

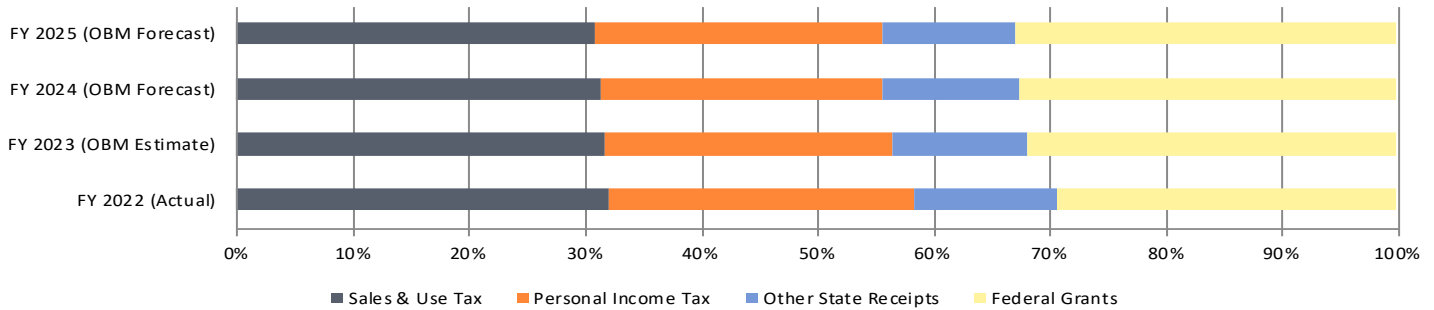
# Legislative Budget Office of the Legislative Service Commission

## Main Operating Budget House Bill 33 – As Introduced

### Budget in Brief

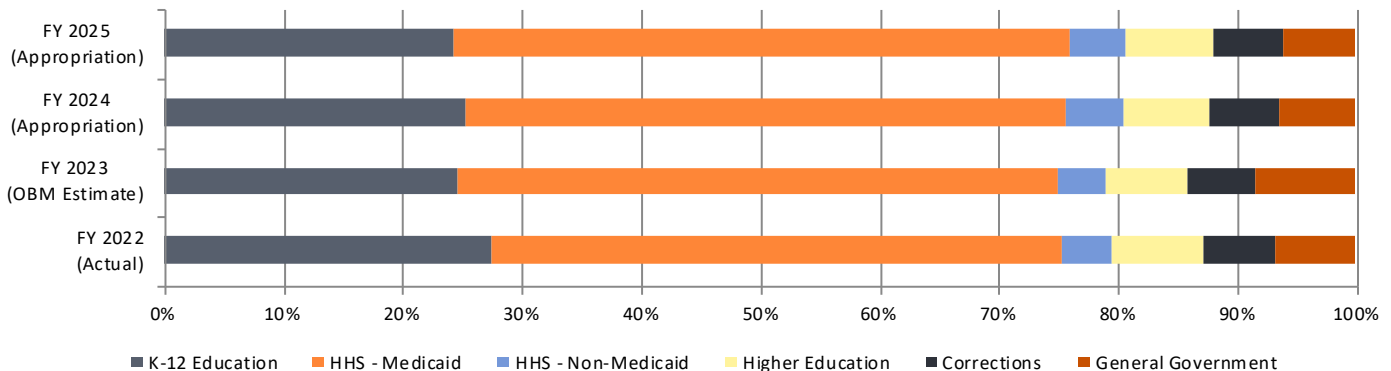
Where do GRF moneys come from?

Source	FY 2022	FY 2023	FY 2024	FY 2025
Sales & Use Tax	\$13,029.6	\$13,431.3	\$13,655.5	\$14,188.9
Personal Income Tax	\$10,752.2	\$10,428.7	\$10,517.7	\$11,306.6
Other State Receipts	\$4,981.1	\$4,883.7	\$5,166.8	\$5,196.3
Federal Grants	\$11,897.3	\$13,451.9	\$14,117.4	\$15,062.8
<b>GRF Source Total</b>	<b>\$40,660.2</b>	<b>\$42,195.7</b>	<b>\$43,457.4</b>	<b>\$45,754.6</b>
<b>% Change</b>		<b>3.8%</b>	<b>3.0%</b>	<b>5.3%</b>
<b>GRF Tax Total</b>	<b>\$28,152.5</b>	<b>\$28,375.7</b>	<b>\$28,716.9</b>	<b>\$30,112.9</b>
<b>% Change</b>		<b>0.8%</b>	<b>1.2%</b>	<b>4.9%</b>



Where do GRF moneys go?

