

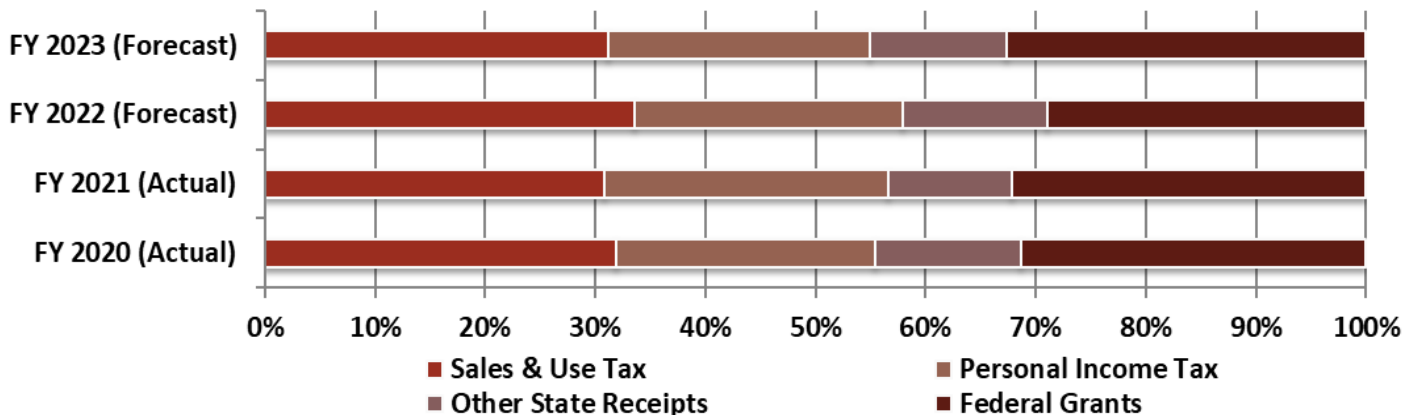
# Legislative Budget Office of the Legislative Service Commission

