

Greenbook

LBO Analysis of Enacted Budget

Department of Development

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August 2025

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Attachment:

Appropriation Spreadsheet

LBO Greenbook

Department of Development

Quick look...

- The Department of Development (DEV) administers programs to assist businesses and promote economic and community development.
- H.B. 96 appropriates \$874.2 million over the biennium to support broadband expansion and \$125.0 million under two new programs for housing development.
- H.B. 96 transfers the administration of the Community Services Block Grant and various energy assistance programs to the Ohio Department of Job and Family Services (ODJFS) in FY 2027. For FY 2026, the appropriations for these programs total \$679.4 million.
- From FY 2026 to FY 2027, appropriations decrease by 71.2%, largely driven by the transfer of programs to ODJFS and grant programs with appropriations only in FY 2026 and a \$793.0 million appropriation for broadband expansion in FY 2026.

Fund Group	FY 2024 Actual	FY 2025 Actual	FY 2026 Appropriation	FY 2027 Appropriation
General Revenue	\$730,513,012	\$150,685,222	\$139,189,660	\$143,837,245
Dedicated Purpose	\$1,040,831,115	\$1,275,975,098	\$763,479,044	\$293,143,823
Internal Service	\$14,489,086	\$15,433,425	\$15,513,246	\$15,859,260
Facilities Establishment	\$45,626,140	\$50,250,387	\$69,459,026	\$16,000,000
Bond Research & Development	\$43,318,793	\$60,453,151	\$104,710,000	\$24,710,000
Federal	\$478,667,559	\$391,561,259	\$1,375,101,691	\$216,713,916
Total	\$2,353,445,705	\$1,944,358,543	\$2,467,452,667	\$710,264,244
% change	--	-17.4%	26.9%	-71.2%
GRF % change	--	-79.4%	-7.6%	3.3%

Overview

The Department of Development (DEV) is organized into seven program divisions and an operations division. The Community Services Division administers aid for low-income people in Ohio, such as programs to assist in the payment of electric bills or weatherization costs. Additionally, the Division supports various housing programs, including the Ohio Housing Trust Fund, oversees redevelopment programs, as well as federal Community Development Block Grant (CDBG) funding. The Strategic Investment Division works with JobsOhio in packaging business attraction or expansion incentives and monitoring awards, promoting manufacturing and exports, as well as technology investment through DEV's Third Frontier Program. In collaboration with the Strategic Investment Division, the Minority Business Division provides small, minority, and disadvantaged businesses access to state financial assistance programs and

technical assistance. The BroadbandOhio Office works with internet providers to implement the state's strategy to increase high-speed internet access to underserved and unserved Ohioans across the state. Also housed within DEV is the Governor's Office of Appalachia, Governor's Office Liaisons, and the Governor's Office of Workforce Transformation. Lastly, the Operations Division includes DEV's finance, information technology, legal, human resources, and communications functions. For administrative purposes, the Division also oversees the Office of TourismOhio.

Budget highlights

Programs moving to ODJFS

H.B. 96 includes the transfer of various programs from DEV to ODJFS. In FY 2026, these programs total \$679.4 million in appropriations.

Low-income customer assistance programs

H.B. 96 transfers the administration of existing low-income customer assistance programs from DEV to ODJFS beginning July 1, 2026. Under ongoing law, these programs include the Percentage of Income Payment Plan (PIPP) Program, the Home Energy Assistance Program (HEAP), the Home Weatherization Assistance Program (HWAP), and the Targeted Energy Efficiency and Weatherization Program. As part of this transfer, ODJFS will be responsible for establishing (1) a consumer education program for customers who are eligible to participate in the low-income customer assistance programs, and (2) an energy and efficiency and weatherization program targeted to high-cost, high-volume use structures occupied by customers who are eligible to participate in the PIPP Program.

Community Services Block Grant

The bill also transfers the administration of the Community Services Block Grant from DEV to ODJFS. The Block Grant provides a variety of anti-poverty services for low-income individuals and households. These may include housing, nutrition, utility, and transportation assistance; employment; crisis and emergency services; and various other eligible activities.

Broadband expansion

Over the biennium, H.B. 96 appropriates \$874.2 million to support broadband expansion.

Ohio Residential Broadband Expansion Grant Program

In June of 2023, the U.S. Department of Commerce announced \$793.0 million in additional funding to be awarded to Ohio for the Ohio Residential Broadband Expansion Grant Program (ORBEG). This funding is appropriated in FY 2026 under Fund 3IF0 ALI 1956E4, Broadband Equity, Access, and Deployment (BEAD) Program. Established by H.B. 2 of the 134th General Assembly, ORBEG is designed to fund last-mile broadband infrastructure projects in areas currently lacking access to reliable, high-speed internet. These projects are expected to provide internet service with speeds of at least 100/100 megabits per second (Mbps) upon completion, significantly improving broadband access in underserved areas. The program also requires participating internet service providers to engage in the Federal Communications Commission's Affordable Connectivity Program, offering a \$30 per month subsidy for low-income families.

Broadband Pole Replacement and Undergrounding Program

In the last biennium, the Broadband Pole Replacement and Undergrounding Program, supported by Fund 5A11 ALI 1956G9, was created to provide reimbursements to providers of qualifying broadband service for utility pole replacements, mid-span pole installations, and undergrounding that accommodates facilities used to provide qualifying broadband service. Reimbursements under the program are the lesser of \$7,500 or 75% of the total amount paid by the applicant for mid-span pole installation costs. In FY 2026, nearly \$31.3 million is appropriated for this program.

U.S. Route 30 OARnet Broadband Extension project

Fund 5A00 ALI 1956H2, Priority Projects, earmarks \$10.45 million in FY 2026 and \$9.55 million in FY 2027 for the U.S. Route 30 OARnet Broadband Extension project. This project will establish 260 miles of fiber at an estimated per-mile cost between \$60,000 and \$100,000. Overall, this project will connect the Lima and Canton areas with the Air National Guard's 179th Cyberspace Wing, located in Mansfield, as an anchor tenant. This infrastructure will also act as middle-mile infrastructure enabling more Ohioans to connect to high-speed internet.

New housing programs

H.B. 96 creates two new programs with appropriations totaling \$125.0 million to increase housing stock in the state.

Residential Development Revolving Loan Program

H.B. 96 establishes a new revolving loan program to fund improvements to infrastructure necessary to support construction of new, single-family residential dwellings in counties with populations less than 75,000 that issued fewer new construction permits for single-family homes than the most recent state average. The loan amount is limited to 50% of the cost of the infrastructure developments, repairs, or upgrades, or \$30,000 per single-family residential dwelling to be served by that infrastructure, whichever is less. This program is capitalized by a \$100.0 million cash transfer in FY 2026 from the GRF to the Residential Development Revolving Loan Program Fund (Fund 5CT1) and appropriated under Fund 5CT1 ALI 1956B8, Residential Development Revolving Loan Program. The unexpended, unencumbered portion of the FY 2026 appropriation is reappropriated for use in FY 2027.

Residential Economic Development District Program

The budget establishes a new grant program for counties, townships, and municipal corporations located within 20 miles of a "major economic development project" that adopt pro-housing policies and approve a workforce housing project with a minimum of 100 units. Under the program, applicants may collaborate with a housing developer, a port authority, a council of government, a regional planning commission, or one or more other counties, townships, or municipal corporations. Specifically, the grant program provides funds for local housing development grants and loans, acquisition and initial site development, housing-related infrastructure projects, service or public safety needs, and purposes deemed appropriate by the DEV Director. This program is appropriated \$10.0 million in FY 2026 and \$15.0 million in FY 2027 under GRF ALI 1954A7, Residential Economic Development District Program.

Analysis of FY 2026-FY 2027 budget

Introduction

This section analyzes the funding for each appropriation line item (ALI) in the Department of Development's (DEV) budget. For organizational purposes, these ALIs are grouped into nine major categories based on their funding purposes. The analysis for an ALI with a lower category or subcategory designation will appear before that for an ALI with a higher category or subcategory designation. That is, the analysis for an ALI with a category designation of C1:4 will appear before the analysis for an ALI with a category designation of C2:1.

To aid the reader in locating each ALI in the analysis, the following table shows the category in which each ALI has been placed, listing the ALIs in order within their respective fund groups and funds. This is the same order the ALIs appear in the DEV section of the budget bill.

In the analysis, each appropriation item's expenditures for FY 2025 and appropriations for FY 2026 and FY 2027 are listed in a table. Following the table, a narrative describes how the appropriation is used and any changes affecting the appropriation that are proposed by the Governor. If the appropriation is earmarked, the earmarks are listed and described.

Categorization of DEV's Appropriation Line Items for Analysis of FY 2026-FY 2027 Budget				
Fund	ALI	ALI Name		Category
General Revenue Fund Group				
GRF	195402	Coal Research and Development Program	7:4	Technology and R&D
GRF	195405	Minority Business Development	8:3	Small Business Assistance
GRF	195406	Helping Ohioans Stay in their Homes	2:4	Community Assistance
GRF	195415	Business Development Services	9:5	Administration
GRF	195426	Redevelopment Assistance	4:1	Site Development and Capital Project Support
GRF	195453	Technology Programs and Grants	7:1	Technology and R&D
GRF	195454	Small Business and Export Assistance	8:3	Small Business Assistance
GRF	195455	Appalachia Assistance	2:2	Community Assistance
GRF	195497	CDBG Operating Match	2:1	Community Assistance
GRF	195499	BSD Federal Programs Match	7:2	Technology and R&D
GRF	195503	Local Development Projects	2:4	Community Assistance
GRF	1954A7	Residential Economic Development District Program	3:7	Housing Programs
GRF	195537	Ohio-Israel Agricultural Initiative	9:3	Administration
GRF	195553	Industry Sector Partnerships	6:2	Workforce Development
GRF	195556	TechCred Program	6:1	Workforce Development
GRF	195595	Workforce Development Grants	6:5	Workforce Development

Categorization of DEV's Appropriation Line Items for Analysis of FY 2026-FY 2027 Budget				
Fund	ALI	ALI Name		Category
GRF	195901	Coal Research and Development General Obligation Bond Debt Service	7:4	Technology and R&D
GRF	195905	Third Frontier Research and Development General Obligation Bond Debt Service	7:1	Technology and R&D
Dedicated Purpose Fund Group				
4500	195624	Minority Business Bonding Program Administration	8:2	Small Business Assistance
4510	195649	Business Assistance Programs	9:5	Administration
4F20	195639	State Special Projects	1:3	Low-income Assistance
4F20	195655	Workforce Development Programs	6:3	Workforce Development
4F20	195699	Utility Community Assistance	1:3	Low-income Assistance
4F20	1956B7	One-Time Emergency Projects	2:4	Community Assistance
4W10	195646	Minority Business Enterprise Loan	8:2	Small Business Assistance
5AI1	1956G9	Broadband Pole Replacement and Undergrounding Program	5:1	Broadband and Energy Programs
5AO0	1956H2	Priority Projects	2:4	Community Assistance
5AP1	1956H3	Welcome Home Ohio Program	3:3	Housing Programs
5CT1	1956B8	Residential Development Revolving Loan Program	3:5	Housing Programs
5GT0	195550	Broadband Development Grants	5:1	Broadband and Energy Programs
5JR0	195635	Tax Incentives Operating	9:4	Administration
5KP0	195645	Historic Rehabilitation Operating	9:4	Administration
5M40	195659	Low Income Energy Assistance (USF)	1:1	Low-income Assistance
5M50	195660	Advanced Energy Loan Programs	5:2	Broadband and Energy Programs
5MH0	195644	SiteOhio Administration	4:1	Site Development and Capital Project Support
5MJ0	195683	TourismOhio Administration	9:2	Administration
5UL0	195627	Brownfields Revolving Loan Program	4:1	Site Development and Capital Project Support
5UY0	195496	Sports Events Grants	2:3	Community Assistance
5W60	195691	International Trade Cooperative Projects	9:3	Administration
5XH0	195632	Women Owned Business Loans	8:2	Small Business Assistance
5XH0	195694	Micro-Loan	8:2	Small Business Assistance
5XH0	1956I1	Minority Business Development Loan Administration	8:2	Small Business Assistance
5YE0	1956A2	Brownfield Remediation	4:1	Site Development and Capital Project Support

