan on the grounds that it was only included in the first place in error. The lobbyists sent letters to the EPA, which later surfaced in court filings, apparently seeding the alleged error theory.

However, federal courts sided with environmental legal advocates and struck down the repeal effort. Judges with the 6th Circuit Court of Appeals **sided with the environmentalists and ordered the EPA to reconsider**, heavily emphasizing the fact that Ohio amended the air nuisance law in both 1984 and 2015, which undermines the idea it was filed by the state on accident.

Ohio's U.S. senators lead effort to repeal nuisance law

The EPA reinstated the rule after a court remand, which has prompted congressional intervention. In February, both Ohio's Republican U.S. Senators, Bernie Moreno and Jon Husted, plus Ohio U.S. Reps. Michael Rulli and Troy Balderson, all **mounted a federal push to repeal the rule via federal legislation**.

They framed President Biden's reimplementing of the 50-year-old rule as wholly unrelated to the preservation of clean air and instead a means to push "frivolous" lawsuits.

"We cannot allow attorneys and environmental advocacy groups to dictate federal policy at the expense of Ohio's economy and workforce," Rulli said in a statement.

Various industry groups, including the Chamber of Commerce, the Ohio Manufacturers Association, and the Ohio Chemistry Technology Council, have all backed the repeal effort. They've argued that victims of pollution from industrial neighbors can still bring different kinds of lawsuits in state (as opposed to federal) court.

However, Neil Waggoner, a campaign manager with the Sierra Club, an environmental advocacy organization, said that the U.S. EPA must still approve any change to Ohio's state implementation plan. And anti-backsliding rules generally prevent states from changing their plans in such a way that increases air emissions.

David Altman, an environmental attorney from Cincinnati, has relied on the air nuisance rule over decades litigating in Ohio and helped win in the federal lawsuit to protect its repeal. He couldn't be reached for a phone call, but, in a voicemail, he likened the State of Ohio's environmental laws to an accident he witnessed in which a man pinned between two cars was mangled beyond recognition.

"It's unrecognizable," he said. "But you know, I've only been doing this for 51 years."

This story was updated July 3 with added comment from the Sierra Club.

Supreme Court sides with states in ‘good neighbor’ pollution case

By SEAN REILLY | 06/18/2025 11:05 AM EDT

The high court considered whether states had to fight EPA disapproval of their pollution plans in D.C. appeals court or if they could look to regional appellate courts.



Mark Wilson/Getty Images

The Supreme Court has dealt a further blow to a Biden-era “good neighbor” rule intended to limit the spread of smog-forming emissions across state lines.

In an [8-0 opinion released Wednesday](#), the high court found that states can contest

EPA’s earlier decision to first disapprove state good neighbor plans in regional appellate courts instead of the U.S. Court of Appeals for the District of Columbia Circuit, which is the usual venue for bringing challenges to nationally applicable rules.

Particularly in Republican-leaning areas, those regional courts are often seen as friendlier to state and industry interests.

The Supreme Court’s opinion, written by Justice Clarence Thomas, overturns a ruling by the 10th U.S. Circuit Court of Appeals in litigation brought by Oklahoma and Utah. Justice Samuel Alito recused himself from the opinion without explanation.

Under the Clean Air Act’s good neighbor provision, states are barred from allowing releases of smog-forming emissions from power plants and other industrial sources that contribute to downwind compliance problems outside of their borders. EPA’s disapproval of the state plans in early 2023 was a prerequisite for release of the federal alternative soon after by then-President Joe Biden’s administration.

The Supreme Court last year stayed implementation of the federal plan, which EPA under current President Donald Trump now plans to repeal.

The agency is reviewing the opinion, a spokesperson said in an email.



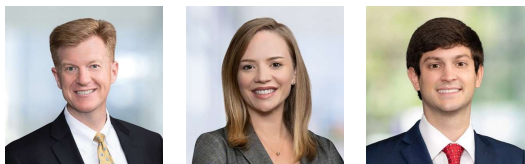
The Energy Law Blog


Insight and Analysis of Legal Issues Impacting the Energy Industry

EPA to Reconsider Previous Administration's PM 2.5 NAAQS, Continuing its Deregulatory Push



By Greg L. Johnson, Clare M. Bienvenu & Colin North on March 25, 2025



 Listen to this post

On March 12, 2025, EPA Administrator Zeldin announced that the agency, as one of its **31 historic deregulatory actions** to advance President Trump's Day One executive orders and EPA's "**Powering the Great American Comeback**," will reconsider the previous administration's rule tightening the Particulate Matter National Ambient Air Quality Standards (PM2.5 NAAQS). The PM2.5 NAAQS rule has raised implementation concerns from various states across the country, including Louisiana, and has been the subject of litigation in the U.S. Court of Appeals for the District of Columbia Circuit (D.C. Circuit).

Final Rule Tightening PM2.5 NAAQS

On March 6, 2024, EPA issued a final rule tightening the PM2.5 NAAQS, which set the primary (health-based) annual NAAQS for PM2.5 at 9 micrograms per cubic meter ($\mu\text{g}/\text{m}^3$), down from the prior limit of 12 $\mu\text{g}/\text{m}^3$. See **89 Fed. Reg. 16202 (Mar. 6, 2024)**. EPA also laid out its timetable for states and the agency to implement the tightened standards, with the first designations of areas of the country as meeting or violating the limit targeted for 2026 and compliance deadlines beginning in 2032. The new standards could result in many areas of the country being designated as nonattainment, triggering costly control requirements for facilities located in those new nonattainment areas. The map below depicts the counties/parishes that do not meet the annual PM2.5 NAAQS of 9 $\mu\text{g}/\text{m}^3$ based on 2020-2022 air monitoring data.

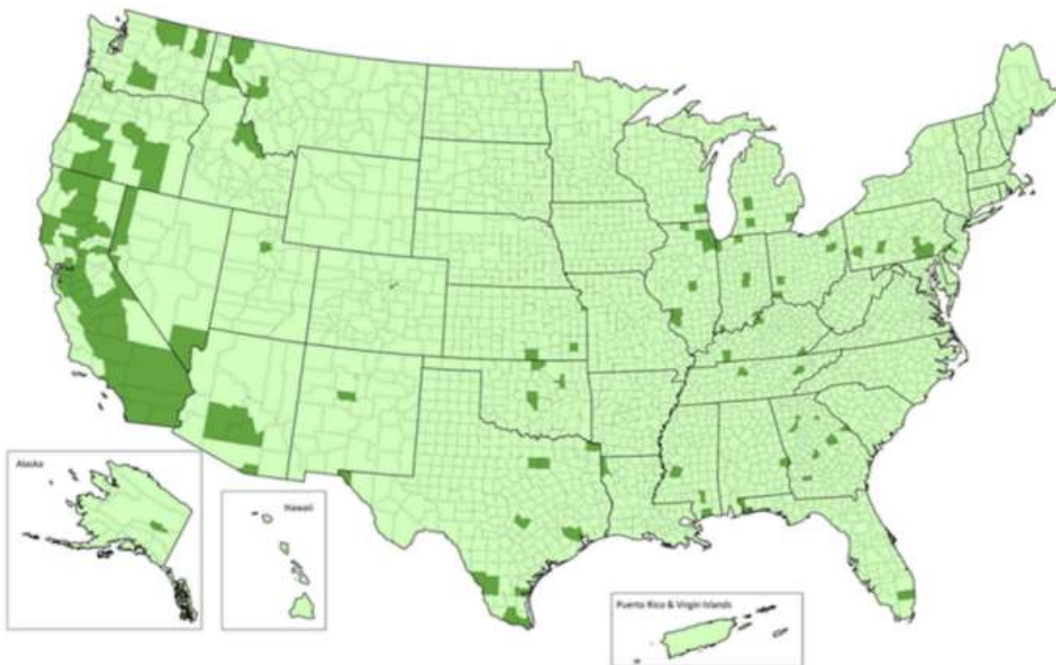
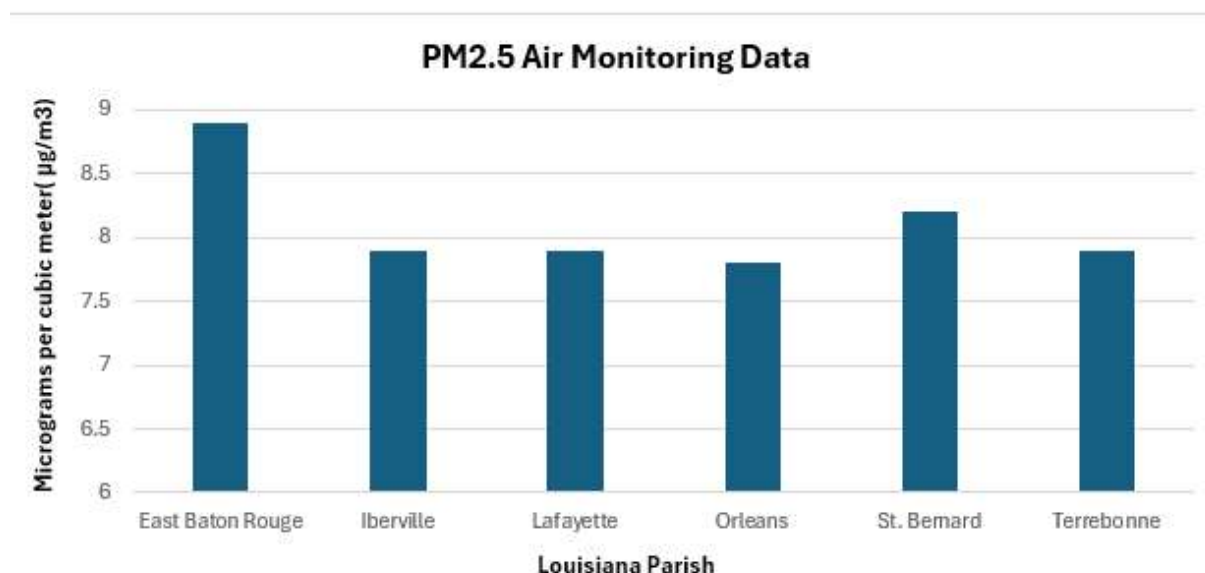


Figure 1: Based on 2020-2022 air monitoring data, the dark green areas on the map indicate counties that do not meet the annual PM2.5 standard of 9 $\mu\text{g}/\text{m}^3$. [View the data \(pdf\)](#). (courtesy U.S. EPA)

In Louisiana, Caddo Parish and West Baton Rouge Parish, with design values of 9.6 $\mu\text{g}/\text{m}^3$ and 9.1 $\mu\text{g}/\text{m}^3$, respectively, would not meet the PM2.5 NAAQS of 9 $\mu\text{g}/\text{m}^3$.