Program Category	FY 2022 (Actual)	FY 2023 (OBM Estimate)	FY 2024 (Appropriation)	FY 2025 (Appropriation)
K-12 Education	\$9,852.9	\$10,083.2	\$10,747.9	\$10,872.6
HHS - Medicaid	\$17,079.3	\$20,579.5	\$21,257.0	\$22,990.3
HHS - Non-Medicaid	\$1,516.5	\$1,675.9	\$2,080.0	\$2,113.2
Higher Education	\$2,742.3	\$2,763.0	\$3,028.4	\$3,300.2
Corrections	\$2,163.5	\$2,319.8	\$2,491.9	\$2,631.9
General Government	\$2,405.9	\$3,459.9	\$2,697.2	\$2,682.6
<b>GRF Program Total</b>	<b>\$35,760.4</b>	<b>\$40,881.4</b>	<b>\$42,302.5</b>	<b>\$44,590.8</b>
<b>% Change</b>		<b>14.3%</b>	<b>3.5%</b>	<b>5.4%</b>



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. 33, as introduced, provides state and federal GRF appropriations totaling \$42.30 billion for FY 2024 and \$44.59 billion for FY 2025, increases of 3.5% and 5.4%, respectively. Medicaid (50.9%) and K-12 Education (24.9%) together make up 75.8% of the biennial total. State-source GRF appropriations total \$28.08 billion in FY 2024 and \$29.42 billion in FY 2025, increases of 2.9% and 4.8%, respectively. K-12 Education and Medicaid represent 37.6% and 25.8%, respectively, of the biennial total. Across all funds, appropriations total \$95.50 billion in FY 2024 and \$95.17 billion in FY 2025, decreases of 0.6% and 0.3%.

## Medicaid, Health, and Other Human Services

- Across all agencies and funds, funding for Medicaid totals \$41.30 billion in FY 2024 and \$43.53 billion in FY 2025, increases of 4.9% and 5.4%. The federal share is expected to be 69.7% over the biennium. The GRF portion is \$21.26 billion (51.5%) in FY 2024 and \$22.99 billion (52.8%) in FY 2025.
- The state share of GRF Medicaid spending is \$7.04 billion in FY 2024 and \$7.82 billion in FY 2025, increases of 0.8% and 11.1%, respectively. The 6.2 percentage point enhancement in the federal reimbursement rate in place during the pandemic will be completely phased-out by the end of December 2023, midway through FY 2024.
- H.B. 33 increases Medicaid eligibility for pregnant women and children under 19 with incomes up to 300% of the federal poverty level and grants coverage with no income requirement to certain children adopted through private agencies as well as children adopted through public agencies.
- H.B. 33 transfers \$1.00 billion cash from the FY 2023 GRF ending balance to the Health and Human Services Reserve Fund to support the Medicaid program, if needed.
- H.B. 33 establishes a new Department of Children and Youth (DCY) to consolidate early childhood programs. GRF appropriations for the new agency total \$802.1 million in FY 2024 and \$809.9 million in FY 2025.
- DCY's GRF appropriations include: \$145.0 million in FY 2024 and \$155.0 million in FY 2025 for the state child protection allocation to public children service agencies, increases of 20.8% and 6.9%; \$114.2 million in each fiscal year for early childhood education, an increase of \$46.1 million (67.7%) over FY 2023; \$93.6 million in each fiscal year as state match for publicly funded child care, an increase of 12.2% over FY 2023; \$55.0 million in FY 2024 and \$64.4 million in FY 2025 for Help Me Grow, increases of 32.8% and 17.1%; \$11.3 million in each fiscal year for early childhood mental health, 8 times the FY 2023 GRF funding; \$15.0 million in FY 2024 to support stable housing for pregnant and new mothers.
- H.B. 33 appropriates \$318.6 million in FY 2024 and \$344.3 million in FY 2025, increases of 17.6% and 8.1% from the GRF for the state's psychiatric hospitals and \$20.7 million in FY 2024 and \$25.8 million in FY 2025 in new GRF funding for the 988 Suicide and Crisis Lifeline.
- H.B. 33 transfers \$140.0 million cash from the FY 2023 GRF ending balance to the Statewide Treatment and Prevention Fund and appropriates \$110.0 million in FY 2024 to create the State of Ohio Action for Resiliency (SOAR) Network; and \$30.0 million in FY 2024 to construct transitional step-down facilities for court involved patients of state psychiatric hospitals.
- H.B. 33 appropriates from the State Fiscal Recovery Fund (ARPA) in FY 2024, \$150.0 million to ODJFS for child care, \$50.0 million to OhioMHAS for pediatric behavioral health, and \$40.0 million to ODA for healthy aging grants to local partners.
- H.B. 33 appropriates \$20.0 million in each fiscal year, funded by a GRF transfer, for tobacco use prevention and cessation, an increase of 37.3% over FY 2023.