Categorization of DEV's Appropriation Line Items for Analysis of FY 2026-FY 2027 Budget				
Fund	ALI	ALI Name		Category
5YF0	1956A3	Demolition and Site Revitalization	4:1	Site Development and Capital Project Support
6170	195654	Volume Cap Administration	9:6	Administration
6460	195638	Low- and Moderate-Income Housing Programs	3:1	Housing Programs
Internal Service Activity Fund Group				
1350	195684	Development Operations	9:1	Administration
6850	195636	Development Services Reimbursable Expenditures	9:1	Administration
Facilities Establishment Fund Group				
4Z60	195647	Rural Industrial Park Loan	4:3	Site Development and Capital Project Support
5S90	195628	Capital Access Loan Program	8:1	Small Business Assistance
7009	195664	Innovation Ohio	7:3	Technology and R&D
7010	195665	Research and Development	7:3	Technology and R&D
7037	195615	Facilities Establishment	4:2	Site Development and Capital Project Support
Bond Research and Development Fund Group				
7011	195686	Third Frontier Tax Exempt – Operating	7:1	Technology and R&D
7011	195687	Third Frontier Research and Development Projects	7:1	Technology and R&D
7014	195620	Third Frontier Taxable – Operating	7:1	Technology and R&D
7014	195692	Research and Development Taxable Bond Projects	7:1	Technology and R&D
Federal Fund Group				
3080	195581	Energy Efficiency Revolving Loan Fund Capitalization Grant	5:3	Broadband and Energy Programs
3080	195602	Appalachian Regional Commission	2:2	Community Assistance
3080	195603	Housing Assistance Programs	3:4	Housing Programs
3080	195609	Small Business Administration Grants	8:3	Small Business Assistance
3080	195618	Energy Grants	5:2	Broadband and Energy Programs
3080	195670	Home Weatherization Program	1:1	Low-income Assistance
3080	195672	Manufacturing Extension Partnership	7:2	Technology and R&D
3080	195675	Procurement Technical Assistance	8:3	Small Business Assistance
3080	195696	State Trade and Export Promotion	8:3	Small Business Assistance
3350	195610	Energy Programs	5:2	Broadband and Energy Programs
3AE0	195643	Workforce Development Initiatives	6:4	Workforce Development

Categorization of DEV's Appropriation Line Items for Analysis of FY 2026-FY 2027 Budget				
Fund	ALI	ALI Name		Category
3FJ0	195626	Small Business Capital Access and Collateral Enhancement Program	8:1	Small Business Assistance
3IC0	1956D9	Growth Capital Fund	7:2	Technology and R&D
3IC0	1956E1	Early-Stage Focus Fund	7:2	Technology and R&D
3IC0	1956E2	Community Development Financial Institution Loan Participation	8:1	Small Business Assistance
3IC0	1956E3	Collateral Enhancement Program	8:1	Small Business Assistance
3IC0	1956H5	State Small Business Credit Initiative Technical Assistance	8:1	Small Business Assistance
3IF0	1956E4	Broadband Equity, Access, and Deployment (BEAD) Program	5:1	Broadband and Energy Programs
3IF0	1956E5	Broadband Digital Equity Acts Program	5:1	Broadband and Energy Programs
3IM0	195582	Home-Owner Managing Energy Savings Rebate Program	3:6	Housing Programs
3IM0	195583	High-Efficiency Electric Home Rebate Program	3:6	Housing Programs
3K80	195613	Community Development Block Grant	2:1	Community Assistance
3K90	195611	Home Energy Assistance Block Grant	1:1	Low-income Assistance
3K90	195614	HEAP Weatherization	1:1	Low-income Assistance
3L00	195612	Community Services Block Grant	1:2	Low-income Assistance
3V10	195601	HOME Program	3:2	Housing Programs

Category 1: Low-income Assistance

The ALIs described in this category provide assistance to the state's low-income population either directly or to local government or nonprofit entities. The administration of programs under this category are transferred to the Ohio Department of Job and Family Services (ODJFS) in FY 2027.

C1:1: Energy subsidies (ALIs 195659, 195611, 195614, and 195670)

Fund/ALI	FY 2025 Actual	FY 2026 Appropriation	FY 2027 Appropriation
5M40 ALI 195659, Low Income Energy Assistance (USF)	\$350,152,942	\$336,627,830	\$0
% change	--	-3.9%	-100.0%
3K90 ALI 195611, Home Energy Assistance Block Grant	\$133,419,622	\$180,000,000	\$0
% change	--	34.9%	-100.0%
3K90 ALI 195614, HEAP Weatherization	\$41,079,293	\$44,000,000	\$0
% change	--	7.1%	-100.0%
3080 ALI 195670, Home Weatherization Program	\$36,858,227	\$86,079,636	\$0
% change	--	133.5%	-100.0%

Individuals meeting certain income guidelines may apply to DEV for energy assistance through the Energy Assistance Programs Application. DEV determines eligibility and checks against other conditions that must be met to receive each type of assistance and provides funds according to each respective program's requirements through the ALIs listed above.

Percentage of Income Payment Plan (PIPP) Program (ALI 195659). These state funds support the PIPP Program, which allows households at or below 175% of the federal poverty level to pay installments of their electricity bills using a set percentage of their monthly income. DEV uses amounts in the fund to reimburse utility companies for the cost of the energy used by PIPP customers. The ALI also supports the Electric Partnership Program to help eligible residents reduce household electricity usage. The ALI is funded by the universal service rider on consumers' electric utility bills, which is collected by electric distribution utilities and remitted to DEV's Universal Service Fund (Fund 5M40). Actual spending from this ALI fluctuates significantly from year to year for two primary reasons: (1) customer utilization, and (2) energy usage, which largely depends on the severity of temperatures in the winter and summer seasons.

Home Energy Assistance Program (HEAP) (ALI 195611). These funds are provided from the U.S. Department of Health and Human Services (HHS) for the Home Energy Assistance Program (HEAP). The program provides home heating assistance to households at or below 175% of the federal poverty guidelines. This ALI also includes funding for the (1) Emergency HEAP (E-HEAP) Program for households that are in imminent danger of being disconnected during the winter heating season, and (2) Summer Crisis Program for summer cooling assistance to HEAP-eligible households that include persons over age 60 or who can provide proof of a medical necessity.

Federal weatherization allocations (ALIs 195614 and 195670). Each of these ALIs assist low-income households with installing energy-efficient weatherization measures that reduce energy costs and emissions and prevent utility disconnections. DEV allocates these federal weatherization funds to local community action agencies (CAAs), which then contract with weatherization specialists to conduct energy audits and provide upgrades.

The differences between the ALIs stem from the federal funding source and the income eligibility requirements. ALI 195614 consists of a portion of the HEAP block grant funds received from HHS and are used to fund home weatherization projects for low-income households eligible for HEAP, for households at or below 175% of the federal poverty guidelines. Typically, states use 15% of HEAP funds each year for weatherization purposes but may request a waiver to use additional portions.

ALI 195670 is used to distribute money from the U.S. Department of Energy for the Home Weatherization Assistance Program (HWAP). Qualified households include those with incomes at or below 200% of the federal poverty guidelines and households that receive Supplemental Security Income, Temporary Assistance for Needy Families, or HEAP (not E-HEAP).

C1:2: Community Services Block Grant (ALI 195612)

Fund/ALI	FY 2025 Actual	FY 2026 Appropriation	FY 2027 Appropriation
3L00 ALI 195612, Community Services Block Grant	\$27,366,670	\$32,000,000	\$0
% change	--	16.9%	-100.0%

Most of the funds under this ALI are awarded to the state by HHS according to a federal formula and are subsequently allocated to local CAAs, which provide a variety of anti-poverty services for low-income individuals and households. These may include HEAP and HWAP services, low-income tax preparation assistance, transportation services for the elderly and disabled, food pantries, employment services, youth services, housing services, and various other eligible activities. Under R.C. 122.68, up to 4.5% of the funds may be set aside for training and technical assistance, outside the formula allocations to the CAAs. The federal guidelines allow up to 5% of HHS funds to be used for administrative expenses.

C1:3: Operating and other costs (ALIs 195699 and 195639)

Fund/ALI	FY 2025 Actual	FY 2026 Appropriation	FY 2027 Appropriation
4F20 ALI 195699, Utility Community Assistance	\$703,063	\$686,947	\$0
% change	--	-2.3%	-100.0%
4F20 ALI 195639, State Special Projects	\$712,738	\$500,000	\$500,000
% change	--	-29.8%	0.0%

State Special Projects Fund uses (ALIs 195699 and 195639). This money primarily comes from utility company payments that are deposited into the State Special Projects Fund (Fund 4F20); however, Fund 4F20 may hold other miscellaneous revenue. ALI 195699 is used to verify the income and eligibility of federal HEAP applicants, leverage additional federal funds, support projects to assist homeless persons, assist with energy efficiency projects for PIPP customers, and provide training assistance for agencies that administer low-income customer assistance programs. ALI 195639 is used on an ad hoc basis for various purposes.

Category 2: Community Assistance

The ALIs described in this category support community development through grants under the Community Development Block Grant Program to non-entitlement communities, assistance to Ohio's Appalachia region, funding to attract major sporting events, and grants to strengthen the cybersecurity of local governments.

C2:1: Community Development Block Grant (ALIs 195497 and 195613)

Fund/ALI	FY 2025 Actual	FY 2026 Appropriation	FY 2027 Appropriation
GRF ALI 195497, CDBG Operating Match	\$1,410,774	\$1,445,867	\$1,473,181
% change	--	2.5%	1.9%
3K80 ALI 195613, Community Development Block Grant	\$50,840,065	\$57,500,000	\$57,500,000
% change	--	13.1%	0.0%

CDBG Operating Match (ALI 195497). Funds in this ALI pay a portion of the operating costs of the CDBG Program. This funding fulfills the required state match for the federal CDBG Program. Federal CDBG funding is appropriated under ALI 195613.

Community Development Block Grant (ALI 195613). DEV's Office of Community Development administers CDBG Program funds received from Housing and Urban Development (HUD) for non-entitlement communities, which do not receive federal funds directly. The CDBG money that DEV receives for non-entitlement communities can be used for a range of purposes, including main street and neighborhood development programs, affordable housing, and other projects. Much of the funding provided to non-entitlement communities is calculated via federal formula. However, DEV uses a portion of the funding to provide competitive grant awards. The following table includes brief descriptions of these competitive grant programs. DEV provides additional information on these programs in the Ohio Consolidated Plan on their website.

Competitive Grant Programs Funded by CDBG Funding (ALI 195613)	
CDBG Program	Purpose
Residential Public Infrastructure	Assist with drinking water and sewage system improvements
Critical Infrastructure	Support high-priority, single component projects such as roads, flood, and drainage improvements
Economic Development and Public Infrastructure Grant	Improve infrastructure and provide loans for fixed-asset financing for land, building, machinery, and site preparation
Neighborhood Revitalization Grant	Assist in public facilities improvements, such as construction, reconstruction, and rehabilitation of infrastructure
CDBG Flexible Grant	Support for community development, housing, emergency shelter, and projects and activities that do not fit within the other programs

C2:2: Appalachia programming (ALIs 195455 and 195602)

Fund/ALI	FY 2025 Actual	FY 2026 Appropriation	FY 2027 Appropriation
GRF ALI 195455, Appalachia Assistance	\$8,780,726	\$12,680,362	\$12,682,630
% change	--	44.4%	0.0%
3080 ALI 195602, Appalachian Regional Commission	\$5,345,294	\$7,500,000	\$7,500,000
% change	--	40.3%	0.0%

Appalachia Assistance (ALI 195455). The purpose of this funding is to provide economic and community development assistance to the 32 counties in Ohio's Appalachian region. The ongoing subsidy and administrative uses entail (1) paying for administrative costs of planning and liaison activities for the Governor's Office of Appalachia, (2) providing financial assistance for projects in Ohio's Appalachian counties, (3) paying dues for memberships in the Appalachian Regional Commission, (4) matching federal funds from the Appalachian Regional Commission, and (5) funding projects designated by the four Appalachian Local Development District offices

(located in Cambridge, Marietta, Waverly, and Youngstown) as community investment and rapid response projects.