However, Louisiana's Department of Environmental Quality has submitted two "exceptional event"¹ demonstrations to the EPA for consideration, both dealing with the Port Allen monitoring station in West Baton Rouge Parish. The events included a Saharan Dust that resulted in 5 days of elevated PM_{2.5} levels in June 2022 and a Canadian Wildfire Smoke that resulted in 2 days of PM_{2.5} exceedances in October 2023. Removal of these "exceptional events" would result in West Baton Rouge Parish meeting the PM_{2.5} NAAQS of 9 µg/m³.

In addition to the areas that would likely be in non-attainment, there are also numerous areas that would be very close to exceeding the standard, which would severely limit growth and development in those areas. In Louisiana specifically, the following parishes have design values that are approaching the 9 µg/m³ standard:



Litigation Challenging Final Rule Tightening PM_{2.5} NAAQS

On March 6, 2024, a group of states, including Louisiana, and other industry groups filed petitions for judicial review in the D.C. Circuit, requesting the court to vacate EPA's rule tightening the PM_{2.5} NAAQS. See *Commonwealth of Kentucky et al. v. EPA et al.*, No. 24-1050 (D.C. Cir. Mar. 6, 2024). The industry groups and states claimed that EPA acted in a manner contrary to law by improperly undertaking a discretionary, non-statutory reconsideration of the PM_{2.5} NAAQS, rather than a statutorily-mandated review under CAA § 109(d) (i.e., five-year review), and failing to adequately consider all required and relevant factors, including costs, in making its decision. Oral argument was held on December 16, 2024. Most recently, on February 25, 2025, the D.C. Circuit granted EPA's motion to hold the case in abeyance for 60 days to allow new EPA leadership to review the PM_{2.5} NAAQS.

Reconsideration of PM2.5 NAAQS

In connection with the agency's March 12, 2025, announcement to reconsider the PM2.5 NAAQS, EPA Administrator Zeldin noted that the previous administration's PM2.5 NAAQS raised serious concerns from states and served as a major obstacle to permitting. "Under President Trump, we will ensure air quality standards for particulate matter are protective of human health and the environment while we unleash the Golden Age of American prosperity," said Zeldin. It is important to note that any attempt by EPA to revise the previous administration's PM2.5 NAAQS will be subject to the formal rulemaking process, including notice and comment periods.

In addition to a reconsideration of the PM2.5 NAAQS, EPA announced that "it will soon release guidance to increase flexibility on NAAQS implementation, reforms to New Source Review, and direction on permitting obligations."

Stay tuned for further developments. Liskow will be monitoring and covering further actions regarding the new administration's reconsideration of the PM2.5 NAAQS on Liskow's **The Louisiana Industrial Insights Hub**. For more information on industry impacts and opportunities arising under the new administration, please contact Liskow attorneys **Greg Johnson**, **Clare Bienvenu**, and **Colin North**.

¹One of EPA's 31 historic deregulatory actions includes a **reconsideration of its Exceptional Events Rule**.



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Zeldin could target a single word to undo endangerment finding

By JEAN CHEMN CK ([HTTPS://WWW.EENEWS.NET/MEET-THE-TE-AM/](https://www.eenews.net/meet-the-te-am/) JEAN · CHEMN CK/) | 05/16/2025 06:18 AM EDT

The EPA administrator might have provided a road map to revoking the critical scientific finding in a rule that repeals the power plant climate regulation.



EPA Administrator Lee Zeldin testifies before a House Appropriations subcommittee Thursday. Francis Chung/POLITICO

EPA's proposed repeal of the nation's climate rule for power plants may reveal how the agency plans to undo the scientific basis for regulating greenhouse gases, known as the endangerment finding.

It could hinge on a single word: "Significantly."

Three EPA administrations - including President Donald Trump's first - have used Section 111 of the Clean Air Act to curb climate pollution in the power sector. The [provision's language](https://subscriber.politicopro.com/article/eenews/2025/04/28/zeldins-endangerment-finding-plan-accept-warming-contest-its-costs-00311602) (<https://subscriber.politicopro.com/article/eenews/2025/04/28/zeldins-endangerment-finding-plan-accept-warming-contest-its-costs-00311602>) asks EPA to determine whether a new stationary source "causes, or contributes significantly" to harmful air pollution.

Conservative legal experts - including some who worked in past Republican administrations - told POLITICO's E&E News that EPA could reinterpret "significantly" to play down the role that carbon emissions from U.S. power plants and other domestic sectors have on global warming.

If successful, the argument could be used to undermine the endangerment finding - and the authority it granted to EPA to regulate six greenhouse gases. It would also allow the Trump administration to wage war on a single word - and how it has been used by Democratic administrations - rather than on the trove of scientific studies that offer evidence of the perils that climate change poses to people.

"These kinds of more finessed approaches are certainly smarter than taking on the endangerment finding head on," said Jonathan Adler, a law professor at Case Western Reserve University School of Law. "Targeting specific rules is better than trying to tackle all of climate science."

The White House regulatory office is reviewing a draft rule that would be used to scrap the [power plant](#)

climate regulations that were finalized last year

(<https://subscriber.politicopro.com/article/eenews/2024/04/25/climate-rule-barrage-caps-bidens-green-agenda-1-00154237>) The draft was submitted for review in record time - a mere 102 days after Trump's second inauguration - and is widely believed to exclude a replacement rule for coal and gas plant emissions - a move that would leave the power sector unregulated for climate pollution.

The word "significantly" doesn't show up in other Clean Air Act sections that govern how EPA weighs the dangers of pollution for the purposes of regulation. For example, the original Obama-era endangerment finding was drafted under Section 202 (a), which directs EPA to regulate pollutants from new motor vehicles if they "cause, or contribute to, air pollution which may reasonably be anticipated to endanger public health or welfare."

Under that section, any level of harmful pollution triggers an endangerment finding, which in turn opens the door for regulation. EPA would likely aim to undo that broader finding, too, at a later date.

But the presence of "significantly" in Section 111 gives EPA more wiggle room. Other language does too, including phrases in the same section that give EPA Administrator Lee Zeldin the task of deciding what "significantly" means.

"Contribute significantly' is not defined in the statute," said Jeff Holmstead, who served as EPA air chief under President George W. Bush. "It's the sort of term that the administrator has some discretion on."

Zeldin is likely to define "significantly" differently from past EPA leaders, such as Gina McCarthy or Michael Regan, both of whom led the agency under Democratic presidents. Adler said EPA would have to account for that change in the rule.

"They will have to defend that change, and they will have to hope that their interpretation of 'significantly' is more convincing to the courts than the prior definition," said Adler.

Future administrations could reverse any changes that Zeldin makes to the interpretation of "significantly."

An agency spokesperson declined to provide details about its plans, saying only that the agency "will be kicking off a formal reconsideration of the 2009 Endangerment Finding in collaboration with the Office of Management and Budget and other relevant agencies."

Attacking a word, not science

The administration's efforts to repeal the power plant rule - and the endangerment finding - are coming as the power sector's contribution to climate change has fallen.

EPA's most recent greenhouse gas inventory

(<https://subscriber.politicopro.com/article/eenews/2025/05/09/enviros-release-climate-emissions-data-after-epa-refused-00338529>), which the Environmental Defense Fund, an advocacy group, released this month after obtaining it through a Freedom of Information Act request, showed that in 2023 the power sector contributed 31 percent of U.S. carbon emissions from fossil fuel combustion. But that share is trending down. The power sector released 22.3 percent less carbon from fossil fuels in 2023 than it did in 1990, driven mostly by a transition away from coal-fired electricity. Transportation overtook power generation as the highest-emitting U.S. sector in 2016, and its lead has grown ever since.

The U.S. economy's overall contribution to global CO2 emissions is also falling. In 2015, when the nation's first climate rule for power plants, the Clean Power Plan, was finalized, the U.S. was responsible for 14.2 percent of the world's CO2 emissions, according to Carbon Brief, a U.K. media outlet that covers climate change. In 2023, it was 13 percent.

So, EPA could argue that the U.S. power sector contributes less to the global problem of climate change than it did when the Obama administration first started using Section 111 of the Clean Air Act to regulate it.

"You don't have to dig into the science, and you don't need a huge record," said Holmstead, who is an attorney with Bracewell LLP. "You know what power plant CO2 emissions are. We have great data on that. We know that as a percentage of global emissions, they're continuing to fall."

"I don't think that's a bad argument," he said.

If EPA succeeds in defining power sector emissions as not "significant" to climate change, it could have a cascading effect. Other stationary source categories - like oil and gas facilities - could wiggle out of regulatory requirements created by the endangerment finding. Because they contribute smaller amounts of U.S. emissions than the power sector.

But EPA faces some obstacles to doing that. And at least one stems from Trump himself.

A week before Trump left office in January 2021, EPA published a final (<https://www.federalregister.gov/documents/2021/01/13/2021-00389/pollutant-specific-significant-contribution-finding-for-greenhouse-gas-emissions-from-new-modified>) "significant contribution finding" in the *Federal Register* that attempted to define any sector that's responsible for less than 3 percent of overall U.S. greenhouse gas emissions. The idea was to identify emissions sources that had contributed too little pollution to warrant regulation. The finding said stationary sources like oil and gas production, iron and steel manufacturing, and landfills all fell comfortably below that threshold.

"It was an effort to protect smaller, but still important source categories from regulation," said Sean Donahue, an attorney with Donahue Goldberg & Herzog. "It was an effort to pre-exclude them."

But the finding affirms that power plants meet every possible criteria for being significant contributors of greenhouse gas emissions.

"Although emissions from [power plants] have fallen since the EPA promulgated the 2015 rule, they still remain uniquely large among stationary source categories," it stated.

The power sector's contribution to climate pollution was "greater than the emissions of all but four countries," it noted, making it "the most appropriate place" for EPA and states to look for opportunities to reduce emissions.

The U.S. Court of Appeals for the District of Columbia Circuit vacated the administration's last-minute finding on procedural grounds. But it could still present a stumbling block for EPA, if it offers a radically different conclusion, said Donahue.

He said such an approach would be "indefensible."

"Anyone who knows anything about climate change knows that it is inherently produced by multiple sources around the world, and that the only way you mitigate is by attacking at least the largest of those source categories," Donahue said.

If EPA were to say power sector emissions aren't significant enough to warrant regulation, he said, "I think you're basically saying nothing would be."

TO: OMA Government Affairs Committee
FROM: James Lee
RE: Human Resources and Workforce Public Policy Report
DATE: September 30, 2025

Overview

State legislation affecting HR policies has been light year to date. The outlook is light as well. Meanwhile, federal government policies including immigration and visas dominate the news.

Many workforce-related proposals and programs have been included in the state's operating budget, which was signed into law over the summer. While workforce development programs may be discussed throughout the rest of the year, the operating budget is the time when the most significant progress is made at the state level due to the many funding opportunities that are available through the budget. Details of specific workforce programs that have been enacted into law are found in the operating budget section below.

