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# OHIO LEGISLATIVE SERVICE COMMISSION

Office of Research  
and Drafting

Legislative Budget  
Office

H.B. 587  
134<sup>th</sup> General Assembly

## Bill Analysis

**Version:** As Introduced

**Primary Sponsors:** Reps. Jarrells and Patton

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### SUMMARY

- Makes appropriations to support lead abatement and related training programs.
- Modifies an income tax credit for lead abatement expenses by making it refundable and increasing the yearly cap of authorized credits.

### DETAILED ANALYSIS

#### Lead-related appropriations

The bill appropriates funds for FY 2022, as provided below.<sup>1</sup>

Agency	Amount	Line Item
Department of Development	\$100,000,000	Lead Abatement Safety Training
Department of Health	\$60,000,000	ARPA - Lead Activities
Department of Health	\$250,000,000	Lead Poisoning Prevention
Department of Medicaid	\$30,000,000	Children's Lead Program

Even though the bill's appropriations are for FY 2022, which has already concluded, the bill permits agencies to rollover unexpended, unencumbered appropriation balances to FY 2023.

<sup>1</sup> Sections 5, 6, and 7.

## Lead abatement tax credit

Continuing law authorizes an income tax credit for eligible lead abatement costs, i.e., those incurred to hire a lead abatement specialist to perform inspections and remediation of residential property and related relocation costs. A taxpayer may obtain a credit only by submitting an application with the Director of Health, who verifies eligible abatement costs. No more than \$10,000 in credits may be awarded per year to a taxpayer.

Currently, the credit is nonrefundable, i.e., may not exceed the taxpayer's liability, and the Director may not award more than \$5 million in credits per fiscal year. The bill makes the credit refundable, i.e., able to exceed the taxpayer's liability, and increases the cap on total credits from \$5 million to \$35 million per fiscal year.<sup>2</sup> The refundability change applies to abatement costs incurred in taxable years beginning on or after the bill's 90-day effective date.<sup>3</sup>

### HISTORY

Action	Date
Introduced	03-02-22

ANHB0587IN-134/ec

<sup>2</sup> R.C. 3742.50 and 5747.26.

<sup>3</sup> Section 3.