Earmarks

This ALI is earmarked as detailed in the table below.

Earmarks under ALI 195455, Appalachia Assistance			
Recipient	Project or Purpose	FY 2026	FY 2027
Appalachian Ohio Manufacturers Coalition	Workforce reentry pilot program	\$1,500,000	\$1,500,000
Ohio University's Voinovich School of Leadership and Public Service	Mayor's Partnership for Progress	\$1,000,000	\$1,000,000
Outdoor Recreation Council of Appalachia	Operational support	\$750,000	\$750,000
Shawnee State University	Civic and Culture Program for Appalachia	\$500,000	\$500,000
Department of Veterans Services	Veterans and First Responders Appalachian Assistance Program	\$500,000	\$875,000
FosterHub in Hocking County	Operational support	\$375,000	\$375,000
Ohio History Connection	Northwest Ordinance Commemoration	\$375,000	\$0
Integrated Services for Behavioral Health	Behavioral health emergency pilot program	\$250,000	\$250,000
Ohio Valley Regional Development Commission	Governor's Office of Appalachia programs	\$210,000	\$210,000
Ohio Mid-Eastern Government Association	Governor's Office of Appalachia programs	\$210,000	\$210,000
Buckeye Hills Regional Council	Governor's Office of Appalachia programs	\$210,000	\$210,000
Eastgate Regional Council of Governments	Governor's Office of Appalachia programs	\$210,000	\$210,000
Tuscarawas County Commissioners	Tuscarawas County Growth Initiative	\$100,000	\$100,000
City of Athens	A southeast Ohio regional agricultural initiative	\$150,000	\$150,000
Total		\$6,340,000	\$6,340,000

Appalachian Regional Commission (ALI 195602). This ALI is used for administrative expenses incurred by the Governor’s Office of Appalachia and the four Appalachian Local Development District offices. This ALI is supported by grant funds awarded by the Appalachian Regional Commission.

C2:3: Sports Event Grants (ALI 195496)

Fund/ALI	FY 2025 Actual	FY 2026 Appropriation	FY 2027 Appropriation
5UY0 ALI 195496, Sports Events Grants	\$1,843,568	\$3,000,000	\$3,000,000
% change	--	62.7%	0.0%

This ALI funds the Sports Event Grant Program to make grants to local entities organizing committee, endorsing municipality, or endorsing county for attracting major sporting events to Ohio. Grants are capped at \$2.0 million.

C2:4: Local community assistance earmarks (ALIs 195406, 195503, 1956B7, and 1956H2)

Fund/ALI	FY 2025 Actual	FY 2026 Appropriation	FY 2027 Appropriation
GRF ALI 195406, Helping Ohioans Stay in their Homes	\$4,000,000	\$4,000,000	\$4,000,000
% change	--	0.0%	0.0%
GRF ALI 195503, Local Development Projects	\$56,118,907	\$2,405,000	\$1,250,000
% change	--	-95.7%	-48.0%
4F20 ALI 1956B7, One-Time Emergency Projects	\$0	\$500,000	\$0
% change	--	--	-100.0%
5AO0 ALI 1956H2, Priority Projects	\$28,575,412	\$17,000,000	\$15,800,000
% change	--	-40.5%	-7.1%

Helping Ohioans Stay in their Homes (ALI 195406). This ALI is earmarked in each fiscal year to provide \$4.0 million to People Working Cooperatively for the Safe and Healthy at Home Initiative.

Local Development Projects (ALI 195503). This ALI is earmarked as detailed in the table below.

Earmarks for ALI 195503, Local Development Projects			
Recipient	Project or Purpose	FY 2026	FY 2027
Baldwin Wallace University	Northeast Ohio Flight Information Exchange (NEOFIX)	\$500,000	\$500,000
Mahoning Valley Scrappers	Stadium maintenance and improvements	\$500,000	\$0

Earmarks for ALI 195503, Local Development Projects			
Recipient	Project or Purpose	FY 2026	FY 2027
NewBridge Cleveland Center for Arts and Technology	At-risk adult learner health care professional certification and job placement	\$500,000	\$0
Neighborhood Alliance	Homeless shelter operational support in Lorain County	\$250,000	\$250,000
City of Coshocton	Water line extension serving Warsaw and the River View School	\$250,000	\$250,000
Freedom a la Cart	Workforce initiatives and programs for human trafficking survivors	\$250,000	\$250,000
Stark County Minority Business Association	Kirk Schuring Business Development Center and Innovation Hub	\$85,000	\$0
One fire department in each of Geauga, Lake, and Portage counties	Installation of baby boxes (up to \$15,000 for each county)	\$45,000	\$0
Village of Grand River	Sidewalk improvements and repairs	\$15,000	\$0
Salem Worlds War Memorial Building Association	Development of a job training center	\$10,000	\$0
Total		\$2,405,000	\$1,250,000

One-Time Emergency Projects (ALI 1956B7). This ALI is earmarked for Boardman Township to provide matching funds for the flood mitigation assistance grant awarded to the township by the Federal Emergency Management Agency. This ALI is supported by a transfer of up to \$500,000 cash in FY 2026 from the Controlling Board Emergency Purposes/Contingencies Fund (Fund 5KM0) to the State Special Projects Fund (Fund 4F20).

Priority Projects (ALI 1956H2). This ALI is earmarked as detailed in the table below. This ALI is supported by cash transfers from various other state funds to the Priority Projects Fund (Fund 5A00). Specifically, H.B. 96 provides for the following cash transfers: (1) \$500,000 from the State Small Business Credit Initiative Fund (Fund 3FJ0), (2) \$500,000 from the Business Assistance Fund (Fund 4510), (3) \$1.0 million from the Minority Business Enterprise Loan Fund (Fund 4W10), (4) \$2.5 million from the Rural Industrial Park Loan Fund (Fund 4Z60), (6) \$2.0 million from the State Fire Marshal Fund (Fund 5460), (7) \$1.5 million from the Industrial Compliance Operating Fund (Fund 5560), (8) \$500,000 from the Securities Investor Education/Enforcement Fund (Fund 5GK0), (9) \$1.0 million from the Capital Access Loan Fund (Fund 5S90), (10) \$2.5 million from the Innovation Ohio Loan Fund (Fund 7009), (11) \$2.0 million from the Research and Development Loan Fund (Fund 7010), and (12) \$3.0 million from the Facilities Establishment Fund (Fund 7037).

Earmarks for ALI 1956H2, Priority Projects			
Recipient	Project or Purpose	FY 2026	FY 2027
Board of Regents	U.S. Route 30 OARnet Broadband Extension	\$10,450,000	\$9,550,000
Southern State Community College	Ohio Code-Scholar Program	\$1,000,000	\$1,500,000
Ohio Life Sciences Foundation	Workforce development	\$1,000,000	\$1,000,000
Marietta College	Center on Appalachian Innovation	\$750,000	\$750,000
Youngstown State University	Excellence Training Center	\$625,000	\$625,000
Clark State Community College	Unmanned and general aviation STEM pilot programming expansion	\$500,000	\$500,000
Ohio Aerospace Institute	Space Grant Consortium	\$500,000	\$500,000
Showers Family Foundation	High school education of students with multiple disabilities	\$400,000	\$0
Fairfield County Workforce Center	Operational support	\$350,000	\$350,000
ODOT	U.S. Route 30 expansion	\$250,000	\$250,000
S.U.C.C.E.S.S. for Autism	Interprofessional training pilot program	\$100,000	\$100,000
Eastgate Regional Council of Governments	Study and construction of an oil and natural gas pipeline	\$250,000	\$0
Voices of America Country Music Festival	Public safety services	\$200,000	\$0
Mid-East Career and Technology Centers	CDL training simulators	\$200,000	\$250,000
Buckeye Lake Region Corporation	Community development	\$175,000	\$175,000
The Ohio State University	East Side Dental Clinic	\$250,000	\$250,000
Total		\$17,000,000	\$15,800,000

Category 3: Housing Programs

The ALIs described in this category support (1) the construction, renovation, and preservation of housing units, (2) renter and homebuyer assistance programs, (3) emergency shelters and homelessness prevention, and (4) household energy efficiency rebates.

C3:1: Low- and Moderate-Income Housing Programs (ALI 195638)

Fund/ALI	FY 2025 Actual	FY 2026 Appropriation	FY 2027 Appropriation
6460 ALI 195638, Low- and Moderate-Income Housing Programs	\$55,334,790	\$64,402,825	\$64,435,386
% change	--	16.4%	0.1%

Commonly known as the Ohio Housing Trust Fund (HTF) Program, this ALI provides state-funded grants and loans to local housing entities for projects mainly serving low- and moderate-income persons, including construction, renovation, and supportive services. HTF (Fund 6460) revenue consists primarily of the state's share of proceeds from the county recordation fees. Each fiscal year, a portion of this fund is allocated to the Ohio Housing Finance Agency (OHFA) for the Housing Development Assistance Program and for covering related administrative costs.

Existing law requires amounts up to certain percentages of the HTF to be dedicated to certain housing and community development programs. At least 50% of the fund must be used for grants to local jurisdictions that are ineligible for federal HOME funding. In addition, at least 45% of the annual funding must go to nonprofits in the form of grants or loans. Other uses are as follows: (1) up to 10% for grants to emergency shelters, (2) up to 5% to community development corporations, (3) at least \$250,000 must be set aside for the Department of Aging's Resident Services Coordinator Program, and (4) at least \$100,000 for training and technical assistance at nonprofit development organizations.

C3:2: HOME Program (ALI 195601)

Fund/ALI	FY 2025 Actual	FY 2026 Appropriation	FY 2027 Appropriation
3V10 ALI 195601, HOME Program	\$56,372,664	\$53,750,000	\$53,750,000
% change	--	-4.7%	0.0%

ALI 195601 uses HOME Investment Partnership funds awarded to the state by HUD and subsequently distributed to local communities and housing organizations for housing rehabilitation, tenant-based rental assistance, homebuyer assistance, and housing acquisition and construction. A portion of these funds are allocated to OHFA for programs to assist low-income multifamily housing projects.

C3:3: Welcome Home Ohio Program (ALI 1956H3)

Fund/ALI	FY 2025 Actual	FY 2026 Appropriation	FY 2027 Appropriation
5AP1 ALI 1956H3, Welcome Home Ohio Program	\$5,066,887	\$45,625,000	\$45,625,000
% change	--	800.5%	0.0%

This ALI supports the Welcome Home Ohio Program (WHO). It provides grant funding to land banks for the following two purposes: (1) for buying residential property that can later be sold to income-eligible owner occupants, or (2) for rehabilitating or constructing residential property, up to \$30,000, for income-restricted owner occupancy.

The budget earmarks approximately \$22.8 million in each fiscal year for each grant program noted above. H.B. 96 also extends the WHO tax credit from the end of FY 2025 through the end of FY 2027 and caps the total amount of credits awarded in the biennium at \$20.0 million.

C3:4: Housing Assistance Programs (ALI 195603)

Fund/ALI	FY 2025 Actual	FY 2026 Appropriation	FY 2027 Appropriation
3080 ALI 195603, Housing Assistance Programs	\$10,034,748	\$12,571,729	\$12,576,756
% change	--	25.3%	0.0%

ALI 195603 consists of federal funds from HUD covering several programs related to homelessness and housing. The Housing Opportunities for Persons with AIDS (HOPWA) Program provides grants for the creation of rental housing, supportive services, housing counseling, and other services for persons with Acquired Immune Deficiency Syndrome (AIDS) or other Human Immunodeficiency Virus (HIV)-related diseases. The McKinney Emergency Solutions Grants Program is meant for emergency shelter funding, offering grants to local governments and nonprofit organizations for this purpose. The Continuum of Care Program provides funding for homelessness prevention and assistance services coordinated by eight urban federally designated entitlement counties, referred to as Continuums of Care (CoC) and the Ohio Balance of State CoC, which represents the other 80 counties.