Lt. Governor Jim Tressel has been leading the development of "Ohio's Workforce Playbook" to create a roadmap for workforce development in the state. He is traveling across Ohio to bring together business, education, and community leaders for roundtable discussions on regional workforce strengths and needs. While he is carrying out this work, the OMA has been working with him and his office to communicate the OMA's regional workforce efforts in the manufacturing industry.

Senate Bill 11: Ban on Non-Compete Agreements

Senators Lou Blessing (R- Colerain Twp) and Bill Demora (R-Columbus) introduced legislation to ban non-compete agreements early in the year. The OMA has opposed similar efforts at the federal level to place a ban on noncompete agreements – in 2023 The OMA organized and submitted comments from Ohio's business community opposing the rule upon its introduction, noting the mutual benefits non-compete agreements provide to both employers and employees, along with the necessary protections to manufacturers' trade secrets. The OMA opposed the legislation during its third hearing and the bill has not moved following public opposition.

Senate Bill 50: Youth Work Hours

Senator Tim Schaffer (R-Lancaster) has introduced SB 50, legislation to allow 14 and 15 year-olds to be employed between 7:00 p.m. and 9:00 p.m. at any time during the year if the minor has approval to do so from the minor's parent or legal guardian. The bill has received support from retailers and small business advocates. The bill passed the Senate chamber and is receiving consideration in the House.

House Bill 94: Labor Law Notices

Representatives Thomas Hall (R-Oxford) and Adam Matthews (R-Lebanon) recently passed legislation to allow employers to allow certain required labor law notices to be posted online. The bill passed the House and is receiving consideration in the House.

Ohio Pay Stub Protection Act to Takes Effect

HB 106 from the last general assembly, Ohio's Pay Stub Protection Act, passed in December 2024 and took effect on April 8 of this year, requiring employers to provide employees with itemized pay stubs detailing wages, deductions, hours worked, and other key payroll information. While there will be no fines for noncompliance, employees will be able to report violations, leading to a mandatory public notice of the issue. Employers will need to ensure their payroll systems are updated to meet these new transparency requirements and avoid potential future complications.

OSHA's Union Walkthrough Rule

As of February 2025, OSHA's Worker Walkaround Representative Designation Process rule, which took effect on May 31, 2024, remains in effect. This rule allows employees to designate third-party representatives, such as union officials or community organizers, to accompany OSHA inspectors during workplace inspections if deemed reasonably necessary. The National Association of Manufacturers (NAM), along with other business groups, filed a lawsuit challenging the rule in May 2024, arguing it exceeds OSHA's statutory authority and infringes on employers' property rights. The legal challenge is ongoing, and no court has issued a ruling to block or repeal the rule to date.

The OMA made public comments to OSHA opposing the rule on the grounds that allowing virtually anyone to join an OSHA inspection process transforms a safety-focused endeavor into a tool for union organizing, a tactic for attorneys in litigation, a threat to trade secrets, and a means to harass employers.

You can find The OMA's comments in today's meeting materials. In follow up advocacy efforts, the OMA sent a letter to Ohio's congressional delegation with nearly 200 of our member companies signing on to urge legislative action against the rule.

No further action as the rule has been mired in litigation for months.

Operating Budget Completed, Workforce Programs Finalized

Every two years in Ohio, the state undergoes its biennial operating budget process. This begins with the governor releasing budget recommendations in the winter and the General Assembly uses the first half of the year to consider the Governor's proposal and develop their own versions of the state budget.

The operating budget includes many different program funding opportunities but ultimately ends up including various policy proposals as well, especially during years when the budget is a bit more constrained and less funding is available.

This year, the operating budget was introduced via House Bill 96 and went through many changes before being signed into law on June 30. After both the House and the Senate modified the Governor's initial proposal, many workforce related investments, programs, and policy changes remained in the budget. These opportunities include:

- **Expansion of middle school career-technical education** to over 200 additional school districts by eliminating the current waiver allowing districts to opt out of offering career tech in middle grades
- **Approximately \$25 million per fiscal year for TechCred**, continuing support for upskilling Ohio's workforce in tech-focused credentials
- **\$5 million per fiscal year for the Industry Sector Partnership (ISP) Grant Program**, sustaining our collective work to build industry-driven regional talent solutions
- **\$4 million per fiscal year**, for competitive grants aimed at increasing student access to career-technical education across Ohio
- **A GPA weighting requirement for Career-Technical Assurance Guide (CTAG) courses**, ensuring career-tech courses receive the same academic recognition as AP coursework

- **\$10 million per fiscal year to support engineering technician associate degrees**, providing institutions \$10,000 for each individual who completes this credential
- **\$16 million per fiscal year for a workforce incentive program** that reimburses schools for students earning industry-recognized credentials in IT, cybersecurity, manufacturing, construction, and engineering
- **\$10 million per fiscal year for the Ohio Work Ready Grant Program**, requiring the Ohio Department of Higher Education and Governor's Office of Workforce Transformation to establish alternative criteria for in-demand programs aligned to Ohio's emerging workforce needs

Legislation Watch List

While most workforce related policy changes and programs are included in the operating budget, there are several standalone bills introduced that, if enacted into law, would have an impact on workforce development.

- **Community Connectors Program**

House Bill 98 proposes to establish the Community Connectors Workforce Program which is intended to connect students to jobs, internships, and career professionals in their communities. This program would be overseen by the Department of Education and Workforce, and educational service centers (ESCs) are tasked with administering the program for the districts the ESC serves.

The bill is currently pending in House Finance Committee.

- **Child Care Proposals**

Several bills have been introduced to address the availability of child care programs to Ohioans. Child care has also been addressed in the governor's budget proposal to raise publicly funded child care eligibility from 145% of the federal poverty level to 160% and maintaining the Child Care Choice Voucher Program at 200%.

- Child Care Credit Program: House Bill 2 would establish the Child Care Cred Program in the Department of Children and Youth to allow the costs of child care to be shared equally by participating employees, their employers, and the Department. The bill was recently voted out of House Children and Human Services Committee and has been re-referred to House Finance Committee, as it contains an appropriation and must go through that committee.
- Child Care Capacity Grant Program: House Bill 41 would require the Department of Children and Youth to administer a grant program to expand child care capacity. It would appropriate \$500,000 over the biennium to establish child care cohorts and create an employer-based child care co-design learning lab. Additionally, it would appropriate \$20 million over the biennium to the Department of Children and Youth to administer a grant program to assist employers in equipping their onsite or near-site child care

facilities, building new care facilities, and partnering with child care providers. HB 41 was recently voted out of House Children and Human Services Committee and has been re-referred to House Finance Committee.

- Paid Parental Leave Act: The recently introduced House Bill 231 would create an income tax credit for employers that provide paid parental leave. It has been referred to House Ways and Means Committee and has not yet received a first hearing.
- Workforce Investment Now for Child Care Pilot: Senate Bill 177 was recently introduced to create the Workforce Investment Now for Child Care pilot program to provide publicly funded child care to child care staff members. The bill has been referred to Senate Finance Committee.

- **Graduation Readiness and Development Act**

House Bill 119 has been introduced to create the Graduation Readiness and Development (GRAD) Act. It would require each public school to annually host an exit orientation program for 11th and 12th grade students to prepare them to enter the workforce, obtain marketable skills, or enroll in higher education or military service. It would also designate September as Workforce Development Month.

House Bill 119 is currently pending in House Education Committee.

- **Manufacturing Technologies Assistance Program**

The OMA is working with Representatives Santucci and Demetriou to pass House Bill 159, which creates the Ohio Manufacturing Technologies Assistance Program (MTAP). MTAP aims to assist small to mid-size manufacturers by providing grants of up to \$150,000 for investing in modern smart technologies, machinery, equipment, and training. MTAP is designed to enhance productivity, efficiency, and competitiveness in Ohio's manufacturing industry. The program requires applicants to undergo a technical assessment and be in good standing with the state.

Ohio's Manufacturing Extension Partnerships will be leading the assessment process for new technologies. MTAP aligns with nationwide Manufacturing 4.0 initiatives, supporting manufacturers to adopt automation, cybersecurity, robotics, and other innovative technologies, following successful models from states like Iowa and Indiana, initially funded with \$12,000,000 from the Ohio Department of Development. Ultimately, MTAP aims to empower businesses, drive growth, and ensure the resilience and success of Ohio's manufacturing sector in an evolving business landscape. HB 159 is currently pending in House Technology and Innovation Committee.

Human Resources News

[Click here for Human Resources Community articles from previous Leadership Briefings.](#)

Workforce News

[Click here for Workforce Community articles from previous Leadership Briefings.](#)

Human Resources, Health Care & Employment Law Legislation
Prepared by: The Ohio Manufacturers' Association
Report created on September 26, 2025

- HB2** **ESTABLISH CHILD CARE CRED PROGRAM** (JOHNSON M) To establish the Child Care Cred Program and to make an appropriation.
Current Status: 5/27/2025 - House Finance, (First Hearing)
State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA136-HB-2>
- HB34** **INCREASE STATE MINIMUM WAGE** (JARRELLS D, MOHAMED I) To increase the state minimum wage.
Current Status: 2/5/2025 - Referred to Committee House Commerce and Labor
State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA136-HB-34>
- HB41** **ESTABLISH CHILD CARE GRANT PROGRAMS** (WHITE A, ROEMER B) To establish certain child care grant programs, including those related to child care capacity and learning labs, and to make an appropriation.
Current Status: 6/3/2025 - House Finance, (First Hearing)
State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA136-HB-41>
- HB94** **ONLINE LABOR LAW NOTICE POSTING** (MATHEWS A, HALL T) To allow employers to post certain labor law notices on the internet.
Current Status: 4/2/2025 - Referred to Committee Senate Workforce Development
State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA136-HB-94>
- HB98** **ESTABLISH COMMUNITY CONNECTORS WORKFORCE PROGRAM** (SANTUCCI N, WILLIAMS J) To establish the Community Connectors Workforce Program and to make an appropriation.
Current Status: 6/3/2025 - House Finance, (First Hearing)
State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA136-HB-98>
- SB8** **PROHIBIT EMPLOYEE COMPENSATION-UNION ACTIVITIES** (HUFFMAN S) To prohibit a public employer from providing paid leave or compensation for a public employee to engage in certain union activities.
Current Status: 3/19/2025 - Senate Government Oversight and Reform, (Second Hearing)
State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA136-SB-8>
- SB11** **PROHIBIT POST-EMPLOYMENT AGREEMENTS** (BLESSING III L, DEMORA B) To prohibit agreements that restrain engaging in a lawful profession or business after the conclusion of an employment relationship.
Current Status: 3/5/2025 - Senate Judiciary, (Third Hearing)
State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA136-SB-11>

