

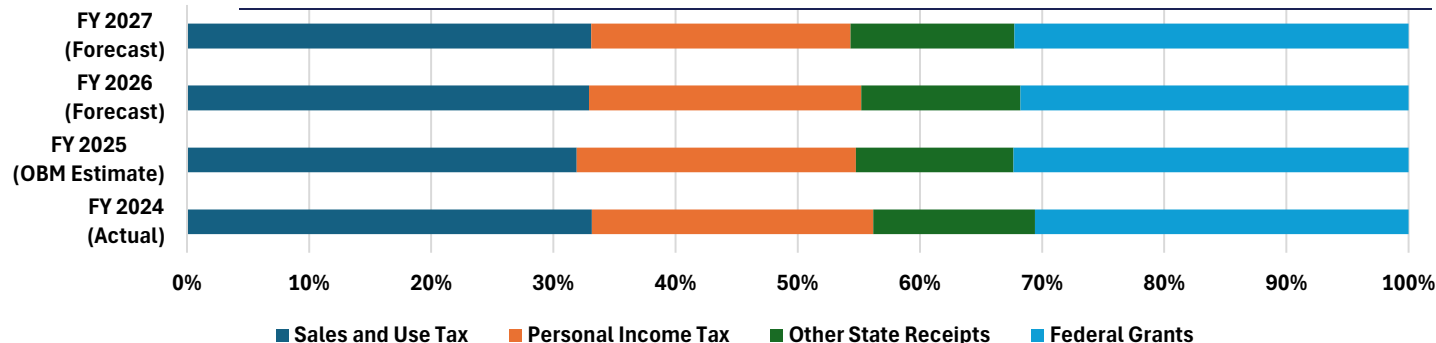
Legislative Budget Office of the Legislative Service Commission

Main Operating Budget House Bill 96 – As Passed by the Senate

Budget in Brief

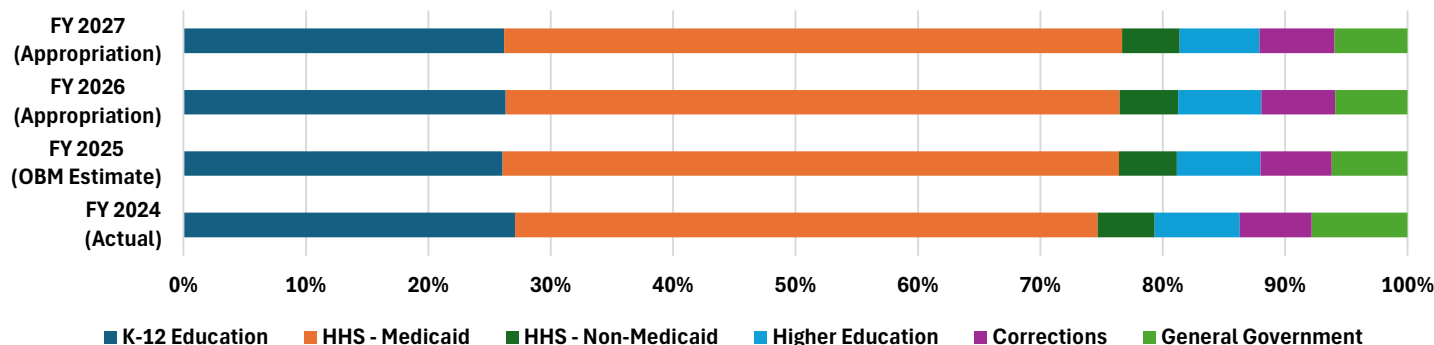
Where do GRF moneys come from?

Revenue Source	FY 2024 (Actual)	FY 2025 (OBM Estimate)	FY 2026 (Forecast)	FY 2027 (Forecast)
Sales and Use Tax	\$13,700.5	\$13,934.0	\$14,899.4	\$15,433.0
Personal Income Tax	\$9,519.3	\$9,987.0	\$10,084.9	\$9,891.2
Other State Receipts	\$5,467.5	\$5,630.9	\$5,887.0	\$6,252.4
Federal Grants	\$12,645.7	\$14,121.4	\$14,382.6	\$15,040.1
GRF Revenue Total	\$41,333.0	\$43,673.3	\$45,253.9	\$46,616.7
% Change		5.7%	3.6%	3.0%
<i>GRF Tax Total</i>	<i>\$27,944.5</i>	<i>\$28,442.8</i>	<i>\$29,780.7</i>	<i>\$30,348.0</i>
<i>% Change</i>		<i>1.8%</i>	<i>4.7%</i>	<i>1.9%</i>



Where do GRF moneys go?