C3:5: Residential Development Revolving Loan Program (ALI 1956B8)

Fund/ALI	FY 2025 Actual	FY 2026 Appropriation	FY 2027 Appropriation
5CT1 ALI 1956B8, Residential Development Revolving Loan Program	\$0	\$100,000,000	\$0
% change	--	--	-100.0%

ALI 1956B8 supports a new revolving loan program to fund infrastructure improvements which support construction of new, single-family residential dwellings in counties with populations of less than 75,000 that issued fewer new construction permits for single-family homes than the most recent state average. The loan amount is limited to 50% of the cost of the infrastructure developments, repairs, or upgrades, or \$30,000 per single-family residential dwelling to be served by that infrastructure, whichever is less. The unexpended, unencumbered portion of the FY 2026 appropriation is reappropriated in FY 2027. Under H.B. 96, this program was capitalized by a \$100.0 million cash transfer in FY 2026 from the GRF to the Residential Development Revolving Loan Program Fund (Fund 5CT1).

C3:6: Household energy rebates (ALIs 195582 and 195583)

Fund/ALI	FY 2025 Actual	FY 2026 Appropriation	FY 2027 Appropriation
3IM0 ALI 195582, Home-Owner Managing Energy Savings Rebate Program	\$1,654,873	\$15,000,000	\$15,000,000
% change	--	806.4%	0.0%
3IM0 ALI 195583, High-Efficiency Electric Home Rebate Program	\$2,217,564	\$15,000,000	\$15,000,000
% change	--	576.4%	0.0%

These ALIs have been used to spend funding Ohio received from the U.S. Department of Energy under the federal Inflation Reduction Act. ALI 195582 provides rebates to eligible households under the Home-Owner Managing Energy Savings Rebate Program. ALI 195583 provides rebates to eligible households under the High-Efficiency Electric Home Rebate Program. The purpose of the programs is to incentivize households to reduce energy bills, upgrade to clean energy equipment and improve energy efficiency, and reduce indoor and outdoor pollution.

C3:7: Residential Economic Development District Program (ALI 1954A7)

Fund/ALI	FY 2025 Actual	FY 2026 Appropriation	FY 2027 Appropriation
GRF ALI 1954A7, Residential Economic Development District Program	\$0	\$10,000,000	\$15,000,000
% change	--	--	50.0%

ALI 1954A7 supports a new grant program for counties, townships, and municipal corporations located within 20 miles of a “major economic development project” that adopt pro-housing policies and approve a workforce housing project with a minimum of 100 units. Under the program, applicants may collaborate with a housing developer, a port authority, a council of government, a regional planning commission, or one or more other counties, townships, or municipal corporations. Specifically, the grant program provides funds to provide capital for local housing development grants and loans, acquisition and initial site development, housing-related infrastructure projects, service or public safety needs, and purposes deemed appropriate by the DEV Director.

Category 4: Site Development and Capital Project Support

The ALIs described in this category support grant and loan programs to spur economic development in the state of Ohio by supporting site development and other capital projects. Most of the programs in this category require Controlling Board approval.

C4:1: Site redevelopment programs (ALIs 195426, 195627, 1956A2, 195644, and 1956A3)

Fund/ALI	FY 2025 Actual	FY 2026 Appropriation	FY 2027 Appropriation
GRF ALI 195426, Redevelopment Assistance	\$949,554	\$1,125,000	\$1,141,982
% change	--	18.5%	1.5%
5ULO ALI 195627, Brownfields Revolving Loan Program	\$0	\$1,750,000	\$1,750,000
% change	--	--	0.0%
5YE0 ALI 1956A2, Brownfield Remediation	\$81,361,733	\$100,000,000	\$100,000,000
% change	--	22.9%	0.0%
5MH0 ALI 195644, SiteOhio Administration	\$0	\$5,000	\$5,000
% change	--	--	0.0%
5YF0 ALI 1956A3, Demolition and Site Revitalization	\$61,934,075	\$21,500,000	\$21,500,000
% change	--	-65.3%	0.0%

Redevelopment Assistance (ALI 195426). This GRF funding pays for a variety of operating expenses, including those related to energy, redevelopment, and other revitalization projects, such as loans under the Brownfield Revolving Loan Fund Program and grants under the Abandoned Gas Station Cleanup Grant Program.

Brownfields Revolving Loan Program (ALI 195627). This ALI supports the Brownfields Revolving Loan Program, which provides low-interest loans to private and public entities for demolition, cleanup, and remediation projects on brownfield sites. Funds for this purpose are received by DEV through competitive grants from the U.S. Environmental Protection Agency (U.S. EPA). DEV administers the program in conjunction with the Ohio Water Development Authority.

Brownfield Remediation (ALI 1956A2). This ALI provides grants under the Brownfield Remediation Program to support the remediation of brownfield sites throughout the state. Under the grant program, \$1.0 million is reserved for each county or, if an appropriation is less than \$88.0 million, a proportionate amount to each county. The remaining amount is awarded on a case-by-case basis with the DEV Director evaluating the economic merit of each project to the county, surrounding counties, and state.

H.B. 96 requires a cash transfer of \$200.0 million in FY 2026 from the All Ohio Future Fund (Fund 5XM0) to the Brownfield Remediation Fund (Fund 5YE0), in addition to a cash transfer of \$250.0 million from Fund 5XM0 to the GRF.

SiteOhio Administration (ALI 195644). JobsOhio operates the SiteOhio Program. This ALI covers the small amount of DEV's costs of being involved with the program, which provides grants and low-interest loans for job-ready development projects. H.B. 436 of the 129th General Assembly created the SiteOhio Program, succeeding the Job Ready Site Program. Started in

January 2016, its purpose is to certify and market projects that will be sites meant for commercial, industrial, or manufacturing use. SiteOhio is overseen by JobsOhio.

Demolition and Site Revitalization (ALI 1956A3). This ALI provides grants under the Building Demolition and Site Revitalization Program to demolish unusable commercial and residential buildings and revitalize surrounding properties. Under the grant program, \$500,000 is reserved for each county, or, if an appropriation is less than \$44.0 million, a proportionate amount to each county. The remaining amount is awarded on a first-come, first-served basis.

H.B. 96 also requires a cash transfer of \$20.0 million in each fiscal year from the Local Government Tangible Property Tax Replacement Fund (Fund 7081) to the Building Demolition and Site Revitalization Fund (Fund 5YF0).

C4:2: 166 Loan Programs (ALI 195615)

Fund/ALI	FY 2025 Actual	FY 2026 Appropriation	FY 2027 Appropriation
7037 ALI 195615, Facilities Establishment	\$42,825,144	\$10,000,000	\$10,000,000
% change	--	-76.7%	0.0%

This ALI is primarily to support the 166 Direct Loan Program. Businesses can use these loans to purchase machinery and equipment, land and buildings acquisition, or make other eligible capital improvements. Loans are typically between \$1.0 million and \$10.0 million. Market conditions and the revenue from loan repayments play a large role in determining what loans are made and what amounts are available for them.

There is also a second loan mechanism, the Regional 166 Loan Program, which operates through ten designated regional 166 Direct Loan agencies around the state. It was originally funded by money that the state gave to these regional entities to distribute as loans. It now functions as a revolving loan program. Because these loans are vetted and funded on the local level by regional development partners, there are no state appropriations related to this program. However, loans under the program are still approved by the Controlling Board.

C4:3: Rural Industrial Park Loan Program (ALI 195647)

Fund/ALI	FY 2025 Actual	FY 2026 Appropriation	FY 2027 Appropriation
4Z60 ALI 195647, Rural Industrial Park Loan	\$5,219,398	\$5,000,000	\$5,000,000
% change	--	-4.2%	0.0%

This program allows eligible applicants to apply for loans and loan guarantees for the development and improvement of industrial parks in rural areas of Ohio. Loans are available for projects in counties that both (1) contain less than 125,000 in population, and (2) qualify as a distressed county or a labor surplus county as defined under R.C. 122.19. Most of the counties are in southeast Ohio. The bill limits the maximum amount for each award to \$4.0 million.

Category 5: Broadband and Energy Programs

This category consists of funding for broadband administered by the BroadbandOhio Office and programs to provide incentives for the adoption of alternative and advanced energy technologies.

C5:1: Broadband funding (ALIs 1956E4, 1956E5, 195550, and 1956G9)

Fund/ALI	FY 2025 Actual	FY 2026 Appropriation	FY 2027 Appropriation
3IF0 ALI 1956E4, Broadband Equity, Access, and Deployment (BEAD) Program	\$487,900	\$793,000,000	\$0
% change	--	162,433.4%	-100.0%
3IF0 ALI 1956E5, Broadband Digital Equity Acts Program	\$0	\$23,800,000	\$476,000
% change	--	--	-98.0%
5GT0 ALI 195550, Broadband Development Grants	\$73,798,586	\$2,800,000	\$2,800,000
% change	--	-96.2%	0.0%
5AI1 ALI 1956G9, Broadband Pole Replacement and Undergrounding Program	\$25,015,752	\$31,361,299	\$0
% change	--	25.4%	-100.0%

Broadband funding (ALIs 1956E4 and 1956E5). These ALIs support expanding broadband access in the state. Funding for these new ALIs is supported by money the state received under the federal Infrastructure Investment and Jobs Act (IIJA). ALI 1956E4 is used to build infrastructure that supports the adoption of high-speed internet and implement the federal BEAD Program. The purpose of the BEAD Program is to identify internet service providers to assist in connecting unserved and underserved households to the internet throughout the state. In June 2023, the U.S. Department of Commerce announced \$793.0 million in additional funding to be awarded to Ohio. This funding will be expended under the Ohio Residential Broadband Expansion Grant Program (ORBEG). ALI 1956E5 is used to promote digital equity, support digital inclusion activities, and broadband expansion planning. This ALI was previously used to develop a statewide digital equity plan to support community-centric solutions for broadband adoption and affordability.

Broadband Development Grants (ALI 195550). This line item is used for operating costs and to provide grants under ORBEG. The bill transfers \$3.6 million cash from the Broadband Pole Replacement and Undergrounding Program Fund (Fund 5AI1) to the Ohio Residential Broadband Expansion Grant Program Fund (Fund 5GT0) in FY 2026. Additionally, H.B. 96 requires a cash transfer of \$15.0 million from Fund 5AI1 to the GRF in FY 2026.

Broadband Pole Replacement and Undergrounding Program (ALI 1956G9). This ALI is used to provide reimbursements to providers of qualifying broadband service for utility pole replacements, mid-span pole installations, and undergrounding that accommodate facilities used

to provide qualifying broadband service access under the new Broadband Pole Replacement and Undergrounding Program. Of the \$50.0 million allocated in the previous biennium, \$46.3 million has not yet been obligated.

C5:2: Energy Loan Fund (ALIs 195660, 195618, and 195610)

Fund/ALI	FY 2025 Actual	FY 2026 Appropriation	FY 2027 Appropriation
5M50 ALI 195660, Advanced Energy Loan Programs	\$5,369,060	\$8,932,168	\$8,940,462
% change	--	66.4%	0.1%
3080 ALI 195618, Energy Grants	\$5,575,728	\$11,650,326	\$11,661,160
% change	--	108.9%	0.1%
3350 ALI 195610, Energy Programs	\$302,426	\$350,000	\$350,000
% change	--	15.7%	0.0%

Advanced Energy Loan Programs (ALI 195660). This ALI provides state funding for loans under the Energy Loan Fund Program. Loans range from \$250,000 to \$2.5 million and are available for small businesses, manufacturers, nonprofits, and public entities to make improvements that reduce energy usage and associated costs, reduce fossil fuel emissions, and create or retain jobs. Eligible activities include insulation; LED and other lighting systems; energy management control systems; heating, ventilation, and air conditioning (HVAC) upgrades; weather sealing; door and window replacements; combined heat and power systems; and cogeneration systems. Projects must achieve at least 15% reduction in energy usage, demonstrate economic and environmental impacts, and be included within a long-term energy strategy of the community served. Of the amount recommended in each fiscal year, approximately \$8.2 million is budgeted for loan subsidies, while the remainder is set aside for operating costs involved with the program and the Annual State Energy Program.