## Main Operating Budget House Bill 110 – As Enacted

### Budget in Brief

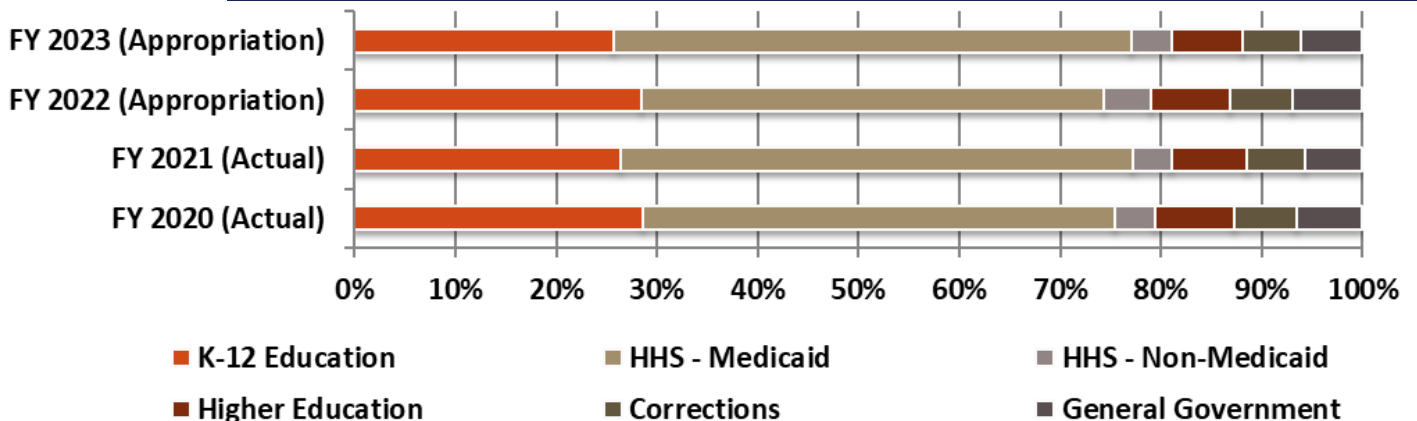
**Where do GRF moneys come from?**

Source	FY 2020 (Actual)	FY 2021 (Actual)	FY 2022 (Forecast)	FY 2023 (Forecast)
Sales & Use Tax	\$10,685.8	\$12,190.6	\$12,314.8	\$12,460.4
Personal Income Tax	\$7,881.3	\$10,201.3	\$8,920.5	\$9,535.5
Other State Receipts	\$4,456.5	\$4,427.0	\$4,784.3	\$4,942.7
Federal Grants	\$10,482.0	\$12,727.2	\$10,601.5	\$13,083.9
<b>GRF Source Total</b>	<b>\$33,505.7</b>	<b>\$39,546.1</b>	<b>\$36,621.1</b>	<b>\$40,022.6</b>
<b>% Change</b>		18.0%	-7.4%	9.3%
<i>GRF Tax Total</i>	<i>\$22,623.2</i>	<i>\$26,466.9</i>	<i>\$25,435.9</i>	<i>\$26,282.8</i>
<b>% Change</b>		17.0%	-3.9%	3.3%



**Where do GRF moneys go?**

Program Category	FY 2020 (Actual)	FY 2021 (Actual)	FY 2022 (Appropriation)	FY 2023 (Appropriation)
K-12 Education	\$9,460.5	\$9,364.1	\$9,926.0	\$10,077.8
HHS - Medicaid	\$15,471.8	\$18,094.4	\$15,974.4	\$20,150.1
HHS - Non-Medicaid	\$1,338.4	\$1,368.4	\$1,615.4	\$1,606.3
Higher Education	\$2,606.1	\$2,683.8	\$2,757.4	\$2,760.7
Corrections	\$2,052.7	\$2,016.6	\$2,179.8	\$2,254.0
General Government	\$2,134.0	\$2,043.3	\$2,391.6	\$2,395.9
<b>GRF Program Total</b>	<b>\$33,063.5</b>	<b>\$35,570.6</b>	<b>\$34,844.5</b>	<b>\$39,244.8</b>
<b>% Change</b>		7.6%	-2.0%	12.6%



Note: Revenues may not equal expenditures in a given fiscal year due to factors such as carryover balances, encumbrances, and transfers.

# Appropriation Highlights

H.B. 110, as enacted, provides state and federal GRF appropriations totaling \$34.84 billion for FY 2022, a decrease of 2.0% from FY 2021 actual spending, and \$39.24 billion for FY 2023, an increase of 12.6% over FY 2022. Medicaid (48.8%) and K-12 Education (27.0%) together make up 75.8% of the biennial total. State-source GRF appropriations total \$24.17 billion in FY 2022 and \$26.07 billion in FY 2023, increases of 5.9% and 7.9%, respectively. K-12 Education and Medicaid represent 39.8% and 24.4%, respectively, of the biennial total. Across all funds, appropriations total \$80.78 billion in FY 2022 and \$81.13 billion in FY 2023, increases of 6.3% and 0.4%, respectively.