## K-12 Education

- H.B. 33 continues to phase in the school funding formula enacted in H.B. 110 of the 134th General Assembly at 50% in FY 2024 and almost 67% in FY 2025 and appropriates \$9.66 billion in FY 2024 and \$9.87 billion in FY 2025 for formula funding to school districts, joint vocational school districts (technical centers), community and STEM schools, and participating chartered nonpublic schools through the state's various scholarship programs. These appropriations are funded through a combination of GRF, including a transfer from the GRF to the Student Wellness and Success Fund of \$600.0 million in each fiscal year, and lottery profits. H.B. 33 increases eligibility for the expansion EdChoice scholarship to families with incomes up to 400% of the federal poverty level.
- H.B. 33 appropriates \$1.21 billion in FY 2024 and \$1.22 billion in FY 2025 for property tax rollbacks and the homestead exemption for school districts.
- H.B. 33 appropriates \$125.0 million in each fiscal year from lottery profits, an increase of \$71.0 million over FY 2023, to make payments to community schools that meet certain quality standards, increasing the annual per pupil amount compared to FY 2023 from \$1,750 to \$3,000 for economically-disadvantaged students, and from \$1,000 to \$2,250 for all other students. H.B. 33 also appropriates \$87.1 million in FY 2024 and \$88.6 million in FY 2025, increases of 107.3% and 1.7% for community school facilities, increasing the annual per pupil amount for brick and mortar schools from \$500 to \$1,000 compared to FY 2023.
- New GRF funding for the Department of Education includes \$194.1 million in each fiscal year to be provided to public and nonpublic schools to support the cost of school resource officers; \$50.0 million in each fiscal year to assist public schools in establishing or expanding career-technical programs; \$43.0 million in each fiscal year to reimburse public schools for stipends to teachers to complete professional development in reading; \$64.0 million in FY 2024 to subsidize the cost for public schools to purchase curricula and materials for English language arts and reading intervention; \$15.0 million in FY 2025 for tutoring; \$7.5 million in each fiscal year for school-based health centers; \$7.5 million in each fiscal year to support teacher credentialing to teach College Credit Plus courses; and \$3.2 million in each fiscal

year for the Ohio Military Veterans Educators Program to assist veterans in becoming teachers.

- H.B. 33 transfers \$200.0 million cash from the FY 2023 GRF ending balance to the Career-Technical Construction Program Fund and appropriates that amount in FY 2024 to the Facilities Construction Commission to assist with construction projects that establish or expand career-technical education programs.
- H.B. 33 appropriates \$26.0 million in each fiscal year from the GRF to support high school students obtaining industry-recognized credentials or completing work-based learning, an increase of 26.8% over FY 2023.