- SB32** **ESTABLISH CHILD CARE CRED PROGRAM** (REYNOLDS M, SCHAFFER T) To establish the Child Care Cred Program and to make an appropriation.
Current Status: 2/18/2025 - Senate Finance, (First Hearing)
State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA136-SB-32>
- SB33** **LABOR LAW NOTICES-POST ONLINE** (WILSON S, LANG G) To allow employers to post certain labor law notices on the internet.
Current Status: 4/21/2025 - **SIGNED BY GOVERNOR**; eff. 7/21/25
State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA136-SB-33>
- SB50** **REGARDING CERTIFICATE, WORK REQUIREMENTS-UNDER AGE 16** (SCHAFFER T) Regarding age and schooling certificate requirements and work hours for a person under sixteen years of age.
Current Status: 6/11/2025 - House Commerce and Labor, (First Hearing)
State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA136-SB-50>
- SB51** **ESTABLISH LEGISLATIVE OVERSIGHT** (SCHAFFER T) To establish legislative oversight of executive action regarding voluntary federal unemployment compensation programs.
Current Status: 2/11/2025 - Senate Financial Institutions, Insurance and Technology, (First Hearing)
State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA136-SB-51>
- SB56** **LAW CHANGES-MARIJUANA, LIQUOR, HEMP** (HUFFMAN S) To revise specified provisions of the liquor control, hemp, and adult-use marijuana laws and to levy taxes on marijuana.
Current Status: 6/24/2025 - House Judiciary, (Fourth Hearing)
State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA136-SB-56>
- SB74** **CREATE FAIR PAYCHECK WORKPLACE CERTIFICATE** (HICKS-HUDSON P, SMITH K) To create the fair paycheck workplace certificate.
Current Status: 2/26/2025 - Senate Judiciary, (First Hearing)
State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA136-SB-74>
- SB77** **ESTABLISH SYSTEM-REPORT WAGE DISCRIMINATION** (HICKS-HUDSON P, SMITH K) To require the Ohio Civil Rights Commission to establish a system for individuals to anonymously report wage discrimination.
Current Status: 2/26/2025 - Senate Judiciary, (First Hearing)
State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA136-SB-77>



**BEFORE THE JUDICIARY COMMITTEE
THE OHIO SENATE
SENATOR NATHAN MANNING, CHAIR**

**SENATE BILL 11
TESTIMONY OF THERESA NELSON
THE OHIO MANUFACTURERS' ASSOCIATION**

MARCH 5, 2025

Chair Manning, Vice-Chair Reynolds, Ranking Member Hicks-Hudson, and members of the Senate Judiciary Committee, thank you for the opportunity to provide testimony on Senate Bill 11.

My name is Theresa Nelson. I am an attorney with the law firm of Bricker Graydon, representing The Ohio Manufacturers' Association (OMA). Created in 1910 to advocate for Ohio's manufacturers, the OMA today has approximately 1,300 members statewide. Its mission is to protect and grow Ohio manufacturing.

As you may know, manufacturing is the largest of the state's 20 major industry sectors. As of Q4 2024, manufacturing contributed more than \$131 billion annually to Ohio's economy, accounting for nearly one-fifth of Ohio's private industry GDP. The industry employs nearly 700,000 Ohioans, providing them with family and community sustaining jobs.

Senate Bill 11 proposes sweeping prohibitions on several common business agreements, including non-compete clauses, reimbursement agreements, and reasonable financial penalties for premature contract termination. The manufacturing sector relies on these agreements to protect trade secrets, ensure fair competition, and safeguard investments in workforce development.

Broad and Overly Expansive Definitions

The bill's definitions of "worker" and "employer" are alarmingly broad. The definition of "worker" captures not only traditional employees but also independent contractors, sole proprietors, and even business entities. The definition of "worker" provides no consideration for what services the individual is performing, what position they hold, what information they are privy to or whether they are performing their services through a corporate entity. Essentially, every person providing services to any business qualifies as a worker. This overreach could disrupt standard business contracts and inhibit Ohio manufacturers from engaging with external partners without fear of contractual instability.

Unnecessary Overreach and Legal Uncertainty

Under current Ohio law, non-compete agreements in the employment arena are already subject to well-established legal scrutiny. Almost fifty years ago, the Ohio Supreme Court held a non-competition agreement was reasonable when it was no greater than what was required for the protection of the employer, did not impose undue hardship on the employee, and was not injurious to the public. More recently, the Ohio Supreme Court reiterated that only reasonable noncompetition agreements are enforceable. Non-competition agreements must be shown to be reasonable based on nine (9) factors such as scope, geography, and duration and the necessity to protect an employer's legitimate business interests. In line with this long-standing authority, courts have consistently upheld non-competition agreements when they are narrowly tailored to protect such legitimate business interests from unfair competition and do not impose undue hardship on the employee. This judicial analysis is unique and fact-specific.

Senate Bill 11, however, takes a blanket approach, effectively nullifying all non-compete agreements without any evaluation or consideration for reasonableness or necessity. Essentially, Senate Bill 11 dictates that no company has any legitimate business interests to protect from unfair competition – from employees and non-employees engaged to provide services. This is an extreme departure from established legal standards and could expose manufacturers to unfair competition with zero recourse.

Threats to Workforce Development Programs

Many manufacturers invest heavily in employee training, tuition assistance, and apprenticeships to enhance workforce skills and productivity. These programs often come with an expectation of a commitment from the worker in exchange for no cost to the employee, ensuring businesses can recoup their investment. Senate Bill 11's prohibition on reimbursement agreements for training expenses would force many employers to reconsider offering such programs, ultimately harming workers who benefit from these valuable opportunities.

Negative Consequences for Business Agreements

Beyond non-compete clauses, Senate Bill 11 would also prohibit contractual provisions that require non-employee workers, including a worker that provides services through a business entity, from any obligation to reimburse for lost profits, goodwill, or liquidated damages for terminating the relationship. Another prohibited agreement with non-employee workers would be for any fees or costs when they prematurely end their engagement. By including non-employee workers, these provisions could incentivize workers, contractors and businesses providing services to Ohio manufacturers to unilaterally terminate their engagement, fail to fulfill their contracts, and walk away from any agreement without accountability or recourse, undermining fair business practices and creating financial instability for Ohio businesses.

If passed, Senate Bill 11 would put Ohio at a competitive disadvantage compared to other states that allow reasonable non-compete agreements, reimbursement agreements and for businesses to enter into viable contracts with third-parties. The bill's one-size-fits-all approach disregards the nuances of business relationships and removes essential tools manufacturers need to protect their businesses, employees, and intellectual property. We strongly urge this committee to reject Senate Bill 11 and instead support policies that foster economic growth, innovation, and fair competition in Ohio.

Thank you for your time and consideration. I am happy to answer any questions the committee may have.

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PROTECTING & GROWING OHIO MANUFACTURING



Governor's Office of
Workforce Transformation



September 25, 2025

For Immediate Release:

Ohio Manufacturers' Association and DeWine– Tressel Administration Launch Ohio's Manufacturing Workforce Blueprint

COLUMBUS, Ohio – The Ohio Manufacturers' Association (OMA), in collaboration with Ohio Governor Mike DeWine and Lt. Governor Jim Tressel, today announced the launch of the [Ohio's Manufacturing Workforce Blueprint](#), a comprehensive statewide strategy to secure Ohio's place as a modern manufacturing powerhouse and meet the state's rapidly growing workforce needs.

The Blueprint lays out a unified vision for expanding Ohio's manufacturing talent pipeline, ensuring that Ohioans have the skills to succeed in high-demand careers while strengthening the competitiveness of manufacturers in every region.

"Ohio's manufacturers are a crucial part of our state's economy, contributing 17.5% of our GDP and employing more than 680,000 Ohioans," said Governor DeWine. "With historic investments in the development of the products of tomorrow – like semiconductors and electric vehicles – to our commitment to sectors like aerospace, bioscience, and more, the future is being built here in Ohio. Now, we must make sure our workforce is ready to meet the moment. This Blueprint helps ensure just that."

"Under the leadership of Governor DeWine, we have an unprecedented number of manufacturing job opportunities headed our way in Ohio," said Lt. Governor Tressel. "To

meet the demand, it's important that our state's leaders in education, workforce, and industry are all working together to align training, expand opportunities and build awareness around the careers the manufacturing industry has in Ohio. We look forward to continuing our partnership with the OMA to implement this plan."

"Ohio's Manufacturing Workforce Blueprint reflects the voice of industry. It is designed to expand our workforce, strengthen training systems, and create clear, industry-informed career pathways," said Ryan Augsburger, President of The Ohio Manufacturers' Association. "With the DeWine–Tressel Administration's leadership and strong public-private partnerships, Ohio is positioning itself as the national model for manufacturing workforce development."

Blueprint Highlights

Ohio's Manufacturing Workforce Blueprint focuses on five strategic pillars to transform the state's workforce at scale:

- **Connect Workforce Systems and Priorities** – Aligning state, regional, and industry strategies for maximum impact
- **Grow Career Awareness and Interest** – Expanding outreach to students and job seekers to highlight high-paying careers
- **Broaden the Talent Pool** – Increasing opportunities for veterans, women, justice-involved individuals, and other untapped groups
- **Align & Scale Education and Training** – Building seamless, industry-aligned pathways from classroom to career
- **Expand Earn-and-Learn Models** – Increasing apprenticeships and other paid pathways into manufacturing

Implementation

The Blueprint will be executed through the Ohio Manufacturing Talent Partnership, a statewide public-private collaboration convened by OMA and supported by the DeWine–Tressel Administration. These OMA-endorsed industry sector partnerships will drive local implementation, ensuring that Ohio's strategy is both statewide in vision and regionally responsive in execution.

A Call to Action

Ohio's unprecedented growth in manufacturing demands a workforce prepared to meet operator and technician demand, projected at more than 35,000 new job openings annually. The Manufacturing Workforce Blueprint is a call to action for industry, educators, workforce partners, and communities to collaborate in scaling Ohio's manufacturing talent pipeline.

TO: OMA Safety & Workers' Compensation Committee
FROM: James Lee
RE: Safety & Workers' Compensation Public Policy Report
DATE: September 30, 2025

Overview

As the General Assembly convened early this year, lawmakers prioritized two key issues in the areas of safety and workers' compensation: marijuana reforms and budgets for the Industrial Commission and Bureau of Workers' Compensation. In the end, the budgets were approved but little work on marijuana advanced. Employer protections remain in place to protect the workplace.

Further BWC Rate Reduction Effective July

Earlier this year, the Ohio Bureau of Workers' Compensation (BWC) announced a 6% reduction in private employer premiums, set to take effect on July 1, 2025, saving businesses nearly \$60 million. This follows a 7% reduction last year and marks the 16th rate cut in 17 years.