## Medicaid, Health, and Other Human Services

- Across all agencies and funds, the budget for Medicaid totals \$34.87 billion in FY 2022, an increase of 9.9%, and \$36.25 billion in FY 2023, an increase of 4.0%. The federal share of this appropriation is 70.0%. The GRF portion of this appropriation is \$15.97 billion (45.8%) in FY 2022 and \$20.15 billion (55.6%) in FY 2023.
- The budget transfers \$1.20 billion from the FY 2021 GRF ending balance to the Health and Human Services Fund. Of this amount, \$900.0 million in FY 2022 and \$300.0 million in FY 2023 is appropriated for Medicaid, resulting in lower GRF appropriations for Medicaid in those years.
- The state share of GRF Medicaid spending is \$5.30 billion in FY 2022, a decrease of 1.1%, and \$6.97 billion in FY 2023, an increase of 31.6%. The large increase in the state share in FY2023 is due to the expected end of the enhanced federal reimbursement rate in place during the pandemic as well as the decrease in funding from the Health and Human Services Fund from FY2022 to FY 2023.
- The budget sets aside \$125.0 million in each fiscal year of Medicaid spending to allow the Medicaid rates for nursing facilities to be rebased on more current data and provides \$150.0 million over the biennium for additional nursing facility quality incentive payments.
- The budget appropriates \$16.0 million of non-GRF Medicaid funding and \$25.0 million of non-Medicaid GRF funding in each fiscal year to prevent custody relinquishment of youth involved in multiple systems.
- The budget appropriates federal funding totaling \$350.0 million in FY 2022, and \$150.0 million in FY 2023 for COVID-19 testing and epidemiologic surveillance activities, and \$50.0 million in FY 2022 for COVID-19 vaccine distribution.
- The budget appropriates new GRF funding of \$10.0 million in each fiscal year for foster parent recruitment, support, and strengthening of best practices, and \$12.0 million in each fiscal year for the Wendy's Wonderful Kids program to find permanent homes for children in foster care.
- The budget provides \$41.2 million in GRF in each fiscal year, an increase of \$8.5 million over FY 2021, for Help Me Grow, a home visiting program encouraging prenatal and well-baby care, as well as parenting education.
- The budget appropriates \$8.0 million in GRF in each fiscal year to provide Ohio children with a book each month for the first five years of their lives through the Ohio Governor Imagination Library.
- The budget provides one-time GRF funding in FY 2022 for public health to supplement continuing funding, including \$5.5 million for maternal health programs, \$3.0 million for the Emergency Department Comprehensive Care Initiative related to addiction, and \$2.3 million for housing for pregnant mothers. The budget also appropriates \$7.5 million in GRF in each fiscal year specifically for lead abatement.
- The budget provides \$6.0 million in each fiscal year for adults with mental illness in residential facilities, \$5.5 million in each fiscal year to strengthen care for adults with mental illness who are involved in multiple systems, \$2.5 million in each fiscal year for crisis services infrastructure, \$2.0 million in each fiscal year to support treatment and monitoring programs for healthcare workers with behavioral health disorders, and \$1.5 million in each fiscal year to improve behavioral health for racial and ethnic minorities.

## K-12 Education

- For FY 2022 and FY 2023, the budget begins to phase-in a new school funding formula—the Fair School Funding Plan—and appropriates \$9.17 billion in FY 2022 and \$9.41 billion in FY2023 to support the plan.
  - ◆ The plan funds students where they are educated, rather than where they reside, resulting in direct funding for community and STEM school, open enrollment, and scholarship students, rather than the deduct and transfer method of funding generally used prior to FY 2022.
  - ◆ The plan replaces the uniform per-pupil formula amount with a variable per-pupil base cost for each district based on various FY 2018 average staff salary and district spending inputs and certain pupil-to-staff ratios.
  - ◆ The plan computes a per-pupil local capacity amount for each district based on the district's property value and income. This amount is subtracted from the district's per-pupil base cost to determine the state share of the base cost, replacing the state share index.
  - ◆ The plan guarantees that a district's state aid in FY 2022 and FY 2023 will not fall below its combined FY 2021 funding from foundation aid (prior to budget reductions) net of school choice transfers, Student Wellness and Success funding, and the enrollment growth supplement.
  - ◆ The budget increases the maximum amount of an EdChoice or Cleveland scholarship from \$4,650 to \$5,500 for students in grades K-8 and from \$6,000 to \$7,500 for students in high school. These amounts are increased in future years by the same percentage as the average base cost per pupil increases in those years. The budget also eliminates the 60,000 cap on EdChoice scholarships and extends eligibility for EdChoice scholarships to certain students.
  - ◆ The budget increases the maximum amount of an Autism scholarship from \$27,000 to \$31,500 for FY 2022 and \$32,445 for FY 2023 and each year thereafter and changes how the amount of a Jon Peterson Special Needs Scholarship is calculated.
- The budget appropriates \$1.18 billion in FY 2022 and \$1.20 billion in FY 2023 for property tax rollbacks and the homestead exemption for school districts.

- The budget appropriates \$42.0 million in each fiscal year for community school facilities, an increase of \$21.4 million over FY 2021. The budget also increases funding for quality community schools by \$24.0 million over FY 2021, providing \$54.0 million each fiscal year.
- The budget provides \$117.5 million in FY 2022 and \$123.5 million in FY 2023 for special education transportation, increases of 94.3% and 5.1%, respectively. It also provides \$134.0 million in FY 2022 and \$139.0 million in FY 2023 for preschool special education, increases of 21.8% and 3.7%, respectively. The budget provides \$37.0 million in each fiscal year for special education at county boards of developmental disabilities and institutions, an increase of 12.1% over FY 2021.
- The budget provides \$50.0 million in FY 2022 for school bus purchases.