#### **Higher Education**

- The state share of instruction (SSI) is funded at \$2.14 billion in FY 2024 and \$2.20 billion in FY 2025, increases of 3.0% each fiscal year. H.B. 33 prohibits increases in instructional and general fees over the biennium for state colleges and universities and limits increases to \$5 per credit hour per year for community colleges.
- H.B. 33 appropriates \$216.2 million in FY 2024 and \$346.1 million in FY 2025 for OCOG, Ohio's needs-based financial aid program, increases of 92.2% and 60.1%. The bill increases both eligibility and awards for new students.
- New GRF funding for the Department of Higher Education includes: \$40.0 million in each fiscal year to support underrepresented students; \$30.0 million in each fiscal year to address training to support economic and workforce development; \$18.0 million in FY 2024 and \$34.2 million in FY 2025 to provide \$5,000 per year merit scholarships; \$14.3 million in FY 2024 and \$26.6 million in FY 2025 for need-based grants to students in 2-year colleges; \$18.5 million in each fiscal year to expand grades 7-12 computer science courses; \$10.0 million in each fiscal year to support behavioral health at higher education institutions; \$2.5 million in FY 2024 and \$11.0 million in FY 2025 for mentorship program scholarships; \$3.0 million in FY 2024 and \$3.3 million in FY 2025 to encourage college applications; and \$3.8 million in FY 2025 for the new Teacher Apprenticeship Program.
- H.B. 33 appropriates from the State Fiscal Recovery Fund (ARPA) in FY 2024 \$200.0 million for Super RAPIDS projects that strengthen education and training for workforce development; \$2.5 million in each fiscal year for an internship pilot program.

#### **Local Government, Economic Development, and Other Initiatives**

- H.B. 33 increases the percentage of GRF tax revenue going to the Local Government Fund and the Public Library Fund from 1.66% to 1.70%, which is expected to provide \$505.0 million in FY 2024 and \$530.0 million in FY 2025 for each fund.
- H.B. 33 transfers \$2.40 billion cash from the FY 2023 GRF ending balance to the All Ohio Future's Fund to provide loans, grants, and other incentives to promote economic development.
- H.B. 33 transfers \$150.0 million cash from the FY 2023 GRF ending balance to the Innovation Hubs Fund and appropriates that amount in FY 2024 to the Department of Development for research and development facilities, recruitment, and other related uses.
- H.B. 33 appropriates \$267.0 million in FY 2024 from the federal ARPA capital projects revenue to the Department of Development.
- H.B. 33 appropriates \$25.2 million in each fiscal year from the GRF for the TechCred Program to support working adults in obtaining technology-focused credentials.
- H.B. 33 appropriates \$7.5 million in each fiscal year from the GRF to fund industry sector partnership grants, \$5.0 million over FY 2023.
- H.B. 33 transfers \$307.2 million cash from the FY 2023 GRF ending balance to the H2Ohio Fund and appropriates \$69.0 million in FY 2024 and \$69.1 million in FY 2025 for the Department of Agriculture, \$53.1 million in each fiscal year for the Department of Natural Resources, \$31.4 million in each fiscal year for the Environmental Protection Agency, and \$132,000 in each fiscal year for the Lake Erie Commission.
- H.B. 33 appropriates \$1.6 million in FY 2024 and \$1.3 million in FY 2025 in new GRF funding for the Buckeye State Tree Nursery to produce tree seedlings.
- H.B. 33 transfers \$190.0 million cash from the FY 2023 GRF ending balance to the EXPO 2050 Fund and appropriates \$95.0 million in each fiscal year to the Ohio Expositions Commission.
- H.B. 33 transfers \$125.0 million cash from the FY 2023 GRF ending balance to the Rail Safety Crossing Fund and appropriates that amount in FY 2024 to the Department of Transportation to provide the state match for federal grants.
- H.B. 33 transfers \$65.0 million cash from the FY 2023 GRF ending balance to the Veterans Homes Modernization Fund and appropriates that amount in FY 2024 to the Department of Veterans Services.
- H.B. 33 appropriates \$1.37 billion in FY 2024 and \$1.46 billion in FY 2025 for the operation of Ohio's prisons, increases of 8.8% and 6.7%.
- H.B. 33 transfers \$50.0 million cash from the FY 2023 GRF ending balance to the Local Jail Grants Fund and appropriates \$25.0 million in each fiscal year to the Department of Rehabilitation and Correction.
- H.B. 33 appropriates \$40.0 million in each fiscal year from the GRF for law enforcement training, an increase of 348.5% over the FY 2023 amount; and \$500,000 in FY 2024 and \$750,000 in FY 2025 of new GRF funding for the Ohio Law Enforcement Gateway (OHLEG).
- H.B. 33 appropriates \$28.3 million in FY 2024 and \$30.2 million in FY 2025 in GRF funding to offset MARCS fees for local public safety agencies; \$18.2 million in FY 2024 and \$17.8 million in FY 2025 in new GRF funding for Next Generation 911; and \$13.1 million in each fiscal year of new GRF funding for the Ohio Narcotics Intelligence Center.
- H.B. 33 appropriates \$166.1 million in FY 2024 and \$171.9 million in FY 2025 from the GRF for reimbursements to counties for indigent defense, increases of 15.7% and 3.5%.