Governor Mike DeWine and BWC leadership attribute the decrease to improved workplace safety and employer participation in safety programs. Strong investment performance has also been a factor enabling continued rate reduction. The actual premium change for businesses will vary based on factors such as industry classification, payroll, and claims history.

A recent study commissioned by Oregon places Ohio premiums among the lowest five nationally.

Safety & Workers' Compensation Legislation and Rules

The General Assembly approved House Bill 81 to fund the operations of the Ohio Bureau of Workers' Compensation over the biennium.

BWC's total request for the biennium is \$754.9 million, a slight 2.73% decrease from the bureau's previous budget request. No other substantive revisions were included in the budget in spite of an effort by the plaintiffs bar to reverse the "dillion decision" reducing overpayments.

Industrial Commission Budget and Proposed Ombuds Office Rename

The Ohio Industrial Commission adjudicates workers' comp appeals. The quasi-judicial organization was renewed and funded for the biennium via House Bill 80. The Industrial Commission budget bill contained no major policy changes nor big increases in appropriation. The legislature rejected a proposed name change of the ombudsperson to the "Workers' Compensation Customer Advocacy Office."

Senate Bill 56 & House Bill 160: Recreational Marijuana Reforms

After a year of political gridlock, changes in statehouse leadership have created an opportunity for legislative reforms to Ohio's recreational marijuana laws. The Ohio Senate is advancing Senate Bill 56, which seeks to lower THC potency limits, restrict home cultivation, ban sharing, and eliminate the voter-approved social equity program. The bill also introduces stricter transport regulations, advertising restrictions, and employment-related penalties for cannabis users.

In recent weeks, a competing House Bill, HB 160, has emerged as a competing bill to the Senate's regulatory proposal – most notably contrasting in its efforts to regulate the sale of Delta-8, synthetic intoxicating hemp products. The Senate has pushed to address delta-8 in separate standalone legislation. Both bills lower the legal THC limit, cap dispensary numbers at 350, restrict smoking to private residences, and adjust tax revenue distribution, eliminating the Cannabis Social Equity and Jobs Fund.

While the OMA opposes cannabis legalization due to workplace safety concerns, the Issue 2 statute includes strong protections for employers maintaining drug-free workplace policies. The OMA is working with lawmakers to ensure these provisions remain intact as reform bills move through the committee process. Still pending. Watch for passage late 2025.

Senate Bill 86: Legislation to Regulate Delta 8 – Synthetic Marijuana

Governor DeWine and members of the Senate have voiced their intent to place restrictions on Delta-8 THC, a milder form of the psychoactive compound in cannabis. The substance is facing a potential ban in Ohio as Governor Mike DeWine raises concerns about its under-regulation and accessibility to minors. SB 86, New legislation proposed by Senator Steve Huffman will be particularly impactful to manufacturers as proposed regulations will likely restrict access for workers under the age of 21 and outlaw packaging that will allow employees to secretly use the product on the job. The product also opens employers to ambiguity in drug free workplace policies as the drug may or may not be reported on drug tests. The OMA supports the proposed regulation. No movement. Stay tuned.

Safety & Workers' Compensation News

[Click here for Safety & Workers' Compensation Community articles from previous Leadership Briefings.](#)

Workers' Compensation Legislation
Prepared by: The Ohio Manufacturers' Association
Report created on September 26, 2025

- HB80** **INDUSTRIAL COMMISSION BUDGET (STEWART B)** To make appropriations for the Industrial Commission for the biennium beginning July 1, 2025, and ending June 30, 2027, and to provide authorization and conditions for the operation of Commission programs.
Current Status: 6/27/2025 - **SIGNED BY GOVERNOR**; eff. immediately
State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA136-HB-80>
- HB81** **BWC BUDGET (STEWART B)** To make appropriations for the Bureau of Workers' Compensation for the biennium beginning July 1, 2025, and ending June 30, 2027, to provide authorization and conditions for the operation of the Bureau's programs, and to make changes to the Workers' Compensation Law.
Current Status: 6/27/2025 - **SIGNED BY GOVERNOR**; eff. immediately
State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA136-HB-81>
- HB160** **REVISE LIQUOR CONTROL, HEMP, MARIJUANA LAWS (STEWART B)** To revise specified provisions of the liquor control, hemp, and adult-use marijuana laws and to levy taxes on marijuana.
Current Status: 5/7/2025 - House Judiciary, (Third Hearing)
State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA136-HB-160>
- HB395** **TRACK JOB INTERVIEW ATTENDANCE (LORENZ B, GROSS J)** To require the Director of Job and Family Services to establish an online process for employers to report individuals who fail to appear for a scheduled job interview.
Current Status: 9/15/2025 - Referred to Committee House Government Oversight
State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA136-HB-395>
- SB56** **LAW CHANGES-MARIJUANA, LIQUOR, HEMP (HUFFMAN S)** To revise specified provisions of the liquor control, hemp, and adult-use marijuana laws and to levy taxes on marijuana.
Current Status: 6/24/2025 - House Judiciary, (Fourth Hearing)
State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA136-SB-56>
- SB86** **REGULATE HEMP, CANNABINOID PRODUCTS (HUFFMAN S, WILKIN S)** To generally prohibit the sale of intoxicating hemp products, except for sales at licensed dispensaries; to regulate drinkable cannabinoid products, and to levy taxes on drinkable cannabinoid products and other intoxicating hemp products that may be sold.
Current Status: 5/7/2025 - Referred to Committee House General Government
State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA136-SB-86>



Falling Rates

History of BWC Rate Changes

Private Employers 2011 – 2025

In February 2025, the BWC Board of Directors **reduced premium rates** for private employers an **average of 6%**.

Effective July 1, 2025 the reduction:

- **Saves employers \$60 million** over their 2024 premiums.
- **Follows 15 previous cuts** since 2008.

Year	Private Employer Rate Change**
2011	-3.9%
2012	-0.4%
2013	-2.6%
2014	-7.7%
2015	-9.8%
2016	-12.9%
2017	1.9%
2018	-13%
2019	-15.6%
2020	-11.6%
2021	-7.1%
2022	-10%
2023	-8%
2024	-7%
2025	-6%
	-70%

***These numbers reflect the combined impact of the loss cost changes and operating assessment changes.*

TO: OMA Government Affairs Committee
FROM: James Lee
SUBJECT: Tax and Finance Public Policy
DATE: September 30, 2025

Overview

In June, the Ohio General Assembly wrapped up the budget process with sweeping income and property tax reforms. The governor took aim at numerous tax proposals, vetoing major property tax reforms and eliminations of industry sales tax exemptions. In response, the legislature is expected to override a number of gubernatorial vetoes when they return in the fall.

On the federal level, the National Association of Manufacturers secured major wins in Congress through the recent Passage of the One Big Beautiful bill, making the 2017 Trump Tax Reforms permanent.

State Budget Passed with Notable Vetoes

On June 25, the General Assembly passed House Bill 96 - the final product of the state budget for the next fiscal biennium. The budget saw both massive spending decreases, due to a lack of federal funding from past years, as well as major tax reforms. The legislature provided Ohioans with a total of \$3 billion in tax relief through decreased tax rates.

Highlights of the budget include the following:

Income Tax Deductions

- Institutes a 2.75% flat tax to be phased in over two years. For tax year 2025, reduces the top bracket rate (income over \$100,000) from 3.5% to 3.125%, while retaining the 2.75% rate for income between \$26,050 and \$100,000. For tax year 2026, further reduces the top bracket rate so that a flat 2.75% rate applies to all income over \$26,050. The tax rate on business income remains at 3% after applying the business income tax deduction.

Property Tax Relief – Primarily for Homeowners (VETOED BY THE GOVERNOR)

- Property Tax relief including expanded authority for county budget commissions to adjust voter-approved millage, restrictions on levy types and changes to what kinds of levies are included in the 20-mill floor calculation.

Commercial Activity Tax Changes

- CAT Tax Changes that converts a commercial activity tax (CAT) credit for certain net operating losses accrued under the defunct corporation franchise tax from a refundable to a nonrefundable credit after calendar year 2029.

Elimination of Sales and Use Tax Exemptions (VETOED BY THE GOVERNOR)

- Repeals a series of sales and use tax exemptions – most notably for manufacturers:
 - Sales of machinery, equipment, and material used in the production for sale of printed material.
 - Disallows, beginning October 1, 2025, the Tax Credit Authority from entering into an agreement to award a sales and use tax exemption to a computer data center for sales of certain tangible personal property used in the center.

Gubernatorial Vetoes and Anticipated Legislative Override

The Governor vetoed numerous key tax provisions in the legislature's budget – most notably property tax reforms. The governor justified his vetoes as a necessary protection for the financial stability of schools and local governments. Select tax exemption eliminations impacting print manufacturers and data centers were also vetoed by the governor.

School Levy Calculations:

- The governor vetoed measures that would have allowed counties to eliminate emergency and replacement levies and change the 20-mill floor calculation, which determines a school district's guaranteed minimum tax rate. **(PARTIALLY OVERRIDDEN BY THE HOUSE)**

County Budget Commissions:

- DeWine vetoed a provision that would have given county budget commissions increased power to reduce or eliminate voter-approved levies, which he argued could undermine local services.

Elimination of Printer Sales Tax Exemption:

- In his veto, DeWine highlighted the importance of a free and informed press, noting that newspapers "serve a critical role in our society." The OMA advocated for this veto as a protection for the printing industry in the state and to negate a precedent of eliminating sales tax exemptions for other manufacturing industry sectors.

Elimination of Data Center Sales Tax Exemption:

- A spokesperson for DeWine cited the economic importance of the data center industry, stating that preserving the tax credit is necessary for Ohio to remain competitive with other states.

The legislature has announced intent to override multiple tax vetoes from the governor upon their return to session. Speaker Matt Huffman called his members in for a special summer session to override the governor's veto to eliminate emergency and replacement levies. The Senate will likely approve the override to take full effect. The 20 Mill Floor Recalculation along with County Budget Commissions vetoes are likely additional targets for an override.

Constitutional Amendment to Abolish Property Tax

Petitions are being circulated, and signatures are being collected to support a popular initiative to amend Ohio's Constitution to abolish real estate property taxes. If enough signatures are collected the measure could be placed in front of Ohio voters to decide. The property tax funds the majority of public education and other local government services in Ohio. If approved a massive cost would need to be defrayed by other funding sources. Taxpayers beware! The OMA is following the developments

Tax & Finance Legislation

SB 3: Flat Income Tax Rate Included in the Final Budget

The Ohio Senate move for a flat income tax through SB 3, which proposes a flat 2.75% rate, was included in the budget – House bill 96. The flat-income tax is likely a first phase in a multiple year plan to eventually phase out Ohio's income tax. Ohio's GOP frontrunner for governor in 2026 – has made multiple public statements calling for the elimination of Ohio's income tax.

