

GOVERNMENT ACTION TRACKER

JUL. 2025

Ohio passes out biennial budget which includes income tax reductions and tax credit alterations. U.S. Senate gives positive news in the passed and signed Big Beautiful Bill.

The end of June marked the end of the State's budgeting process. The Ohio General Assembly passed out and the Governor signed the biennial budget, with it coming a tax cut, a lot of changes to current law, funding for important projects or services, and one change potentially concerning to sales tax collecting businesses. Additionally, the potential for hemp beverage regulations and potentially problematic restrictions has been pushed off.

Typically, during a budget year, the General Assembly takes a recess after the final budget session. Legislators will be accomplishing work in their districts, but legislative activity will be on hold until they return after Labor Day. See more details in the Activities we are watching and State Update segments.

In addition to the budget we just saw at the State level, Congress came together to pass the budget reconciliation bill, or as it is better known: the One Big Beautiful Bill. Within the BBB, business owners scored multiple major victories. While the House version of the bill made some of the business-friendly tax credits permanent, like the business income deduction for pass through entities, the Senate version did one better and made more pro-business tax incentives permanent. However, while the Senate supported us with the BBB, our most current chance to get movement on the Credit Card Competition Act stalled once the Senate voted to narrow debate on the GENIUS Act. More information is in the Federal Update section.

Activity We Are Watching

With the State budget now complete, activity from the legislature is going to be quiet for the next few months. Legislators are not likely to be back in session until after Labor Day.

However, the summer recess is one of the best times to connect with your elected officials. They will be in their communities during this time, meaning that scheduling time for them to come visit would be easier than during regular session. We will be using this time to further our relationships with elected officials and would encourage you to do the same. Executive agencies are still active during this recess. As always, if you have any issues or concerns, reach out to our team for help.

While Congress finalized their budget reconciliation bill, their recess does not begin until August. They continue to hold hearings and consider legislation. A few potential changes raise some concerns depending on their chance for passage. First, Senators Josh Hawley and Peter Welch introduced a bill to raise the minimum wage to \$15/hr on January 1 of the year after the bill's enactment. Second, rumors indicate that the provision which allowed hemp products in the 2018 farm bill could be targeted for repeal. However, this is not the first time the idea has been floated.

State Update

The final version of the State's budget passed out of both houses with some limited line-item vetoes from the Governor. Many of the tax-related changes originating in the Senate budget remained intact, namely the business-friendly reduction to a flat income tax for all Ohioans and the continued inclusion of the important Business Income Deduction. There was one potentially troubling sales tax collector provision, the inclusion of a cap to the vendor discount for timely sales tax submissions. The cap will go to \$750 per month, meaning that you either get .75% of the sales tax to keep or the \$750. Rough calculations show that, to meet this cap, a business would need 100k in sales tax collections, equaling about \$1.4 million in taxable sales. While this cap is likely not a detriment to many restaurants, the messaging is a bit unfortunate when juxtaposed against the continuing struggle with high credit card swipe fees.

In some lighter news, the end of the budget also means the end of session for a while. The legislature is unlikely to reconvene before September, meaning any legislation that is still pending will remain that way until their return. One piece of legislation now on hold until September is SB 56.

State, Continued

Last month, this bill seemed sure to pass with some unfavorable language towards hemp beverage sales, particularly concerning taxes and on premises sales. However, some disagreements between the two chambers resulted in the bill being pushed into the after-budget portion of the year. This allows us some extra time to push for changes to the language, hopefully reining in the tax rate and allowing restaurants and bars to sell for on-premises consumption.

Lastly, Senate Bill 33 goes into effect later this month. We created a memo to explain some of the details in the bill. In short, all Ohio related labor laws that are required to be posted somewhere conspicuous in the workplace now can be posted online, where employees can access them. [More information in our memo.](#)

Ohio Bill Tracking

BILL TRACKING

Child Care Cred

HB 2

Establishes the Child Care Cred Program, share in the cost of childcare

5th hearing held

Imitation Meat & Eggs

HB 10

Regulates imitation meat and egg products

*Passed House
Awaiting Senate
action*

Minor Alcohol Sales

HB 19

Reduces the mental state for prohibiting the sale of alcohol to a minor from knowingly to recklessly

1st hearing held

Funding Agreements

HB 105

To increase Ohio's power generation and improve the power grid

6th hearing held

Microenterprise

HB 134

To authorize the sale of certain homemade foods under a microenterprise home kitchen enterprise registration