Federal Funding (ALIs 195610 and 195618). These federal funds are used mainly to supplement funding for the Energy Loan Fund Program, described above. The funding source for ALI 195610 is the Oil Overcharge Fund (Fund 3350), capitalized by federal funds received pursuant to a U.S. government settlement with oil companies. To spend the Fund 3350 appropriations, the state must demonstrate that the proposed conservation project benefits the class of consumers injured by the oil company's overcharges relating to the case.

C5:3: Energy Efficiency Revolving Loan Fund Capitalization Grant (ALI 195581)

Fund/ALI	FY 2025 Actual	FY 2026 Appropriation	FY 2027 Appropriation
3080 ALI 195581, Energy Efficiency Revolving Loan Fund Capitalization Grant	\$0	\$2,500,000	\$2,500,000
% change	--	--	0.0%

This ALI is supported by money the state received under the federal IJA from the U.S. Department of Energy (DOE). It is used for the Energy Efficiency Revolving Loan Fund Capitalization Grant which goes toward capitalizing revolving loan funds to provide grants and loans to conduct commercial and residential energy audits and energy efficiency upgrades and retrofits of building infrastructure.

Category 6: Workforce Development

ALIs in this category fund activities to assist businesses with developing the workforce through training and job retention activities, as well as provide administrative support for the Governor's Office of Workforce Transformation.

C6:1: TechCred Program (ALI 195556)

Fund/ALI	FY 2025 Actual	FY 2026 Appropriation	FY 2027 Appropriation
GRF ALI 195556, TechCred Program	\$5,029,220	\$23,205,470	\$24,207,322
% change	--	361.4%	4.3%

This workforce development program offers financial assistance for employees or prospective employees to enroll in short-term training courses or programs in specific industries or to pursue in-demand jobs. Employers who submit successful applications under the program are reimbursed up to \$2,000 per credential when current or prospective employees complete eligible technology-focused credentials. These credentials take less than a year to complete. Under the program, employers are eligible to receive up to \$30,000 per funding round.

This ALI also supports the Individual Microcredential Assistance Program (IMAP). This program assists low-income individuals who are partially unemployed or totally unemployed by participating in a training program to receive a credential at no cost. Similar to the TechCred Program, IMAP credentials are short-term, industry-recognized, and technology-focused. IMAP training providers are reimbursed up to \$3,000 per completed credential. Each microcredential training provider may be reimbursed up to a maximum of \$500,000 per fiscal year.

The 136th General Assembly created the Institutional Platinum Provider Program (IPPP) for state institutions of higher education participating in IMAP under which institutions receive advance payment to train individuals to earn a microcredential. H.B. 96 increases from \$500,000 to \$1.0 million the total advance payment or reimbursement amount an institution participating in IPPP may receive in a fiscal year. Additionally, H.B. 96 created the Platinum Provider Program for Ohio technical centers, state institutions of higher education, private businesses, or institutions participating in IMAP under which an eligible participant may receive one or more advance payments to train individuals to earn a microcredential.

C6:2: Industry Sector Partnerships (ALI 195553)

Fund/ALI	FY 2025 Actual	FY 2026 Appropriation	FY 2027 Appropriation
GRF ALI 195553, Industry Sector Partnerships	\$3,514,803	\$5,000,000	\$5,000,000
% change	--	42.3%	0.0%

Industry sector partnerships are groups of businesses in the same industry, workforce development entities, educational institutions, and others within a region that coordinate to develop strategies for filling the industry's specific workforce needs together. Under this ALI, DEV provides technical assistance to the partnerships, as well as offers competitive grants to implement initiatives.

C6:3: Workforce Development Programs (ALI 195655)

Fund/ALI	FY 2025 Actual	FY 2026 Appropriation	FY 2027 Appropriation
4F20 ALI 195655, Workforce Development Programs	\$169,960	\$188,100	\$188,100
% change	--	10.7%	0.0%

This ALI is used to support workforce development training for lead abatement professionals. Approved training providers are reimbursed for training provided.

C6:4: Workforce Development Initiatives (ALI 195643)

Fund/ALI	FY 2025 Actual	FY 2026 Appropriation	FY 2027 Appropriation
3AE0 ALI 195643, Workforce Development Initiatives	\$749,916	\$2,000,000	\$2,000,000
% change	--	166.7%	0.0%

These funds are provided through a transfer of federal Workforce Investment Act (WIA) funds from the Ohio Department of Job and Family Services to support workforce development operating costs of the Governor's Office of Workforce Transformation and DEV's Office of Strategic Business Investments.

C6:5: Workforce Development Grants (ALI 195595)

Fund/ALI	FY 2025 Actual	FY 2026 Appropriation	FY 2027 Appropriation
GRF ALI 195595, Workforce Development Grants	\$0	\$400,000	\$400,000
% change	--	--	0.0%

This ALI supports earmarks of \$133,333 in each fiscal for the Ohio Oil and Gas Career Jumpstart Program at each of the following: (1) Apollo Career and Technical Center, (2) Mahoning Career and Technical Center, and (3) Washington County Career Center.

Category 7: Technology and R&D

ALIs in this category support research and development (R&D), commercialization, and other activities in targeted areas of advanced technological systems, processes, and products.

C7:1: Third Frontier Program (ALIs 195687, 195692, 195905, 195620, 195686, and 195453)

Fund/ALI	FY 2025 Actual	FY 2026 Appropriation	FY 2027 Appropriation
7011 ALI 195687, Third Frontier Research and Development Projects	\$1,325,795	\$1,000,000	\$1,000,000
% change	--	-24.6%	0.0%
7014 ALI 195692, Research and Development Taxable Bond Projects	\$57,354,638	\$100,000,000	\$20,000,000
% change	--	74.4%	-80.0%
GRF ALI 195905, Third Frontier Research and Development General Obligation Bond Debt Service	\$36,418,494	\$45,000,000	\$45,000,000
% change	--	23.6%	0.0%
7014 ALI 195620, Third Frontier Taxable – Operating	\$941,959	\$2,710,000	\$2,710,000
% change	--	187.7%	0.0%
7011 ALI 195686, Third Frontier Tax Exempt – Operating	\$830,758	\$1,000,000	\$1,000,000
% change	--	20.4%	0.0%
GRF ALI 195453, Technology Programs and Grants	\$604,645	\$859,360	\$868,648
% change	--	42.1%	1.1%

Third Frontier projects (ALIs 195687 and 195692). Funding under these ALIs make up the grant and loan assistance component of the Third Frontier Program. Both ALIs are funded by the proceeds of general obligation (GO) bonds issued by the Ohio Public Facilities Commission. ALI 195687 is funded by proceeds of nontaxable bonds, while ALI 195692 is funded by the proceeds of taxable bonds.

All Third Frontier Program research and development projects must be approved by the Third Frontier Commission and require Controlling Board approval. From year to year, the Commission establishes subprograms to support specific aspects or missions relating to the R&D industry. Currently, ALI 195687 supports the Diversity and Inclusion Technology Internship and the Technology Validation and Start-Up Fund (TVSF). ALI 195692 supports the Entrepreneurial Services Provider Program, Pre-Seed/Seed Plus Fund Capitalization Program, as well as the TVSF.

Spending through each of the ALIs fluctuates from year to year based on the type of projects awarded by the Third Frontier Commission. Encumbrances can often carry over from one fiscal year to the next as grant agreements are executed. Consequently, the proposed budget includes temporary law provisions that allow DEV and the Office of Budget and Management to transfer appropriations between the two ALIs based upon awards recommended by the Commission and to reappropriate any unexpended, unencumbered balances of the prior fiscal year for the first year of the biennium. This gives DEV cash management flexibility in managing

the Third Frontier Program projects and complying with federal requirements governing the use of federally tax-exempt GO bond proceeds.

Third Frontier debt service (ALI 195905). This ALI funds the repayment of GO bonds issued by the Ohio Public Facilities Commission for R&D initiatives funded under ALIs 195687 and 195692. Of \$1.2 billion in GO bonds authorized for the program, \$1.03 billion in such bonds have been issued. For FY 2020 and thereafter, the bond issuance limit in each year equals \$175.0 million, plus the principal amount of obligations that in any prior year could have been, but were not issued. The GO bond proceeds are deposited into either the Third Frontier Research and Development Fund (Fund 7011) or the Third Frontier Research and Development Taxable Bond Fund (Fund 7014), depending on the type of bonds that were issued (i.e., federally tax-exempt or not exempt). However, as the Third Frontier Program winds down, all future bond sales will be taxable with proceeds deposited into Fund 7014. Both funds are used for the same Third Frontier awards that support the research and development industry in the state.

Operating costs (ALIs 195620, 195686, and 195453). These ALIs uniquely pay for a portion of operating costs associated with Technology and R&D programs under the Strategic Investment Division. Specifically, these ALIs support the Office of Technology Investments, which administers the Third Frontier Program. ALI 195620 uses taxable bond proceeds to administer awards from ALI 195692, while ALI 195686 uses nontaxable bond proceeds to administer awards issued from ALI 195687. ALI 195453 provides GRF support.

C7:2: Federal allocations and state matching funds (ALIs 195672, 195499, 1956D9, and 1956E1)

Fund/ALI	FY 2025 Actual	FY 2026 Appropriation	FY 2027 Appropriation
3080 ALI 195672, Manufacturing Extension Partnership	\$6,097,653	\$6,600,000	\$6,600,000
% change	--	8.2%	0.0%
GRF ALI 195499, BSD Federal Programs Match	\$11,364,564	\$13,441,064	\$13,499,251
% change	--	18.3%	0.4%
3IC0 ALI 1956D9, Growth Capital Fund	\$1,312,348	\$3,250,000	\$3,250,000
% change	--	147.7%	0.0%
3IC0 ALI 1956E1, Early-Stage Focus Fund	\$433,689	\$1,500,000	\$1,500,000
% change	--	245.9%	0.0%

Manufacturing Extension Partnership (MEP) Program (ALI 195672). This ALI receives federal funds from the U.S. Department of Commerce for the MEP Program, which provides technical assistance programs and services to improve the competitiveness of small and medium-sized manufacturing firms to accelerate the implementation of new manufacturing technology and work processes. Under the MEP Program, these businesses can receive cost-improvement services, such as Lean Six Sigma, human resources and financial planning, and other business counseling services.

BSD Federal Programs Match (ALI 195499). This ALI is used mainly as state matching funds for federal programs under the Strategic Investment Division (formerly the Business Services Division). In prior years, spending for these purposes was included in GRF ALI 195453, Technology Programs and Grants. Specifically, this ALI provides matching funds for the MEP Program, described above, operating costs of the Strategic Investment Division, and matching funds for the Procurement Technical Assistance Center Program.

Programs under the federal State Small Business Credit Initiative (ALIs 1956D9 and 1956E1). The Office of Technology Investments administers the following two programs: (1) the Ohio Venture Fund (ALI 1956D9) and (2) the Early-Stage Focus Fund (ALI 1956E1). These two programs are funded by the U.S. Department of Treasury's State Small Business Credit Initiative (SSBCI). The Ohio Venture Fund provides capital to professionally managed investment funds to support growth-state technology companies in the state. The Early-Stage Focus Fund provides capital to professional managed investment funds to support early-stage technology companies in underserved communities and populations in the state.

