



June 30, 2017

CCAO UPDATE: Veto message from Governor Kasich

Governor Kasich's veto message includes a veto of the amendment that would have addressed local sales tax losses from the Medicaid MCO sales tax. This is extremely disappointing, but not totally unexpected. CCAO submitted a [letter](#) to the Governor yesterday asking for the amendment to be retained.

To review the Governor's veto message, click [here](#) and go to Item Number #33 on page 24.

The House has scheduled session on July 6th for a possible override vote and we are hopeful our issue will be included if an override occurs.

OVERRIDE PROCESS:

Upon vetoing an act or a part of an appropriation act, the Governor must return it to the originating house along with written objections. That house must publish the objections in its *Journal* and may reconsider the bill notwithstanding the Governor's veto. If three-fifths of the members vote to override the veto, the act is sent to the second house, again with the Governor's written objections. The second house also must decide whether or not to override the veto. If three-fifths of the members of that house vote to override the veto, the act becomes law in spite of the Governor's objections.

NEXT STEPS: Don't let this issue fade!

1. Call your Representative(s) and Senator(s) and tell them that you support an override vote from the legislature on this veto.
2. Call [leadership](#) in both chambers and ask them to override the veto.

[Senate contact list](#)

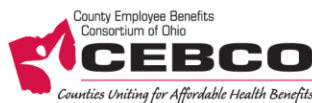
[House contact list](#)

3. Send a press release using the talking points below to your local media.
4. Stand by and stay engaged for the legislative action next week. We will need all hands on deck for a little bit longer!



County Risk
Sharing Authority

Fax: 614-220-0209
www.corsa.org



County Employee Benefits
Consortium of Ohio
CEBCO
Counties Uniting for Affordable Health Benefits

Fax: 614-229-4588
www.cebco.org



County Commissioners
Association of Ohio
Service Corporation

Fax: 614-221-6986
www.ccao.org

TALKING POINTS:

- Explain what budget cuts you anticipate having to impose if the lost revenue is not replaced. Also, highlight any impacts on your economic development efforts.
- Pursuing an increase in the HIC franchise fee would not jeopardize Ohio's current waiver. In the event that the request to reset the fee is not approved, our existing waiver would remain in place. The original waiver met the criteria necessary and cannot be withdrawn.
- The Seitz/Dolan amendment directs the state to take a stair-step approach in talking with CMS for approval to reset the proposed HIC franchise fees. It instructs the Medicaid Director to first ask CMS if Ohio's franchise fee can be increased, and if the Director receives a favorable response, then the Director shall request formal approval.
- Remind them that the SFY 18/19 Executive Budget fully replaces lost revenue to the state through a new proposed franchise fee on MCO's, but only provides counties and transit authorities a one-time allocation to be spread out over 2 payments. Counties seek and deserve parity with the state.
- The goal is simple in some ways -- finding a path forward that keeps both state and county parties whole. The Dolan/Seitz amendment gets us closer to fiscal stability for the state's county partners. If the Governor decides to veto this measure, you support a vote of the legislature to override the veto.