# Total (State and Federal) GRF Appropriations by Agency

Agency	FY 2022 (Actual)	FY 2023 (OBM Estimate)	FY 2024 (Appropriations)	FY 2025 (Appropriations)
Department of Medicaid	\$16,315,536,808	\$19,712,003,329	\$20,354,748,769	\$22,003,452,372
Department of Education	\$8,211,630,209	\$8,452,783,863	\$8,997,667,359	\$9,182,353,905
Department of Higher Education	\$2,742,297,802	\$2,763,032,742	\$3,028,447,052	\$3,300,232,296
Department of Rehabilitation and Correction	\$1,936,525,341	\$2,087,798,799	\$2,226,874,100	\$2,362,036,200
Revenue Distribution Fund	\$1,818,201,558	\$1,854,000,000	\$1,845,916,000	\$1,857,992,000
Department of Developmental Disabilities	\$723,230,467	\$817,161,018	\$833,006,489	\$910,490,007
Department of Children and Youth	\$0	\$0	\$802,097,881	\$809,862,836
Department of Job and Family Services	\$906,544,631	\$1,036,642,241	\$665,331,939	\$659,988,778
Department of Mental Health and Addiction Services	\$488,921,740	\$516,970,364	\$623,438,097	\$653,313,208
Ohio Facilities Construction Commission	\$452,615,208	\$427,697,932	\$412,626,827	\$340,098,168
Public Works Commission	\$285,944,484	\$370,300,000	\$277,600,000	\$276,900,000
Department of Youth Services	\$226,996,907	\$232,028,483	\$265,056,700	\$269,911,100
Judiciary/Supreme Court	\$188,135,098	\$197,771,168	\$206,748,336	\$214,244,544
Department of Administrative Services	\$145,662,229	\$158,804,574	\$199,919,150	\$188,935,738
Attorney General	\$116,422,665	\$114,784,568	\$185,183,469	\$181,302,916
Ohio Public Defender Commission	\$146,370,807	\$151,373,197	\$175,912,300	\$183,349,100
Department of Natural Resources	\$129,631,599	\$173,263,436	\$175,006,130	\$171,582,129
Development Services Agency	\$138,361,120	\$841,827,697	\$155,564,866	\$137,574,866
Department of Health	\$122,099,036	\$129,766,763	\$123,366,844	\$127,051,331
Department of Public Safety	\$93,733,635	\$122,480,904	\$101,502,864	\$99,082,000
Department of Transportation	\$51,245,454	\$156,749,992	\$65,514,636	\$66,514,636
Department of Veterans Services	\$56,357,501	\$57,338,046	\$60,428,154	\$62,879,670
Department of Taxation	\$55,432,526	\$58,389,210	\$60,295,930	\$60,684,643
Department of Agriculture	\$57,987,986	\$54,656,405	\$51,805,500	\$53,030,300
Legislative Service Commission	\$29,841,518	\$52,687,926	\$42,022,202	\$40,772,202
Pension Subsidies	\$34,955,237	\$35,474,000	\$35,683,000	\$36,183,000
Auditor of State	\$31,493,666	\$32,077,420	\$35,143,388	\$36,423,514
House of Representatives	\$24,685,387	\$30,250,000	\$30,250,000	\$30,250,000
Ohio State School for the Blind	\$13,481,454	\$13,330,742	\$30,214,631	\$30,634,214
Department of Aging	\$19,232,661	\$22,711,510	\$28,286,365	\$27,440,343
Opportunities for Ohioans with Disabilities Agency	\$19,944,444	\$19,827,829	\$27,226,137	\$32,420,759
Ohio History Connection	\$15,639,076	\$15,399,076	\$22,785,470	\$25,998,304
Ohio Arts Council	\$21,223,683	\$20,085,698	\$20,352,895	\$20,413,958
Senate	\$14,509,901	\$25,209,179	\$20,000,000	\$20,000,000