C7:3: R&D Loan programs (ALIs 195664 and 195665)

Fund/ALI	FY 2025 Actual	FY 2026 Appropriation	FY 2027 Appropriation
7009 ALI 195664, Innovation Ohio	\$0	\$17,426,036	\$0
% change	--	--	-100.0%
7010 ALI 195665, Research and Development	\$1,500,000	\$36,032,990	\$0
% change	--	2,302.2%	-100.0%

Innovation Ohio Loan Program (ALI 195664). Under this program, DEV lends money to businesses in certain targeted industry sectors (advanced materials; instruments, controls, and electronics; power and propulsion; biosciences; and information technology) for acquisition, construction, and technology costs related to research and development, computer software or hardware, commercialization of products and services, and intellectual property costs. The Innovation Ohio Loan Fund (Fund 7009) receives revenue through economic development bond proceeds, loan repayments, investment interest, and service fees. These loans are subject to Controlling Board approval.

Research and Development Loan Program (ALI 195665). This program provides loans to cover eligible costs of research and development projects which stimulate employment in technological research. Loans assist businesses in creating research facilities and for the development of new or improved products, processes, or applications of technology. The Research and Development Investment Fund (Fund 7010) receives revenue through economic development bond proceeds, loan repayments, investment interest, and service fees.

C7:4: Coal Research and Development Program (ALIs 195402 and 195901)

Fund/ALI	FY 2025 Actual	FY 2026 Appropriation	FY 2027 Appropriation
GRF ALI 195402, Coal Research and Development Program	\$164,371	\$175,000	\$175,000
% change	--	6.5%	0.0%
GRF ALI 195901, Coal Research and Development General Obligation Bond Debt Service	\$4,036,225	\$4,050,000	\$2,525,000
% change	--	0.3%	-37.7%

Coal Research and Development Program (ALI 195402). This ALI funds the operating expenses of the Ohio Coal Development Office (OCDO). OCDO operates the Coal Research and Development Program, funded by GO bonds issued by the Ohio Public Facilities Commission and appropriated in the capital budget bill. H.B. 2 of the 135th General Assembly, the capital budget bill for the FY 2025-FY 2026 biennium, included reappropriations of \$12.2 million for the two-year period.

Coal Research and Development debt service (ALI 195901). This funding covers debt service on bonds issued to award grants for research and development of clean coal technologies. The Ohio Coal Development Office uses the bond proceeds to award grants for research and development of clean coal technologies.

Category 8: Small Business Assistance

C8:1: State Small Business Credit Initiative (ALIs 1956E2, 1956E3, 1956H5, 195626, and 195628)

Fund/ALI	FY 2025 Actual	FY 2026 Appropriation	FY 2027 Appropriation
3ICO ALI 1956E2, Community Development Financial Institution Loan Participation	\$2,391,307	\$10,000,000	\$10,000,000
% change	--	318.2%	0.0%
3ICO ALI 1956E3, Collateral Enhancement Program	\$1,288,398	\$6,000,000	\$6,000,000
% change	--	365.7%	0.0%
3ICO ALI 1956H5, State Small Business Credit Initiative Technical Assistance	\$1,360,912	\$1,500,000	\$1,500,000
% change	--	10.2%	0.0%
3FJO ALI 195626, Small Business Capital Access and Collateral Enhancement Program	\$322,577	\$2,000,000	\$2,000,000
% change	--	520.0%	0.0%
5S90 ALI 195628, Capital Access Loan Program	\$705,845	\$1,000,000	\$1,000,000
% change	--	41.7%	0.0%

Federal program funding under the State Small Business Credit Initiative (ALIs 1956E2, 1956E3, 1956H5, and 195626). ALI 195626 is funded by allocations from the U.S. Department of Treasury for the State Small Business Credit Initiative (SSBCI). This initiative aims to encourage lending to potential small businesses that have difficulty securing loans through conventional underwriting standards. It involves two programs. The first of these is the Capital Access Loan Program. Under this program, the state, along with borrowers and financial institutions, create reserve pools to recover any losses incurred by a financial institution in lending their private money to eligible businesses that have difficulty obtaining funding through conventional underwriting standards. This ALI also supports the Collateral Enhancement Program to provide lending institutions with cash deposits to use as additional collateral for loans made to eligible for-profit small businesses. H.B. 96 allows for the remaining cash balance in the State Small Business Credit Initiative Fund (Fund 3FJ0) to be transferred to the MBD Financial Assistance Fund (Fund 5XH0).

ALI 1956E2 supports the Community Development Financial Institutions (CDFI) Loan Participation Program. This program provides loans to socially and economically disadvantaged individuals, very small businesses, and businesses located in CDFI tracts. ALI 1956E3 supports the Collateral Enhancement Program 2.0 to provide collateral on small business loans made by financial institutions to allow small businesses to access loans that otherwise would have been denied.

ALI 1956H5 is used to administer the Ohio Technical Assistance Grant Program. Specifically, grant funding provides legal, accounting, and financial advisory services to help small businesses apply for support from state and/or federal small business programs, including connecting companies directly with its SSBCI-supported capital programs.

State matching funds (ALI 195628). Although administratively under the Facilities Establishment Fund Group, ALI 195628 uses state funds to cover the state's portion of reserve pools under the Capital Access Loan Program. Under H.B. 96, the Office of Budget and Management (OBM) Director, with CEB approval, may transfer up to \$1.0 million cash in each fiscal year from the Minority Business Enterprise Loan Fund (Fund 4W10) to the Capital Access Loan Fund (Fund 5S90).

C8:2: Subsidies for minority and disadvantaged businesses (ALIs 195632, 195694, 1956I1, 195646, and 195624)

Fund/ALI	FY 2025 Actual	FY 2026 Appropriation	FY 2027 Appropriation
5XH0 ALI 195632, Women Owned Business Loans	\$2,126,769	\$5,000,000	\$5,000,000
% change	--	135.1%	0.0%
5XH0 ALI 195694, Micro-Loan	\$2,156,925	\$2,500,000	\$2,500,000
% change	--	15.9%	0.0%
5XH0 ALI 1956I1, Minority Business Development Loan Administration	\$0	\$2,000,000	\$2,000,000
% change	--	--	0.0%
4W10 ALI 195646, Minority Business Enterprise Loan	\$101,291	\$2,000,000	\$2,000,000
% change	--	1,874.5%	0.0%

Fund/ALI	FY 2025 Actual	FY 2026 Appropriation	FY 2027 Appropriation
4500 ALI 195624, Minority Business Bonding Program Administration	\$0	\$9,875	\$9,875
% change	--	--	0.0%

MBD Financial Assistance Fund programs (ALIs 195632 and 195694). These ALIs support (1) the Ohio Micro-Loan Program, and (2) the Women’s Business Enterprise Loan Program. Both programs are designed to stimulate the growth of new and existing businesses in the state at market interest rates or below-market rates depending on the nature of the request and the applicant’s creditworthiness. Loan proceeds may be used for working capital, machinery and equipment purchases, leasehold improvements, inventory, rolling stock, and the refinance of existing business debt.

Minority Business Development Loan Administration (ALI 195611). This ALI is used to support operating expenses associated with the administration of the MBD Financial Assistance Fund programs under ALIs 195632 and 195694.

Minority Business Enterprise Loan Program (ALI 195646). This ALI is used to provide funding for loans processed by the Minority Development Financing Advisory Board to minority-owned and operated businesses that are unable to obtain financing through traditional channels. The ALI also is used for operating expenses of the Minority Business Development Division. Loans under this program must be approved by the Controlling Board.

Minority Business Bonding Program Administration (ALI 195624). These funds support the administrative expenses of the Minority Business Bonding Program, which provides bonding assistance to minority businesses who otherwise cannot obtain bonding. The maximum bond amount is \$1.0 million per company. A premium of up to 2% is charged for each bond issued, and the premiums are deposited into the Minority Business Bonding Fund (Fund 4500) to support this ALI.

C8:3: Federal SBA funding and state matching funds (ALIs 195609, 195675, 195696, 195454, and 195405)

Fund/ALI	FY 2025 Actual	FY 2026 Appropriation	FY 2027 Appropriation
3080 ALI 195609, Small Business Administration Grants	\$3,983,600	\$5,550,000	\$5,550,000
% change	--	39.3%	0.0%
3080 ALI 195675, Procurement Technical Assistance	\$1,016,668	\$1,500,000	\$1,500,000
% change	--	47.5%	0.0%
3080 ALI 195696, State Trade and Export Promotion	\$350,224	\$500,000	\$500,000
% change	--	42.8%	0.0%
GRF ALI 195454, Small Business and Export Assistance	\$3,837,062	\$3,537,643	\$3,807,014
% change	--	-7.8%	7.6%
GRF ALI 195405, Minority Business Development	\$8,838,989	\$7,500,000	\$8,500,000
% change	--	-15.1%	13.3%

Small Business Administration Grants (ALI 195609). This ALI provides the main source of federal funding for the Small Business Development Center (SBDC) Program, which offers management counseling, training, and technical assistance to small businesses at the 28 SBDCs throughout the state. The federal moneys require equal matching of funds (\$1 federal: \$1 state plus local), but the state or local match may be in kind.

Procurement Technical Assistance (ALI 195675). This ALI is used to help small businesses seeking to compete for federal, state, and local contracts at Procurement Technical Assistance Centers (PTACs).

State Trade and Export Promotion (ALI 195696). These federal funds come to the state as part of the Small Business Administration's State Trade Expansion Program. DEV uses this money to support small business export promotion efforts.

Small Business and Export Assistance (ALI 195454). This ALI is used for various purposes that aid small businesses. The ALI also provides matching funds to the federally funded SBDC Program reflected in ALI 195609, as well as grants to support small business development, entrepreneurship, and exports of Ohio's goods and services. Grants through the ALI are used in conjunction with ALI 195405, Minority Business Development.

Minority Business Development (ALI 195405). This ALI is used to provide assistance to other minority development entities, but also supports operating costs of the Minority Business Development Division within DEV. The ALI is also used in conjunction with ALI 195454, Small Business and Export Assistance, for grants to local economic development organizations. Finally, it also supports operating costs of the Minority Development Division.

Category 9: Administration

This category encompasses ALIs that cover operating costs for (1) DEV's central administrative offices, (2) tax credits, bonds, and loans, (3) the Office of TourismOhio, and (4) promoting international trade.

C9:1: Administration operating (ALIs 195684 and 195636)

Fund/ALI	FY 2025 Actual	FY 2026 Appropriation	FY 2027 Appropriation
1350 ALI 195684, Development Operations	\$15,335,490	\$15,263,246	\$15,609,260
% change	--	-0.5%	2.3%
6850 ALI 195636, Development Services Reimbursable Expenditures	\$97,935	\$250,000	\$250,000
% change	--	155.3%	0.0%

These appropriations support DEV's central administrative offices, including the Director's office, legal services, communications and marketing, information technology, finance and internal services, and research. Funding for ALIs under this category comes from assessments charged against the divisions.

Development Operations (ALI 195684). This ALI is the primary source of administrative funding for the Department's central operating activities and is supported by assessments on

DEV's various divisions. These amounts are deposited into the Supportive Services Fund (Fund 1350). The ALI primarily covers payroll, supplies, equipment, and maintenance costs associated with the functions of DEV's executive leadership, legal office, communications and marketing staff, information technology staff, and other central administrative services.

The bill permits the OBM Director to transfer up to \$25,000 in each fiscal year from the Supportive Services Fund (Fund 1350) to the Lake Erie Protection Fund (Fund 4C00).

Development Services Reimbursable Expenditures (ALI 195636). The General Reimbursement Fund (Fund 6850) consists of money collected through assessments. This funding is used to cover reimbursable expenses such as state pool car costs, bulk office supply purchases, travel reimbursements, and registration costs for conferences and events.