#### **Higher Education**

- The budget funds the state share of instruction (SSI) at \$2.06 billion in FY 2022, an increase of 1.0%, and \$2.08 billion in FY 2023, an increase of 0.9%. It also limits increases in instructional and general fees to 2% per year for state colleges and universities and \$5 per credit hour per year for community colleges.
- The budget appropriates \$106.8 million in FY 2022 and \$112.5 million in FY 2023 for OCOG, Ohio's needs-based financial aid program, increases of 5.0% and 5.4%, respectively.
- The budget provides \$25.0 million in FY 2022 and \$28.0 million in FY 2023 for the Choose Ohio First Scholarship, increases of 75.1% and 12.0%, respectively.

#### **Economic Development and Recovery**

- The budget provides \$250.0 million over the biennium, transferred from the GRF, for the Ohio Residential Broadband Expansion Grant Program.
- The budget provides, from the GRF, \$350.0 million in FY 2022 for the Brownfield Remediation Program and \$150.0 million in FY 2022 for the Demolition and Site Revitalization Program.
- The budget provides \$100.0 million in FY 2022, transferred from the GRF, for grants to bars and restaurants.
- The budget provides \$33.3 million in FY 2022 and \$25.0 million in FY 2023 for the TechCred Program.
- The budget appropriates \$152.5 million in federal CARES Act funding in FY 2022 for costs related to the pandemic, including \$29.0 million for the state's share of FEMA's assistance program for nonprofit hospitals, \$25.0 million for grants to the lodging industry, \$20.0 million for grants to entertainment venues, \$18.0 million for state agency costs in response to the pandemic, \$18.0 million for prisons, \$12.0 million for foodbanks, \$10.0 million for grants to new businesses, \$7.0 million for mental health services, \$4.2 million for the Department of Health, \$2.5 million for cleaning at state parks, \$2.0 million for veterans homes, \$1.8 million for the Department of Administrative Services, \$1.0 million for local fairs, \$1.0 million for relief efforts of the National Guard, and \$1.0 million for the Ohio Humanities Council.
- The budget provides GRF funding of \$10.0 million in each fiscal year for the Foundation for Appalachian Ohio and \$4.0 million in each fiscal year for the GRIT program administered by the Governor's Office of Appalachia and the Department of Development.
- The budget transfers \$10.0 million cash from the GRF to the Meat Processing Investment Program Fund and appropriates that amount for grants to meat processing plants for facility improvements and capacity expansion.
- The budget expands the Rural Industrial Park Loan Program and provides \$15.0 million in each fiscal year from the Facilities Establishment Fund, compared to spending of \$2.8 million in FY 2021.

#### **Local Government, Law Enforcement, and Other Initiatives**

- The budget allocates 1.70% of GRF tax revenue to the Public Library Fund, which is estimated to total \$447.7 million in FY 2022 and \$462.6 million in FY 2023. The budget allocates 1.66% of GRF tax revenue to the Local Government Fund, which is estimated to total \$437.1 million in FY 2022 and \$451.7 million in FY 2023.
- The budget transfers \$132.0 million from the FY 2021 GRF ending balance to the H2Ohio Fund and appropriates, in each fiscal year, \$49.3 million for the Department of Agriculture, \$25.0 million for the Department of Natural Resources, \$10.0 million for the Environmental Protection Agency, and \$125,000 for the Lake Erie Commission.
- The budget appropriates GRF funding totaling \$139.1 million in FY 2022 and \$143.4 million in FY 2023 for reimbursements to counties for indigent defense, increases of 60.8% and 3.0%, respectively.
- The budget provides new GRF funding for grants to law enforcement agencies, including in each fiscal year \$5.0 million for body camera programs, \$4.0 million for crime reduction, \$1.0 million for sexual assault kit result investigations, and \$500,000 for hiring and training peace officers. The budget provides \$15.0 million from the GRF for a law enforcement reimbursement training pilot program. The budget also appropriates \$1.0 million in FY 2022 and \$0.4 million in FY 2023 for the Rapid DNA Pilot Project.
- The budget appropriates \$13.1 million in FY 2022 and \$13.2 million in FY 2023 from the GRF for the Recovery Ohio Law Enforcement program, increases of 72.7% and 0.6%, respectively.
- The budget provides \$2.7 million in each fiscal year for the Ohio School Safety Center, an increase of \$2.5 million over FY 2021.
- The budget appropriates new GRF funding in FY 2022 of \$2.5 million for victims of crime. It provides \$10.0 million in GRF for Rape Crisis Centers in FY 2022, an increase of \$5.2 million over FY 2021, and \$7.3 million in FY 2023. The budget also provides \$5.0 million in FY 2022 and \$2.5 million in FY 2023, an increase over \$1.0 million in FY 2021 for domestic violence programs.