Adjutant General	\$12,644,704	\$11,852,572	\$14,349,875	\$14,714,049
Environmental Protection Agency	\$9,983,506	\$9,135,482	\$13,864,712	\$13,907,712
Secretary of State	\$10,298,824	\$14,108,392	\$13,090,000	\$13,590,000
Broadcast Educational Media Commission	\$9,937,991	\$10,225,381	\$10,346,789	\$10,346,789
Treasurer of State	\$11,533,533	\$11,584,409	\$7,598,645	\$6,552,205
Ohio Civil Rights Commission	\$6,241,302	\$6,760,846	\$6,963,000	\$7,172,000
Capitol Square Review and Advisory Board	\$5,366,852	\$6,750,596	\$6,750,596	\$6,750,596
Commission on Minority Health	\$3,749,052	\$5,137,050	\$5,667,794	\$5,701,644
State Library Board	\$5,124,336	\$5,180,060	\$5,439,063	\$5,439,063
Office of Budget and Management	\$4,278,788	\$4,308,573	\$4,502,924	\$4,592,399
State Employment Relations Board	\$3,992,713	\$4,340,463	\$4,421,423	\$4,466,029
Court of Claims	\$12,142,381	\$5,156,633	\$4,024,854	\$4,190,824
Office of the Governor	\$2,874,033	\$3,095,179	\$3,218,986	\$3,218,986
Veterans' Organizations	\$2,420,000	\$2,475,000	\$2,475,000	\$2,475,000
Ethics Commission	\$1,733,095	\$2,191,365	\$2,288,900	\$2,305,100
Board of Tax Appeals	\$1,624,493	\$1,840,997	\$2,085,559	\$2,146,907
Inspector General	\$1,473,744	\$1,479,085	\$1,941,100	\$2,078,000
Judicial Conference of Ohio	\$1,076,674	\$1,116,066	\$1,192,621	\$1,231,753
Board of Embalmers and Funeral Directors	\$674,339	\$1,000,000	\$1,000,000	\$1,000,000
Air Quality Development Authority	\$0	\$0	\$1,000,000	\$1,000,000
Environmental Review Appeals Commission	\$655,915	\$660,756	\$693,800	\$728,500
Commission on Service and Volunteerism	\$479,804	\$540,890	\$685,106	\$693,988
Joint Legislative Ethics Committee	\$621,757	\$625,000	\$625,000	\$625,000
Joint Committee on Agency Rule Review	\$498,458	\$680,000	\$610,000	\$620,000
Commission on Hispanic/Latino Affairs	\$430,508	\$476,360	\$479,000	\$490,000
Ohio Elections Commission	\$398,454	\$404,044	\$415,500	\$432,000
Joint Medicaid Oversight Committee	\$252,519	\$575,000	\$407,933	\$591,501
Expositions Commission	\$350,643	\$363,750	\$380,000	\$380,000
Ohio School for the Deaf	\$14,623,645	\$14,621,112	\$0	\$0
<i>GRF - State</i>	\$23,869,166,199	\$27,280,748,930	\$28,083,514,481	\$29,418,756,501
<i>GRF - Federal</i>	\$11,891,207,699	\$13,600,614,243	\$14,219,027,179	\$15,172,082,581
<b>GRF - Total</b>	<b>\$35,760,373,898</b>	<b>\$40,881,363,173</b>	<b>\$42,302,541,660</b>	<b>\$44,590,839,082</b>
<b>Medicaid</b>				
<i>GRF - State</i>	\$5,188,119,575	\$6,978,890,227	\$7,037,987,769	\$7,818,224,663
<i>GRF - Federal</i>	\$11,891,207,699	\$13,600,614,243	\$14,219,027,179	\$15,172,082,581
<b>GRF - Total</b>	<b>\$17,079,327,274</b>	<b>\$20,579,504,470</b>	<b>\$21,257,014,948</b>	<b>\$22,990,307,244</b>
Non-GRF - Total	\$17,973,453,266	\$18,810,065,243	\$20,046,139,101	\$20,535,181,145
<b>All-Funds - Total</b>	<b>\$35,052,780,541</b>	<b>\$39,389,569,713</b>	<b>\$41,303,154,049</b>	<b>\$43,525,488,389</b>