C9:2: TourismOhio Administration (ALI 195683)

Fund/ALI	FY 2025 Actual	FY 2026 Appropriation	FY 2027 Appropriation
5MJ0 ALI 195683, TourismOhio Administration	\$7,246,432	\$11,000,000	\$11,000,000
% change	--	51.8%	0.0%

ALI 195683 funds the Office of TourismOhio operations for marketing, advertising, public relations, and the development and publication of tourism and state promotion materials, payroll, and operating costs of the Office. The Tourism Fund (Fund 5MJ0) has been capitalized by transfers from the GRF, and the same is so for the FY 2026-FY 2027 biennium. H.B. 96 requires the OBM Director to transfer up to \$22.0 million from the GRF to Fund 5MJ0, covering the amount appropriated for tourist marketing activities under the ALI during the FY 2026-FY 2027 biennium.

C9:3: International trade (ALIs 195537 and 195691)

Fund/ALI	FY 2025 Actual	FY 2026 Appropriation	FY 2027 Appropriation
GRF ALI 195537, Ohio-Israel Agricultural Initiative	\$209,360	\$500,000	\$500,000
% change	--	138.8%	0.0%
5W60 ALI 195691, International Trade Cooperative Projects	\$0	\$50,000	\$50,000
% change	--	--	0.0%

Ohio-Israel Agricultural Initiative (ALI 195537). This ALI supports the Ohio-Israel Agricultural Initiative, which aims to promote trade between Ohio and Israel in the agriculture and processed food sectors, as well as provide education on various agricultural issues like drip irrigation and agritourism. The earmarked funding may not be used for travel and entertainment expenses incurred under the initiative.

International Trade Cooperative Projects (ALI 195691). This ALI receives funds from outside entities to support international business development opportunities. Money in the

International Trade Cooperative Projects Fund (Fund 5W60) includes donations and grants from entities such as trade associations to assist with the operation of DEV's presence in foreign locations, as well as the proceeds of a fee for businesses to receive export assistance.

C9:4: Tax credits (ALIs 195635 and 195645)

Fund/ALI	FY 2025 Actual	FY 2026 Appropriation	FY 2027 Appropriation
5JRO ALI 195635, Tax Incentives Operating	\$1,092,741	\$1,200,000	\$1,200,000
% change	--	9.8%	0.0%
5KPO ALI 195645, Historic Rehabilitation Operating	\$1,536,081	\$1,800,000	\$1,800,000
% change	--	17.2%	0.0%

Tax credit programs (ALI 195635). The Office of Grants and Tax Incentives uses this ALI to pay operating costs of the various tax credit programs administered by DEV, including the (1) Job Creation, (2) Job Retention, (3) InvestOhio, (4) Motion Picture, (5) Ohio Historic Preservation, (6) Ohio New Market, and (7) Opportunity Zone. Finally, the Office tracks the creation and management of enterprise zones and community reinvestment areas in Ohio's communities. The ALI is supported by fees collected from tax credit recipients.

Historic Rehabilitation Operating (ALI 195645). This ALI is funded by fees collected under the Historic Rehabilitation Tax Credit Program. Half of the appropriations are used to cover DEV's costs for operating the program, while the other half is transferred to the Ohio History Connection on a monthly basis to help cover that organization's expenses in working with DEV on the program.

C9:5: Loan servicing costs (ALIs 195649 and 195415)

Fund/ALI	FY 2025 Actual	FY 2026 Appropriation	FY 2027 Appropriation
4510 ALI 195649, Business Assistance Programs	\$1,598,453	\$3,000,000	\$3,000,000
% change	--	87.7%	0.0%
GRF ALI 195415, Business Development Services	\$3,389,439	\$3,864,894	\$3,807,217
% change	--	14.0%	-1.5%

Loan programs (ALIs 195649 and 195415). These two ALIs support loan servicing costs, mainly those awarded through the Facilities Establishment Fund Group. Revenue supporting Fund 4510 ALI 195649, comes in the form of loan commitment fees and transfers from the Facilities Establishment Fund (Fund 7037). Under the bill, the OBM Director may transfer up to \$3.0 million cash in each fiscal year from the Research and Development Loan Fund (Fund 7010) to the Business Assistance Fund (Fund 4510). GRF ALI 195415 also pays for some of the operating costs of the Strategic Investment Division and DEV's regional offices.

Earmark

H.B. 96 requires \$1.55 million in FY 2026 and \$1.45 million in FY 2027 under ALI 195415 to be allocated to Development Projects, Inc. to support economic development programs and job creation efforts at U.S. Department of Defense (DOD) facilities in Ohio. These efforts are to include (1) working with DOD efficiency initiatives and future base realignment and closure (BRAC) activities, (2) assisting with defense contracting at Ohio companies, and (3) supporting regional training and workforce needs in the defense and aerospace industries. Development Projects, Inc. is the public sector funding arm of the Dayton Development Coalition.

C9:6: Volume Cap Administration (ALI 195654)

Fund/ALI	FY 2025 Actual	FY 2026 Appropriation	FY 2027 Appropriation
6170 ALI 195654, Volume Cap Administration	\$34,038	\$40,000	\$40,000
% change	--	17.5%	0.0%

This ALI provides funding to cover the administrative costs of overseeing the state's allocation of tax-exempt private activity bonding authority under the federally defined limit, or Volume Cap. While administered by the Office of Energy, Volume Cap is also used by other state entities, including the Ohio Housing Finance Agency (OHFA), for the issuance of bonds for certain programs.

Background information on Volume Cap

The Internal Revenue Service places a limit, or "Volume Cap," on the amount of tax-exempt Private Activity Bonds (PABs) the state issues on behalf of businesses and private entities. State and local agencies do this to qualify the bonds as municipal bonds, exempting the interest income on those bonds from any federal, state, or local income taxes. This results in a lower cost of capital for the borrower who finances with these bonds. Each state is given a Volume Cap annually on a per-capita basis of \$125 per resident. The total 2024 Volume Cap available to Ohio was around \$1.46 billion, so that no more than this amount of tax-exempt private-use bonds could be issued in the state in 2023. DEV defines six categories of projects eligible for tax-exempt bond financing with the following set-asides:

1. Single-family housing bonds for OHFA programs (\$300.0 million);
2. Multifamily housing bonds for OHFA programs (\$120.0 million);
3. Student loan bonds (\$120.0 million);
4. Exempt facilities bonds (\$100.0 million);
5. Small issue bonds for manufacturing companies (\$100.0 million);
6. Director of DEV's discretionary allocations (\$721.7 million).

**FY 2026 - FY 2027 Final Appropriations
All Fund Groups - Detail**

H.B. 96 - Main Operating Appropriations Bill

Detail by Agency			FY 2024	FY 2025	Appropriation FY 2026	Appropriation FY 2027	FY 2025 to FY 2026 % Change	FY 2026 to FY 2027 % Change
DEV Department of Development								
GRF	195402	Coal Research and Development Program	\$190,252	\$164,371	\$175,000	\$175,000	6.47%	0.00%
GRF	195405	Minority Business Development	\$6,566,878	\$8,838,989	\$7,500,000	\$8,500,000	-15.15%	13.33%
GRF	195406	Helping Ohioans Stay in their Homes	\$7,000,000	\$4,000,000	\$4,000,000	\$4,000,000	0.00%	0.00%
GRF	195415	Business Development Services	\$4,019,158	\$3,389,439	\$3,864,894	\$3,807,217	14.03%	-1.49%
GRF	195419	Healthy Beginnings at Home	\$375,000	\$1,885,000	\$0	\$0	-100.00%	N/A
GRF	195426	Redevelopment Assistance	\$1,128,892	\$949,554	\$1,125,000	\$1,141,982	18.48%	1.51%
GRF	195453	Technology Programs and Grants	\$1,038,319	\$604,645	\$859,360	\$868,648	42.13%	1.08%
GRF	195454	Small Business and Export Assistance	\$3,056,420	\$3,837,062	\$3,537,643	\$3,807,014	-7.80%	7.61%
GRF	195455	Appalachia Assistance	\$4,792,885	\$8,780,726	\$12,680,362	\$12,682,630	44.41%	0.02%
GRF	195456	Local Roads	\$12,641,518	\$0	\$0	\$0	N/A	N/A
GRF	195459	Ohio Onshoring Incentive	\$600,000,000	\$0	\$0	\$0	N/A	N/A
GRF	195497	CDBG Operating Match	\$1,374,578	\$1,410,774	\$1,445,867	\$1,473,181	2.49%	1.89%
GRF	195499	BSD Federal Programs Match	\$14,341,258	\$11,364,564	\$13,441,064	\$13,499,251	18.27%	0.43%
GRF	1954A7	Residential Economic Development District Program	\$0	\$0	\$10,000,000	\$15,000,000	N/A	50.00%
GRF	195501	iBELIEVE	\$30,610	\$0	\$0	\$0	N/A	N/A
GRF	195503	Local Development Projects	\$12,797,990	\$56,118,907	\$2,405,000	\$1,250,000	-95.71%	-48.02%
GRF	195537	Ohio-Israel Agricultural Initiative	\$231,110	\$209,360	\$500,000	\$500,000	138.82%	0.00%
GRF	195553	Industry Sector Partnerships	\$7,036,158	\$3,514,803	\$5,000,000	\$5,000,000	42.26%	0.00%
GRF	195556	TechCred Program	\$261,136	\$5,029,220	\$23,205,470	\$24,207,322	361.41%	4.32%
GRF	195566	Main Street Job Recovery Program	\$165,887	\$133,090	\$0	\$0	-100.00%	N/A
GRF	195595	Workforce Development Grants	\$0	\$0	\$400,000	\$400,000	N/A	0.00%
GRF	195901	Coal Research and Development General Obligation Bond Debt Service	\$5,727,636	\$4,036,225	\$4,050,000	\$2,525,000	0.34%	-37.65%
GRF	195905	Third Frontier Research and Development General Obligation Bond Debt Service	\$47,737,327	\$36,418,494	\$45,000,000	\$45,000,000	23.56%	0.00%
General Revenue Fund Subtotal			\$730,513,012	\$150,685,222	\$139,189,660	\$143,837,245	-7.63%	3.34%

**FY 2026 - FY 2027 Final Appropriations
All Fund Groups - Detail**

H.B. 96 - Main Operating Appropriations Bill

Detail by Agency			FY 2024	FY 2025	Appropriation FY 2026	Appropriation FY 2027	FY 2025 to FY 2026 % Change	FY 2026 to FY 2027 % Change
DEV Department of Development								
4500	195624	Minority Business Bonding Program Administration	\$9,875	\$0	\$9,875	\$9,875	N/A	0.00%
4510	195649	Business Assistance Programs	\$1,645,758	\$1,598,453	\$3,000,000	\$3,000,000	87.68%	0.00%
4F20	195639	State Special Projects	\$3,584,074	\$712,738	\$500,000	\$500,000	-29.85%	0.00%
4F20	195655	Workforce Development Programs	\$693,627	\$169,960	\$188,100	\$188,100	10.67%	0.00%
4F20	195699	Utility Community Assistance	\$701,447	\$703,063	\$686,947	\$0	-2.29%	-100.00%
4F20	1956B7	One-Time Emergency Projects	\$0	\$0	\$500,000	\$0	N/A	-100.00%
4W10	195646	Minority Business Enterprise Loan	\$1,079,949	\$101,291	\$2,000,000	\$2,000,000	1,874.51%	0.00%
5AI1	1956G9	Broadband Pole Replacement and Undergrounding Program	\$11,382	\$25,015,752	\$31,361,299	\$0	25.37%	-100.00%
5AO0	1956H2	Priority Projects	\$17,365,682	\$28,575,412	\$17,000,000	\$15,800,000	-40.51%	-7.06%
5AP1	1956H3	Welcome Home Ohio Program	\$170,365	\$5,066,887	\$45,625,000	\$45,625,000	800.45%	0.00%
5CT1	1956B8	Residential Development Revolving Loan Program	\$0	\$0	\$100,000,000	\$0	N/A	-100.00%
5CV2	195559	Rent and Utility Assistance	\$79,683,514	\$6,483,329	\$0	\$0	-100.00%	N/A
5CV3	195457	Local Water And Sewer	\$64,423,875	\$37,920,800	\$0	\$0	-100.00%	N/A
5CV3	195579	Workforce Housing Development	\$3,101,659	\$8,473,134	\$0	\$0	-100.00%	N/A
5CV3	1956A1	Water and Sewer Quality Program	\$129,807,326	\$171,703,187	\$0	\$0	-100.00%	N/A
5CV3	1956B1	ARPA Appalachia Community Plan	\$55,534,265	\$130,421,403	\$0	\$0	-100.00%	N/A
5CV3	1956D1	Meat Processing Investing Program ARPA	\$2,229,774	\$579,528	\$0	\$0	-100.00%	N/A
5CV3	1956D4	Water Reclamation Project	\$0	\$114,000,000	\$0	\$0	-100.00%	N/A
5CV3	1956E6	Minor League Relief	\$12,735,988	\$0	\$0	\$0	N/A	N/A
5CV3	1956E9	ARPA Arts Grant Program	\$24,901,006	\$0	\$0	\$0	N/A	N/A
5CV3	1956F6	ARPA Lead Prevention and Mitigation	\$19,144,118	\$56,221,264	\$0	\$0	-100.00%	N/A
5CV3	1956H4	County and Independent Fairs Grant	\$6,404,061	\$3,595,939	\$0	\$0	-100.00%	N/A
5CV5	1956H7	Ohio Residential Broadband Expansion Grant Program	\$444,500	\$3,667,764	\$0	\$0	-100.00%	N/A
5CV5	1956H8	Broadband Capital Projects Grant Program	\$0	\$7,100,000	\$0	\$0	-100.00%	N/A
5GT0	195550	Broadband Development Grants	\$21,192,164	\$73,798,586	\$2,800,000	\$2,800,000	-96.21%	0.00%