*3rd hearing held
*ORHA Testified
Interested Party*

Revise Liquor & Hemp Laws

HB 160

To revise Liquor Control, marijuana and hemp laws

*3rd hearing held
*ORHA Testified
Interested Party*

Ohio Bill Tracking, Continued

BILL TRACKING

Alcohol Franchise Law

HB 194

Revises the Alcohol Franchise Law

2nd hearing held

Hemp Regulation

HB 198

Regulate the manufacture, distribution and sale of ingestible hemp products

*3rd hearing held
*ORHA Testified
Interested Party*

Construction E-verify

HB 246

Require certain construction industry employers to use E-verify

*Passed House
Awaiting Senate
Action*

PURE LIFE (MAHA)

HB 272

Regards food dyes, PFAS, fluoride, and certain substance releases

1st hearing held

Sunday Liquor Sales

HB 387

Allow local governments to allow Sunday liquor sales without needing local election approval

Introduced

Improve Power Grid

SB 2

To increase Ohio's power generation and improve the power grid

*Passed Senate
Companion Bill
HB15, passed
Signed by
Governor, effective
August 12*

Alcohol Franchise Law

SB 23

Revises the Alcohol Franchise Law

1st hearing held

Pay by Cash Option

SB 30

Requires retailers to give customers the option to pay by cash

2nd hearing held

Pay by Cash Option

SB 33

Allows employers to post certain labor law notices online

*Passed, signed by
Governor, effective
July 21*

Ohio Bill Tracking

BILL TRACKING

Minor Work Hours

SB 50

Allows an employee who is younger than 16, with parental permission, to work slightly later hours during the school year

Passed Senate

1st hearing held in the House

**ORHA Testified in Support*

Minor Work Hours

SCR 3

Urge congress to change the Federal fair labor standards act to allow employees younger than 16 to work slightly later hours during the school year

Passed Senate

1st hearing held in the House

**ORHA Testified in Support*

Marijuana

SB 56

Revise medical and adult-use marijuana laws; levy marijuana taxes. (Now includes SB 86)

Passed Senate

3rd hearing in the House

Hemp Regulation

SB 86

Regulates hemp products, requiring their sale only in dispensaries, allows for various liquor license holders to produce and distribute hemp infused beverages with restrictions

Passed Senate

Amended to SB 56 in the House

**ORHA Testified Interested Party*

Federal Update

The U.S. Senate was and is the point of multiple different conversations surrounding quite a few different issues. As previously mentioned, the Senate finalized their version of the BBB. The Senate finalized version includes many of the business-friendly tax provisions included in the House version. However, the Senate version goes the extra mile and in a significant victory for American businesses, especially small and medium sized businesses, makes many of the tax provisions we have consistently pushed for fully permanent. Expensing business interest and deductions for capital purchases are both set to be permanent extensions in the Senate version of the BBB. Additionally, no tax on tips/overtime remained in the BBB with some slight changes from the Senate. They set a cap of 25k and 12.5k for tips and overtime respectively. After the Senate passed the bill, the House agreed to it, and the President signed it on July 4th. [Read our July 4 Special Member Communication with the update.](#)

While the Senate yielded significant good news for owners and operators in the BBB, some unfortunate news came on another front. The Senate voted to close debate on the GENIUS Act and restrict amendments to the bill, meaning that the chance for the Credit Card Competition Act to be amended into the GENIUS Act has passed. This does not mean that the CCCA is dead, but this most recent chance to get movement is no longer there. Additionally, the Senate now has the Higher Wages for American Workers Act, a bill to raise the minimum wage federally up to \$15/hr. This bill will not raise the federal tipped wage, but the new minimum wage would go into effect the year after the bill is passed. Meaning for Ohio, if it were to pass this year or next year, we would see a nearly 50% increase to our minimum wage in just one year. We have not been opposed to any minimum wage increase as we supported SB 256 last general assembly. However, we have advocated for any increase to the minimum wage to be implemented in a slower, more moderated fashion. The bill faces some long odds in Congress. We and our national partners will continue to monitor this bill as the session progresses.

Lastly, restaurants represented one of many industries supported by the BBB at an event by the President. A chef and server were both part of the ceremonial event.

Federal Bill Tracking

BILL TRACKING

No Tax on Tips

H.R. 482/S.129

eliminate the application of the income tax on qualified tips

Senate version passed. House included a different version in their reconciliation budget. The Senate version passed, was agreed to by the House, and signed by the President.

GENIUS Act

S. 1582

Credit Card Competition Act included

Introduced, in Senate consideration

Higher Wages

S. 2013

Higher Wages for American Workers Act

Introduced, in Senate consideration

Questions?

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