# Total (State and Federal) GRF Appropriations by Agency

Agency	FY 2020 (Actual)	FY 2021 (Actual)	FY 2022 (Appropriations)	FY 2023 (Appropriations)
Department of Medicaid	\$14,741,419,399	\$17,426,610,987	\$15,205,022,441	\$19,290,613,222
Department of Education	\$7,847,146,801	\$7,883,356,109	\$8,273,242,609	\$8,448,759,273
Department of Higher Education	\$2,606,111,633	\$2,683,810,500	\$2,757,416,530	\$2,760,735,757
Department of Rehabilitation and Correction	\$1,835,495,640	\$1,810,072,312	\$1,956,546,666	\$2,025,230,031
Revenue Distribution Fund	\$1,800,604,697	\$1,805,991,231	\$1,834,400,000	\$1,854,000,000
Department of Job and Family Services	\$830,310,349	\$834,622,634	\$983,585,161	\$977,021,912
Department of Developmental Disabilities	\$675,708,772	\$622,532,435	\$722,874,312	\$813,353,021
Ohio Facilities Construction Commission	\$453,796,855	\$312,377,125	\$457,373,976	\$426,732,443
Department of Mental Health and Addiction Services	\$434,416,464	\$442,083,741	\$499,233,780	\$505,052,457
Public Works Commission	\$270,369,498	\$176,450,699	\$297,000,000	\$290,500,000
Department of Youth Services	\$217,156,378	\$206,487,249	\$223,230,064	\$228,735,282
Judiciary/Supreme Court	\$183,127,764	\$183,027,691	\$191,405,688	\$196,022,005
Development Services Agency	\$141,840,382	\$134,592,675	\$148,470,141	\$146,260,141
Department of Administrative Services	\$141,754,185	\$151,464,099	\$159,336,171	\$157,079,287
Department of Natural Resources	\$124,105,454	\$121,983,582	\$145,141,945	\$160,141,945
Department of Health	\$93,817,618	\$100,225,601	\$136,446,298	\$127,696,298
Ohio Public Defender Commission	\$93,095,364	\$92,626,845	\$146,137,425	\$150,832,059
Attorney General	\$81,403,184	\$80,869,975	\$124,500,635	\$101,766,816
Department of Taxation	\$56,946,735	\$53,163,990	\$56,391,613	\$56,655,556
Department of Veterans Services	\$41,234,940	\$48,013,508	\$56,802,163	\$56,227,163
Department of Agriculture	\$36,142,862	\$39,744,512	\$49,540,385	\$49,168,499
Pension Subsidies	\$34,660,488	\$34,975,676	\$35,224,000	\$35,474,000
Auditor of State	\$29,218,962	\$29,081,898	\$30,147,114	\$30,472,391
Department of Public Safety	\$27,666,362	\$38,052,682	\$57,650,397	\$58,158,928
Legislative Service Commission	\$26,239,682	\$27,122,613	\$36,623,290	\$35,523,290
House of Representatives	\$23,399,553	\$23,601,693	\$25,917,274	\$25,917,274
Ohio Arts Council	\$20,147,979	\$13,078,515	\$20,000,000	\$20,000,000
Opportunities for Ohioans with Disabilities Agency	\$17,783,285	\$19,247,438	\$19,823,643	\$19,823,643
Department of Aging	\$16,467,237	\$17,204,124	\$22,508,311	\$22,508,311
Ohio History Connection	\$14,698,947	\$13,703,501	\$15,639,076	\$14,899,076
Senate	\$13,519,012	\$13,017,278	\$15,902,029	\$15,902,029
Ohio School for the Deaf	\$12,180,036	\$12,202,465	\$13,940,430	\$14,164,662
Adjutant General	\$12,069,251	\$11,047,737	\$11,373,667	\$11,646,600
Environmental Protection Agency	\$11,704,453	\$11,395,496	\$9,185,482	\$9,135,482