Childcare Tax Incentives for Employers: HB 41 & SB 32

Many childcare subsidy/tax credit proposals did not make it into the budget: DeWine's \$1,000 child tax credit aimed to offset childcare costs was cut from the final version in the general assembly, with significant spending and tax incentive bills childcare in the legislature being thrown to the wayside. Notably, HB 41 proposed grants for companies to form public-private partnerships to expand childcare access, while SB32 proposed a cost-sharing program between employees and employers for childcare expenses.

With neither bill being included in the budget – it is likely these proposals will not be revisited until next biennium.

ODJFS Proposed Employer Fee for UI Software Upgrades – Included in the Budget

The Ohio Department of Job and Family Services' (ODJFS) budget proposal to include a new employer fee to fund a much-needed upgrade to the state's outdated unemployment benefits IT system, was included in the final state budget. The fee will be up to 0.15% of the taxable wage base per year for each covered employee, equating to a maximum of \$13.50 annually. This modernization aims to enhance system security, streamline application processes, and improve user experience for both employers and claimants.

HB 288: Prompt Pay Defeated in Lame Duck, Expected to Resurface

Last year, the OMA led the charge in defeating House Bill 203, the Prompt Pay Act, during last year's lame duck session. The proposal would have mandated 30-day payment terms in construction contracts, eliminated owners' negotiation rights, and imposed an 18% penalty fee plus attorneys' fees at the owner's expense. Despite strong labor support and a last-minute push from proponents, OMA's coalition-building activities and legislative advocacy successfully blocked the bill in the Senate.

The bill has been resurrected once again in the House as HB 288. The OMA's counsel at Bricker Graydon, testified against the proposal. That testimony can be found in today's materials.

HB 159: Manufacturing Technologies Assistance Program (MTAP) Reintroduction

The OMA has been working with a pair of bill sponsors on legislation that would create the Ohio Manufacturing Technologies Assistance Program (MTAP). This program would assist small to medium-sized manufacturers by providing grants of up to \$150,000 for investing in modern smart technologies, machinery, equipment, and training. It is designed to enhance productivity, efficiency, and competitiveness in Ohio's manufacturing industry.

The concept was introduced in HB 435 last year and received a hearing for proponent testimony where several OMA members testified before the Ohio House Finance Committee to support the bill, including Ethan Karp from MAGNET, John Holeman from TOSOH SMD, and Dale Foerster from Starr Manufacturing. The bill will soon be reintroduced and placed for consideration to be included in this year's operating budget. That testimony is included in today's materials.

Unemployment Insurance Solvency Reform Misses this Budget

The proposal for new employer fees from ODJFS mentioned above have reopened conversations for the business community to once again pursue long needed reforms to Ohio's insolvent unemployment compensation system. Last budget cycle, the OMA testified in support of SB 116, which aimed to reform Ohio's unemployment compensation system by implementing a sliding scale for eligibility, eliminating the dependency clause, and increasing the taxable wage base, which would enhance the system's stability and solvency.

These reforms are critical for employers to prevent costly tax penalties on employers during economic downturns that were experienced during the 2008 recession and narrowly avoided during the pandemic. Though efforts were discussed behind the scenes to make a push for reforms during conference committee in this year's budget process – stakeholder negotiations broke down, leaving the next opportunity for reform to come in the next biennium.

HB 296 Public Safety Pension Tax Increase on Employers

Last year, the Ohio House proposed significant increases in pension funding for first responders through House Bill 280, which aimed to raise employer contributions to the Ohio Police and Fire Pension Fund from 19.5% to 24% by 2030, resulting in a 20% increase in taxpayer liability for jurisdictions with police forces. The bill was recently introduced on June 4 as House bill 296.

The OMA opposed the bill, arguing it would impose substantial tax burdens on residents and potentially weaken public safety services by discouraging citizens from supporting future necessary tax increases. The OMA also highlighted that recent wage increases for public safety officers have already strengthened the pension fund, warranting a reassessment of its needs. Alongside a coalition of business groups, the OMA advocated for a pause on the bill to allow for further study of its fiscal implications for local jurisdictions. Public comments can be found in today's meeting materials.

Future of the CAT Tax in Question

In the last budget cycle, the legislature significantly undermined the fairness and foundation of the Commercial Activity Tax (CAT). Recent cuts reduced the number of CAT payers by ninety percent, causing the share of payers in the manufacturing sector to double from 10% to 22%, thereby placing an unfair and disproportionate burden on the industry. Manufacturers now face the risk of substantial tax increases during revenue shortfalls, as policymakers may be inclined to raise CAT rates despite the diminished tax base.

While discussions were initiated by lawmakers in the last general assembly about potentially eliminating the CAT altogether in future legislation, those efforts seem to have stalled. It is essential for manufacturers to engage in future discussions to develop a strategy that protects the industry from the threat of new taxes that could arise from budget shortfalls.

Congress Passes Trump Tax Reforms With Leadership from The National Association of Manufacturers

The National Association of Manufacturers played a key advocacy role in preserving the 2017 Tax Cuts and Jobs Act Tax Reforms as Congress officially passed Trump's "One Big Beautiful Bill." The bill preserves a 21% corporate rate, the 20% pass-through deduction and protects reduced individual income tax rates.

Earlier this year, the OMA joined the NAM's advocacy efforts as they kicked off a nationwide "Manufacturing Wins" tour at the Ohio Statehouse celebrating the importance of the manufacturing industry and emphasizing the need for renewal of the 2017 Trump Tax reforms that have enhanced the industry's ability to remain competitive and create jobs. In additional public relations efforts, the OMA issued a joint op-ed with OMA president Ryan Augsburger and NAM president, Jay Timmons, in support of the OBB that can be found in today's materials.

The OMA submitted testimony to support a HCR8, a resolution urging congress to extend the 2017 Trump Tax Reforms. That testimony can be found in today's meeting materials.

Tax and Finance News

[Click here for Tax and Finance Community articles from previous Leadership Briefings.](#)

Taxation Legislation
Prepared by: The Ohio Manufacturers' Association
Report created on September 26, 2025

- HB14** **INCORPORATE FEDERAL TAX CHANGES** (ROEMER B, WORKMAN H) To expressly incorporate changes in the Internal Revenue Code since March 15, 2023, into Ohio law and to declare an emergency.
Current Status: 3/7/2025 - **SIGNED BY GOVERNOR**; eff. immediately
State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA136-HB-14>
- HB28** **ELIMINATE REPLACEMENT PROPERTY TAX LEVY AUTHORITY** (MATHEWS A, HALL T) To eliminate the authority to levy replacement property tax levies.
Current Status: 4/8/2025 - Senate Ways and Means, (First Hearing)
State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA136-HB-28>
- HB30** **PHASE DOWN INCOME TAX-2.75%** (MATHEWS A, LAMPTON B) To phase-down the state income tax to a flat rate of 2.75% over two years.
Current Status: 3/26/2025 - House Ways and Means, (First Hearing)
State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA136-HB-30>
- HB39** **TAX DEDUCTION-OVERTIME WAGES** (FISCHER T, SANTUCCI N) To allow a state income tax deduction for overtime wages.
Current Status: 4/2/2025 - House Ways and Means, (First Hearing)
State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA136-HB-39>
- HB48** **TAX CHANGES-529, ABLE CONTRIBUTIONS** (MATHEWS A, SANTUCCI N) To modify the income tax deductions for contributions to 529 plans and ABLE accounts.
Current Status: 6/11/2025 - Referred to Committee Senate Ways and Means
State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA136-HB-48>
- HB61** **MODIFY HOMESTEAD EXEMPTION, OWNER-OCCUPANCY CREDIT** (THOMAS D, DANIELS J) To modify the amount of the homestead exemptions and owner-occupancy property tax credit.
Current Status: 2/19/2025 - House Ways and Means, (First Hearing)
State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA136-HB-61>
- HB69** **TAX DEDUCTION CHANGES** (PETERSON B, CLAGGETT T) To allow taxpayers to deduct in a single year the full bonus depreciation and enhanced expensing allowances the taxpayer deducts for federal income tax purposes.
Current Status: 3/19/2025 - House Ways and Means, (First Hearing)
State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA136-HB-69>
- HB87** **TAX SUPPORT-CHILDREN, CHILD CARE** (CLICK G, KLOPFENSTEIN R) To authorize tax incentives for conceived children and certain child care items and to name this act the Strategic Tax Opportunities for Raising Kids (STORK) Act.

Current Status: 5/7/2025 - **BILL AMENDED**, House Ways and Means, (Second Hearing)

State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA136-HB-87>

HB89 **TEMPORARY PROPERTY TAX REDUCTION (SCHMIDT J)** To authorize a temporary property tax reduction.

Current Status: 5/21/2025 - House Ways and Means, (First Hearing)

State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA136-HB-89>

HB159 **CREATE MANUFACTURING TECHNOLOGY ASSISTANCE GRANTS (SANTUCCI N, DEMETRIOU S)** To create the manufacturing technologies assistance grant program and to make an appropriation.

Current Status: 5/20/2025 - House Technology and Innovation, (Third Hearing)

State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA136-HB-159>

HB231 **EMPLOYER TAX CREDIT-PAID PARENTAL LEAVE (WILLIAMS J, MILLER M)** To create an income tax credit for employers that provide paid parental leave and to name this act the Paid Parental Leave Act.

Current Status: 4/30/2025 - Referred to Committee House Ways and Means

State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA136-HB-231>

HCR8 **URGE CONGRESS-TAX CUTS, JOBS ACT (WILLIAMS J)** To urge the Congress of the United States to make the 2017 Tax Cuts and Jobs Act permanent and protect prosperity.

Current Status: 6/18/2025 - Referred to Committee Senate Government Oversight and Reform

State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA136-HCR-8>

SB3 **PHASE DOWN OHIO INCOME TAX (LANG G, HUFFMAN S)** To phase-down the state income tax to a flat rate of 2.75% over two years.

Current Status: 1/29/2025 - Referred to Committee Senate Ways and Means

State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA136-SB-3>

SB42 **AUTHORIZE LOCAL GOVT.-RESIDENTIAL STABILITY ZONES (REYNOLDS M, CRAIG H)** To authorize local governments to create residential stability zones where homeowners may qualify for a partial property tax exemption.

Current Status: 2/12/2025 - Senate Local Government, (First Hearing)

State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA136-SB-42>

SB43 **REPEAL SPECIAL COUNTY LODGING TAX (O'BRIEN S, LANG G)** To repeal the authorization of a special county lodging tax.

