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Ohio, Warren County File Lawsuit against Obama Administration over Obamacare Taxes

(LEBANON, Ohio)—Ohio Attorney General Mike DeWine, Warren County Commissioner President David Young, and Warren County Prosecutor David P. Fornshell today announced that Ohio will be leading a lawsuit challenging an unconstitutional decision by the Obama Administration to directly levy an Obamacare tax against state and local governments.

“This tax assessment by the Obama Administration is an unprecedented attempt to destroy the balance of authority between the federal government and the states,” said Attorney General DeWine. “The \$5.3 million Ohio is being taxed is money that could be used for education, public safety, and roads and bridges. The states are not the federal government’s tax collectors, and the Obama Administration should refund these illegal taxes immediately.”

“Today we are moving forward with action, based upon the stand I proposed just a few weeks ago, against a blatantly unconstitutional expansion of power by the federal government. It is not my role to question the ACA or its merits but it is my responsibility to protect the funds of the taxpayers I represent. This action simply protects a tradition as old as our republic that governments do not tax each other. The principle of no taxation without representation is something our country was founded on. I call on all other affected state and local officials to join us in our stand against this unconstitutional seizing of taxpayer funds regardless of their political party,” said Commissioner Young.

“Although Warren County initially brought attention to the unlawful collection of these taxes, if we are successful in this lawsuit, the effects will extend well beyond our county's borders. Hundreds of millions of dollars will be returned to state and local governments around the country,” said Prosecutor Fornshell.

The lawsuit filed today in federal district court in Columbus follows DeWine’s January 8th letter to United States health and Human Services (HHS) Secretary Sylvia Burwell that the tax is improper for two reasons. First, there is no precedent in Supreme Court case law or in the Constitution itself for the federal government to impose this tax. Second, even if the federal

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government had such constitutional authority, the definitions referenced within the Affordable Care Act do not include state or local governments among the employers who may be assessed the tax in question.

To date, neither Attorney General DeWine nor Warren County, who sent a similar letter, has received a response from the Obama administration to their concerns.

The tax in question relates to Obamacare's Transitional Reinsurance Program. As part of the law's funding of that program, the Affordable Care Act authorizes tax assessments against health insurance companies and certain employers who offer self-insured group health plans. However, HHS has indicated it intends to assess this tax on state and local governments for their public employee health plans, even though the Affordable Care Act contains no language that authorizes the assessments against state and local governments as employers.

The parties joining Warren County and the State of Ohio in today's lawsuit include the Ohio Department of Administrative Services, The University of Akron, Bowling Green State University, Shawnee State University, and Youngstown State University.

A copy of today's [lawsuit](#) is available on the Ohio Attorney General's website.