Ohio State School for the Blind	\$11,404,645	\$11,472,582	\$12,599,774	\$12,801,135
Secretary of State	\$11,324,551	\$10,600,485	\$13,624,196	\$13,624,196
Treasurer of State	\$10,896,130	\$11,020,401	\$11,282,488	\$11,277,488
Broadcast Educational Media Commission	\$9,556,889	\$8,755,911	\$10,023,975	\$10,051,717
Department of Transportation	\$9,062,482	\$8,607,835	\$8,569,687	\$9,554,687
Ohio Civil Rights Commission	\$5,909,891	\$5,499,840	\$6,118,897	\$6,538,548
State Library Board	\$5,495,175	\$4,819,201	\$5,078,122	\$5,078,122
Capitol Square Review and Advisory Board	\$4,887,189	\$4,477,629	\$5,622,663	\$5,472,663
Court of Claims	\$4,087,174	\$7,685,294	\$3,599,785	\$3,687,466
Office of Budget and Management	\$4,058,623	\$3,484,653	\$4,128,353	\$4,128,353
State Employment Relations Board	\$3,830,713	\$3,674,825	\$4,111,118	\$4,216,551
Commission on Minority Health	\$3,221,970	\$3,712,956	\$5,089,716	\$5,089,716
Office of the Governor	\$2,985,708	\$2,367,690	\$2,973,034	\$2,973,034
Veterans' Organizations	\$2,105,256	\$1,654,047	\$2,475,000	\$2,475,000
Ethics Commission	\$1,881,845	\$1,816,925	\$2,120,515	\$2,120,515
Board of Tax Appeals	\$1,593,806	\$1,435,543	\$1,753,243	\$1,803,160
Inspector General	\$1,327,954	\$1,333,238	\$1,403,910	\$1,437,000
Judicial Conference of Ohio	\$947,251	\$885,028	\$1,046,464	\$1,083,265
Joint Legislative Ethics Committee	\$541,318	\$541,770	\$625,000	\$625,000
Environmental Review Appeals Commission	\$497,136	\$626,253	\$651,000	\$651,000
Joint Committee on Agency Rule Review	\$472,760	\$481,290	\$570,000	\$570,000
Commission on Hispanic/Latino Affairs	\$458,899	\$397,941	\$464,047	\$464,047
Ohio Elections Commission	\$436,420	\$404,282	\$394,765	\$394,765
Expositions Commission	\$325,097	\$194,039	\$261,900	\$363,750
Commission on Service and Volunteerism	\$304,551	\$284,553	\$529,252	\$529,252
Joint Education Oversight Committee	\$92,929	\$0	\$0	\$0
Funeral Directors Board	\$60,778	\$197,154	\$1,000,000	\$1,000,000
Joint Medicaid Oversight Committee	\$4,774	\$341,790	\$371,848	\$575,083
<i>GRF - State</i>	<i>\$22,477,270,374</i>	<i>\$22,832,379,743</i>	<i>\$24,168,930,660</i>	<i>\$26,068,065,623</i>
<i>GRF - Federal</i>	<i>\$10,586,261,762</i>	<i>\$12,738,232,027</i>	<i>\$10,675,590,808</i>	<i>\$13,176,728,743</i>
<b>GRF - Total</b>	<b>\$33,063,532,136</b>	<b>\$35,570,611,770</b>	<b>\$34,844,521,468</b>	<b>\$39,244,794,366</b>
<b>Medicaid</b>				
<i>GRF - State</i>	<i>\$4,885,581,891</i>	<i>\$5,356,146,605</i>	<i>\$5,298,794,020</i>	<i>\$6,973,345,764</i>
<i>GRF - Federal</i>	<i>\$10,586,261,762</i>	<i>\$12,738,232,027</i>	<i>\$10,675,590,808</i>	<i>\$13,176,728,743</i>
<b>GRF - Total</b>	<b>\$15,471,843,653</b>	<b>\$18,094,378,631</b>	<b>\$15,974,384,828</b>	<b>\$20,150,074,507</b>
Non-GRF - Total	\$12,760,523,831	\$13,648,382,562	\$18,898,101,898	\$16,099,949,261
<b>All-Funds - Total</b>	<b>\$28,232,367,484</b>	<b>\$31,742,761,194</b>	<b>\$34,872,486,726</b>	<b>\$36,250,023,768</b>