Current Status: 3/4/2025 - Senate Ways and Means, (Second Hearing)

State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA136-SB-43>

- SB81** **AUTHORIZE PROPERTY TAX FREEZE-OWNER-OCCUPIED HOMES** (PATTON T) To authorize a property tax freeze for certain owner-occupied homes.
Current Status: 2/18/2025 - Senate Ways and Means, (First Hearing)
State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA136-SB-81>
- SB86** **REGULATE HEMP, CANNABINOID PRODUCTS** (HUFFMAN S, WILKIN S) To generally prohibit the sale of intoxicating hemp products, except for sales at licensed dispensaries; to regulate drinkable cannabinoid products, and to levy taxes on drinkable cannabinoid products and other intoxicating hemp products that may be sold.
Current Status: 5/7/2025 - Referred to Committee House General Government
State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA136-SB-86>
- SB88** **OHIO PROPERTY PROTECTION ACT** (JOHNSON T) To modify the law that prohibits certain governments, businesses, and individuals from acquiring certain real property and to name this act the Ohio Property Protection Act.
Current Status: 5/27/2025 - **BILL AMENDED**, Senate General Government, (Fourth Hearing)
State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA136-SB-88>
- SB90** **ESTABLISH REGULATORY SANDBOX PROGRAM** (CUTRONA A, LANG G) To create a regulatory relief division within the common sense initiative office and to establish a universal regulatory sandbox program.
Current Status: 4/29/2025 - Senate General Government, (First Hearing)
State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA136-SB-90>
- SB93** **DECLARE INTENT-NEW SCHOOL FINANCING SYSTEM** (BRENNER A) To declare the General Assembly's intent to establish a new school financing system that provides a statewide per-pupil funding payment to public and chartered nonpublic schools based on a single statewide property tax and increased state sales tax.
Current Status: 2/12/2025 - Referred to Committee Senate Finance
State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA136-SB-93>
- SB129** **TAX CREDIT-EMPLOYER GROUP HEALTH PLAN PREMIUMS** (KOEHLER K) To authorize a refundable tax credit for a portion of employer group health plan premiums.
Current Status: 3/18/2025 - Senate Ways and Means, (First Hearing)
State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA136-SB-129>

INITIATIVE PETITION
Amendment to the Constitution
Proposed by Initiative Petition
To be submitted directly to the electors

To the Attorney General of Ohio: Pursuant to Ohio Revised Code §3519.01(A), the undersigned electors of the State of Ohio, numbering in excess of one thousand, hereby submit to you the full text of a proposed Amendment to the Ohio Constitution and a summary of the same.

TITLE

Abolishment of Taxes on Real Property

AMENDMENT SUMMARY

The proposed amendment would add Section 14 to Article XII of the Constitution of the State of Ohio. The proposed amendment would abolish taxes on real property and prohibit any future taxes on real property. As used in this Section, "real property" includes land itself, all growing crops therein, and all buildings, structures, and improvements permanently attached to the land. This amendment shall take effect on the first day of the year after it is passed.

CERTIFICATION OF THE OHIO ATTORNEY GENERAL

This certification of the Ohio Attorney General, pursuant to Ohio Revised Code §3519.01(A), will be inserted when it is provided. This initiative petition must be submitted with at least one thousand (1,000) valid signatures of Ohio electors before the Ohio Attorney General will issue that certification.

COMMITTEE TO REPRESENT THE PETITIONERS

Elayne Cross	321 Suzanne Dr., Kent, Ohio 44240
Keith Davey	2131 Riverside Dr., Lakewood, Ohio 44107
Leonard Gilbert	6812 Glencairn Ct., Mentor, Ohio 44060
John Marra	39 Minnewawa Dr., Timberlake, Ohio 44095
Brian Massie	8196 Rainbow Dr., Concord, Ohio 44077

FULL TEXT OF THE PROPOSED AMENDMENT

Be it Resolved by the People of the State of Ohio that the Constitution of Ohio is hereby amended to add Section 14 to Article XII to read as follows:

Section 14. Abolishment of Taxes on Real Property.

(A) No real property shall be taxed, and no law shall impose any taxes on real property.

(B) No other provision of the Constitution shall impose any taxes on real property.

(C) As used in this Section, "real property" includes land itself, all growing crops therein, and all buildings, structures, and improvements permanently attached to the land.

This Amendment shall take effect on the first day of the year after it passes.

The Property Tax in Ohio

- Background
 - Article XII Section 2 – Limitation on Tax Rate
 - Section 2a – Classification
- The Proposal
- The Numbers
- “The Property Tax Crisis”
 - How did this happen?
- HB 920 and the tax reduction factor

Property Taxes in Ohio

- Real Property (land and improvements thereon)

Personal Property

Tangible

Intangible

Public Utility Tangible Personal Property is the only remaining personal property subject to taxation in Ohio

- Governed by the Ohio Constitution and the Ohio Revised Code
 - Article XII Sections 2 and 2a
 - Article II Section 3b
- Ohio's oldest tax
 - Since 1825 Ohio has taxed property based on value
 - Prior to 1825 (during statehood and as a territory) land was classified and taxed based on agricultural fertility
- Numerous changes to the tax base and rates and the administration and imposition over the years

Constitutional Provisions

Article XII Section 2

- No property taxed in excess of one percent true value in money
- Taxes above one percent require vote of the people or placement in municipal charter
- Must be taxed by uniform rule
 - except reduction in value for permanently/totally disabled, over 65 years, and surviving spouses (**Homestead Exemption**)
 - exemptions of certain property used for religious, charitable, or public purposes

Article XII Section 2a

- Classifying property (Class I and Class II)
- Reduction factors (HB 920)
- “tax rate floor” (school 20 mill floor)

Article II Section 36

- Forestry and agriculture exemptions allowed
- Current Agricultural Use Valuation (CAUV)

The Proposal

Language presented to the Ballot Board on May 14, 2025

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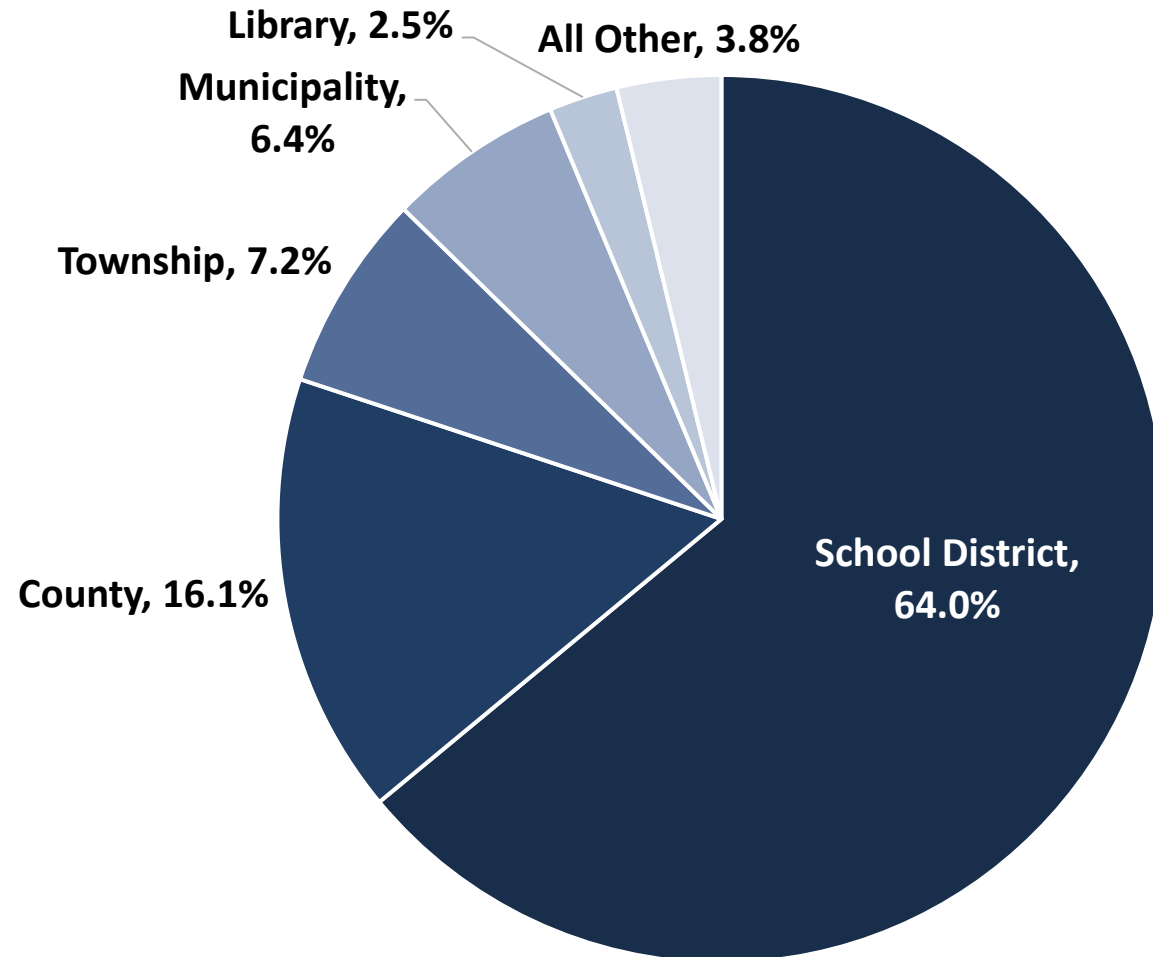
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The Numbers

- Real property taxes charged and payable for 2024
 - Paid in January and June 2025
- Total amount: **\$21,410,690,000** (\$21.4 billion)
 - Class I (Residential and Agricultural) is \$16,671,159,000
 - Class II (Commercial Industrial) is \$4,739,531,000
- Total assessed value is \$389 billion
 - Class I \$317.9 billion
 - Class II \$71.1 billion
 - By law assessed value is 35% of true value, which then implies total Ohio real property market value of \$1.1 trillion

Approximate Statewide Distribution of Property Tax Revenues by Governmental Purpose

- The real property tax is exclusively a local government revenue source
 - counties, cities, villages, townships, schools, libraries, special districts (which includes park districts, fire districts, cemetery districts, etc.)
- No property taxes levied for state general fund purposes since 1902
- No property tax for any state purpose since 1968 (retirement of Korean war veteran bonus bonds)



Major State Tax Revenue Sources

Sales and Use Tax

FY 2024 raised \$13.9 billion (all funds)

State sales tax rate 5.75%

County permissive sales and use tax rates range from 0.5% to 2.0% and is used in all 88 counties

County transit sales tax ranges from 0.1% to 1.0% and is used by 11 RTAs

The highest cumulative county-wide sales tax rate is currently 8%

Personal Income Tax

FY 2024 raised \$10.0 billion (all funds)

HB 96, the biennial budget bill, enacted a flat tax rate of 2.75%

Commercial Activity Tax

FY 2024 raised \$2.4 billion (all funds)

“The Property Crisis”: How did this happen?