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Detail by Agency			FY 2024	FY 2025	Appropriation FY 2026	Appropriation FY 2027	FY 2025 to FY 2026 % Change	FY 2026 to FY 2027 % Change
DEV Department of Development								
5HR0	195606	TechCred Program	\$14,652,132	\$19,896,365	\$0	\$0	-100.00%	N/A
5JR0	195635	Tax Incentives Operating	\$840,070	\$1,092,741	\$1,200,000	\$1,200,000	9.82%	0.00%
5KN0	195571	Special Projects	\$0	\$519,392	\$0	\$0	-100.00%	N/A
5KP0	195645	Historic Rehabilitation Operating	\$959,139	\$1,536,081	\$1,800,000	\$1,800,000	17.18%	0.00%
5M40	195659	Low Income Energy Assistance (USF)	\$332,696,557	\$350,152,942	\$336,627,830	\$0	-3.86%	-100.00%
5M50	195660	Advanced Energy Loan Programs	\$3,997,228	\$5,369,060	\$8,932,168	\$8,940,462	66.36%	0.09%
5MH0	195644	SiteOhio Administration	\$0	\$0	\$5,000	\$5,000	N/A	0.00%
5MJ0	195683	TourismOhio Administration	\$7,233,454	\$7,246,432	\$11,000,000	\$11,000,000	51.80%	0.00%
5UL0	195627	Brownfields Revolving Loan Program	\$176,251	\$0	\$1,750,000	\$1,750,000	N/A	0.00%
5UY0	195496	Sports Events Grants	\$360,273	\$1,843,568	\$3,000,000	\$3,000,000	62.73%	0.00%
5W60	195691	International Trade Cooperative Projects	\$1,228	\$0	\$50,000	\$50,000	N/A	0.00%
5XH0	195632	Women Owned Business Loans	\$5,359,879	\$2,126,769	\$5,000,000	\$5,000,000	135.10%	0.00%
5XH0	195694	Micro-Loan	\$3,690,750	\$2,156,925	\$2,500,000	\$2,500,000	15.91%	0.00%
5XH0	195611	Minority Business Development Loan Administration	\$0	\$0	\$2,000,000	\$2,000,000	N/A	0.00%
5XM0	195576	All Ohio Future Fund	\$0	\$2,441,870	\$0	\$0	-100.00%	N/A
5XX0	195408	Meat Processing Investment Program	\$492,425	\$4,783,685	\$0	\$0	-100.00%	N/A
5YC0	195569	Community Improvements	\$219,008	\$258,017	\$0	\$0	-100.00%	N/A
5YE0	1956A2	Brownfield Remediation	\$118,804,296	\$81,361,733	\$100,000,000	\$100,000,000	22.91%	0.00%
5YF0	1956A3	Demolition and Site Revitalization	\$50,830,384	\$61,934,075	\$21,500,000	\$21,500,000	-65.29%	0.00%
5ZK0	1956F8	Innovation Hubs	\$0	\$1,978,125	\$0	\$0	-100.00%	N/A
6170	195654	Volume Cap Administration	\$8,275	\$34,038	\$40,000	\$40,000	17.52%	0.00%
6460	195638	Low- and Moderate-Income Housing Programs	\$55,645,359	\$55,334,790	\$64,402,825	\$64,435,386	16.39%	0.05%
Dedicated Purpose Fund Group Subtotal			\$1,040,831,115	\$1,275,975,098	\$763,479,044	\$293,143,823	-40.17%	-61.60%
1350	195684	Development Operations	\$14,364,086	\$15,335,490	\$15,263,246	\$15,609,260	-0.47%	2.27%

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DEV Department of Development								
6850	195636	Development Services Reimbursable Expenditures	\$125,000	\$97,935	\$250,000	\$250,000	155.27%	0.00%
Internal Service Activity Fund Group Subtotal			\$14,489,086	\$15,433,425	\$15,513,246	\$15,859,260	0.52%	2.23%
4260	195647	Rural Industrial Park Loan	\$6,009,700	\$5,219,398	\$5,000,000	\$5,000,000	-4.20%	0.00%
5590	195628	Capital Access Loan Program	\$1,445,477	\$705,845	\$1,000,000	\$1,000,000	41.67%	0.00%
7009	195664	Innovation Ohio	\$0	\$0	\$17,426,036	\$0	N/A	-100.00%
7010	195665	Research and Development	\$0	\$1,500,000	\$36,032,990	\$0	2,302.20%	-100.00%
7037	195615	Facilities Establishment	\$38,170,962	\$42,825,144	\$10,000,000	\$10,000,000	-76.65%	0.00%
Facilities Establishment Fund Group Subtotal			\$45,626,140	\$50,250,387	\$69,459,026	\$16,000,000	38.23%	-76.96%
7011	195686	Third Frontier Tax Exempt - Operating	\$738,627	\$830,758	\$1,000,000	\$1,000,000	20.37%	0.00%
7011	195687	Third Frontier Research and Development Projects	\$846,375	\$1,325,795	\$1,000,000	\$1,000,000	-24.57%	0.00%
7014	195620	Third Frontier Taxable - Operating	\$446,923	\$941,959	\$2,710,000	\$2,710,000	187.70%	0.00%
7014	195692	Research and Development Taxable Bond Projects	\$41,286,868	\$57,354,638	\$100,000,000	\$20,000,000	74.35%	-80.00%
Bond Research and Development Fund Group Subtotal			\$43,318,793	\$60,453,151	\$104,710,000	\$24,710,000	73.21%	-76.40%
3080	195580	Energy Efficiency and Conservation Block Grant Program	\$0	\$698,895	\$0	\$0	-100.00%	N/A
3080	195581	Energy Efficiency Revolving Loan Fund Capitalization Grant	\$0	\$0	\$2,500,000	\$2,500,000	N/A	0.00%
3080	195602	Appalachian Regional Commission	\$5,003,041	\$5,345,294	\$7,500,000	\$7,500,000	40.31%	0.00%
3080	195603	Housing Assistance Programs	\$14,113,313	\$10,034,748	\$12,571,729	\$12,576,756	25.28%	0.04%
3080	195609	Small Business Administration Grants	\$4,879,992	\$3,983,600	\$5,550,000	\$5,550,000	39.32%	0.00%
3080	195618	Energy Grants	\$3,449,761	\$5,575,728	\$11,650,326	\$11,661,160	108.95%	0.09%
3080	195670	Home Weatherization Program	\$45,392,872	\$36,858,227	\$86,079,636	\$0	133.54%	-100.00%
3080	195672	Manufacturing Extension Partnership	\$8,044,099	\$6,097,653	\$6,600,000	\$6,600,000	8.24%	0.00%
3080	195675	Procurement Technical Assistance	\$1,042,671	\$1,016,668	\$1,500,000	\$1,500,000	47.54%	0.00%

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Detail by Agency			FY 2024	FY 2025	Appropriation FY 2026	Appropriation FY 2027	FY 2025 to FY 2026 % Change	FY 2026 to FY 2027 % Change
DEV Department of Development								
3080	195696	State Trade and Export Promotion	\$302,924	\$350,224	\$500,000	\$500,000	42.77%	0.00%
3080	1956A8	ARPA Tourism Grant Program	\$3,603,695	\$0	\$0	\$0	N/A	N/A
3080	1956A9	ARPA Appalachia Ohio Planning	\$688,144	\$0	\$0	\$0	N/A	N/A
3350	195610	Energy Programs	\$187,116	\$302,426	\$350,000	\$350,000	15.73%	0.00%
3AE0	195643	Workforce Development Initiatives	\$1,134,607	\$749,916	\$2,000,000	\$2,000,000	166.70%	0.00%
3FJ0	195626	Small Business Capital Access and Collateral Enhancement Program	\$824,780	\$322,577	\$2,000,000	\$2,000,000	520.01%	0.00%
3IC0	1956D9	Growth Capital Fund	\$180,313	\$1,312,348	\$3,250,000	\$3,250,000	147.65%	0.00%
3IC0	1956E1	Early-Stage Focus Fund	\$131,912	\$433,689	\$1,500,000	\$1,500,000	245.87%	0.00%
3IC0	1956E2	Community Development Financial Institution Loan Participation	\$5,376,667	\$2,391,307	\$10,000,000	\$10,000,000	318.18%	0.00%
3IC0	1956E3	Collateral Enhancement Program	\$1,868,604	\$1,288,398	\$6,000,000	\$6,000,000	365.69%	0.00%
3IC0	1956H5	State Small Business Credit Initiative Technical Assistance	\$519,594	\$1,360,912	\$1,500,000	\$1,500,000	10.22%	0.00%
3IF0	1956E4	Broadband Equity, Access, and Deployment (BEAD) Program	\$2,832,282	\$487,900	\$793,000,000	\$0	162,433.36%	-100.00%
3IF0	1956E5	Broadband Digital Equity Acts Program	\$740,794	\$0	\$23,800,000	\$476,000	N/A	-98.00%
3IM0	195582	Home-Owner Managing Energy Savings Rebate Program	\$0	\$1,654,873	\$15,000,000	\$15,000,000	806.41%	0.00%
3IM0	195583	High-Efficiency Electric Home Rebate Program	\$0	\$2,217,564	\$15,000,000	\$15,000,000	576.42%	0.00%
3K80	195613	Community Development Block Grant	\$60,822,316	\$50,840,065	\$57,500,000	\$57,500,000	13.10%	0.00%
3K90	195611	Home Energy Assistance Block Grant	\$190,133,709	\$133,419,622	\$180,000,000	\$0	34.91%	-100.00%
3K90	195614	HEAP Weatherization	\$52,619,987	\$41,079,293	\$44,000,000	\$0	7.11%	-100.00%
3L00	195612	Community Services Block Grant	\$35,610,325	\$27,366,670	\$32,000,000	\$0	16.93%	-100.00%
3V10	195601	HOME Program	\$39,164,041	\$56,372,664	\$53,750,000	\$53,750,000	-4.65%	0.00%
Federal Fund Group Subtotal			\$478,667,559	\$391,561,259	\$1,375,101,691	\$216,713,916	251.18%	-84.24%
Department of Development Total			\$2,353,445,705	\$1,944,358,543	\$2,467,452,667	\$710,264,244	26.90%	-71.21%