- The intersection of dramatic property valuation increases with the operation of the school district 20 mill floor
- Class I Residential and Agricultural Valuation Increases
 - Statewide values increased 19.6% in TY 23 and 9.8% in TY 24
 - From TY 19 to TY 24 the average annual increase was 9.3%
 - This compares to an average annual increase of 4.1% over the last 25 years and 1.1% over the 10 pre-pandemic years
- School district levy planning which results in approximately 400 districts at the 20 mill floor
- Since the 20 mill floor short circuits HB 920 taxpayer protections, many taxpayers across the state saw unvoted property tax increases on school mills that were significantly higher than they had seen before

Ohio House Bill 920, Enacted 1976

(ORC § 319.301)

- Reduces taxes charged to offset increases in property value.
- A “tax reduction factor” is applied to the rates of certain voted millage.
- The reduced rate at which taxes are collected is termed the “effective” millage.
- H.B. 920 applies to existing property

Important Note

In general, HB 920 prevents an increase in taxes on existing property without a vote of the people

School districts can see revenue growth on existing properties with inside mills. School districts also receive revenue growth on existing levies from new construction that adds property value.

H.B. 920 Tax Reduction Factors and School District Millage

- By law, a school district must levy at least 20 mills of property tax to receive state funding through the school foundation formula.
- In order to prevent HB 920 tax reduction factors from reducing school millage below 20 mills and disqualifying a district from State aid, the law prevents the application of tax reductions below 20 mills. This is known as the “20 mill floor”.

H.B. 920 Tax Reduction Factors and School District Millage

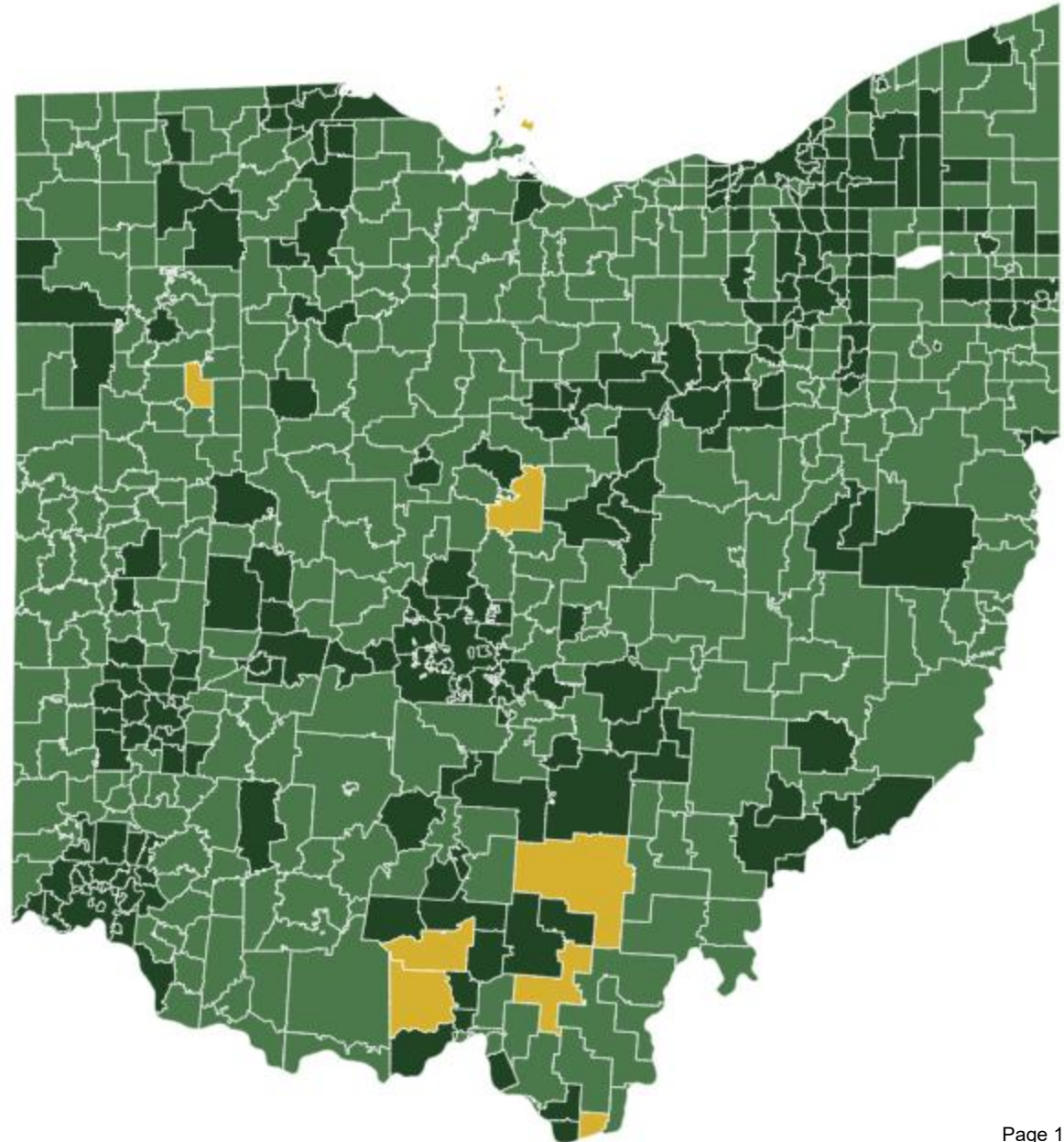
- However, not all levies and local funding options are included in the 20-mill floor:
 - Emergency
 - Substitute
 - Income Tax
 - Bonds
 - Permanent Improvement
 - Recreation
 - Libraries
 - Safety & Security

While the levies in the second column above are passed for a specific purpose; Emergency, Substitute Levies, & Income Tax are usually used for general operation of the district.

Current 20 mill Floor Status Summary as Calculated under ORC § 319.301

Note: Map includes the 10 school districts with “Less than 20 mills” are either special island districts or school districts that rely on JVS millage to meet the 20-mill qualification for foundation formula.

- Above the Floor
- At Floor
- Under the Floor

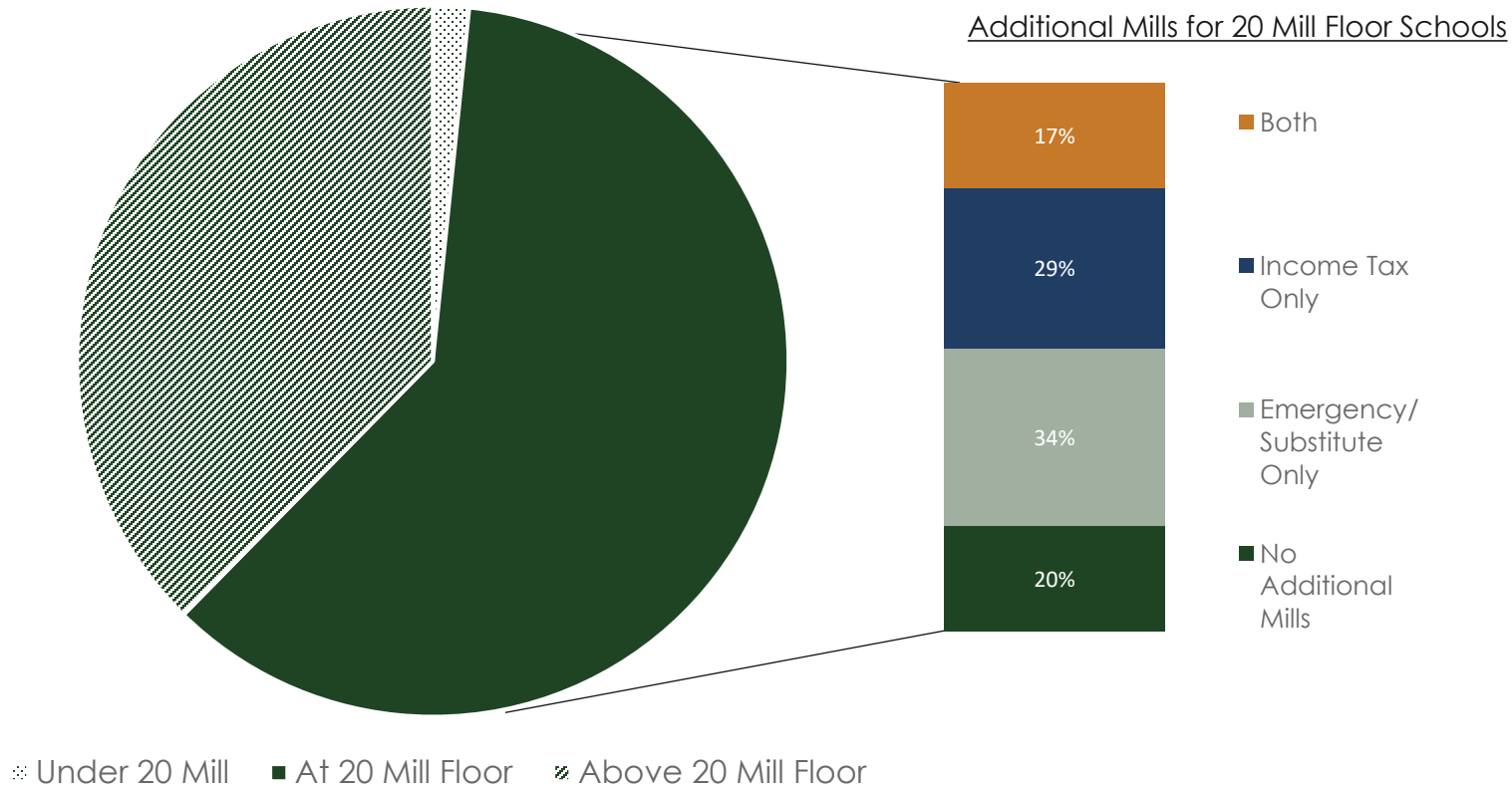


Accounting for Additional Millage Beyond the 20-Mill Floor

(Including Income Tax Millage Equivalent)

- Emergency and Substitute rates are not factored into the 20-mill floor. Neither is income tax millage equivalent.
- The 20-mill floor is intended to ensure school districts meet the minimum qualifying millage for participation in the State's school foundation formula.
- School districts at the 20-mill floor receive growth on those levies as property values rise. Millage at the floor short circuits taxpayer protections afforded by the HB 920 reduction factors.
- The focus of the analysis is to highlight number of school districts who are at this 20-mill floor, yet may have additional local sources of revenue and the extent of those other mills and income tax millage equivalents.

Additional Mills for 20 Mill Floor Schools Summary



Takeaway

Of the 611 districts, 371 or 61% of total school districts are at the 20-mill floor

Of the 371 districts at the 20-mill floor, 295 districts have additional millage.

While 76 school districts truly have no additional millage.

Of the 295 districts with additional millage: 126 districts have emergency/substitute levies, 106 with income tax, and 63 with both.



Questions and Discussion