Program Category	FY 2024 (Actual)	FY 2025 (OBM Estimate)	FY 2026 (Appropriation)	FY 2027 (Appropriation)
K-12 Education	\$11,004.5	\$11,348.7	\$11,613.7	\$11,959.2
HHS - Medicaid	\$19,329.5	\$21,921.9	\$22,126.2	\$23,055.8
HHS - Non-Medicaid	\$1,887.7	\$2,062.4	\$2,117.6	\$2,145.6
Higher Education	\$2,824.2	\$2,961.3	\$3,002.3	\$2,975.4
Corrections	\$2,392.3	\$2,545.8	\$2,653.7	\$2,797.4
General Government	\$3,179.5	\$2,693.7	\$2,613.4	\$2,728.1
GRF Program Total	\$40,617.7	\$43,533.8	\$44,126.9	\$45,661.5
% Change		7.2%	1.4%	3.5%



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

H.B. 96, as passed by the House, provides state and federal GRF appropriations totaling \$44.13 billion for FY 2026 and \$45.66 billion for FY 2027, increases of 1.4% and 3.5%, respectively. Medicaid (50.3%) and K-12 Education (26.3%) together make up 76.6% of the biennial total. State-source GRF appropriations total \$29.71 billion in FY 2026 and \$30.58 billion in FY 2027, increases of 1.3% and 2.9%, respectively. K-12 Education and Medicaid represent 39.1% and 26.0%, respectively, of the biennial total. Across all funds, appropriations total \$99.91 billion in FY 2026 and \$101.44 billion in FY 2027, increases of 0.5% and 1.5%.

Medicaid, Health, and Other Human Services

- Across all agencies and funds, H.B. 96 funding for Medicaid totals \$45.85 billion in FY 2026 and \$48.02 billion in FY 2027, increases of 5.1% and 4.7%. The federal share is expected to be 69.3% over the biennium. The GRF portion is \$22.13 billion (48.3%) in FY 2026 and \$23.06 billion (48.0%) in FY 2027. The state share of GRF Medicaid spending is \$7.71 billion in FY 2026 and \$7.98 billion in FY 2027, a decrease of 0.2% in FY 2026 and an increase of 3.5% in FY 2027.
- H.B. 96 institutes a drug rebate transparency initiative and an increase in the hospital franchise fee; both shift appropriations from the GRF to non-GRF funds. There will also be an additional hospital payment, which is estimated to increase the state share from non-GRF funds by \$531.0 million in FY 2026 and \$608.3 million in FY 2027. H.B. 96 provides enhanced dental and vision benefits for children that are estimated to increase the state share from the GRF by \$2.1 million over the biennium, and an add-on payment for dialysis services in nursing facilities that is estimated to increase the state share from the GRF by \$600,000 over the biennium. Various cost-savings measures partially offset these increases.
- H.B. 96 increases GRF funding for programs targeting infant mortality, including appropriating \$60.0 million in FY 2026 and \$63.0 million in FY 2027 for Help Me Grow, increases of 7.1% and 5.0%. In addition, the Infant Vitality appropriation is \$18.0 million each year, an increase of 7.1% over FY 2025. H.B. 96 increases GRF funding for early intervention services to \$30.0 million in FY 2026 and \$32.0 million in FY 2027, increases of 28.2% and 6.7%. The Parenting and Pregnancy appropriation also increases by 42.9% to \$10.0 million each year.
- H.B. 96 establishes a Child Care Provider Recruitment and Mentorship Grant Program with appropriations of \$1.8 million in FY 2026 and \$1.0 million in FY 2027.
- H.B. 96 establishes a new Responsible Fatherhood Initiative grant program, with GRF appropriations of \$5.0 million in FY 2026 and \$15.0 million in FY 2027.
- In addition, H.B. 96 provides \$264.1 million in FY 2026 and \$272.2 million in FY 2027, an increase of 3.1% each year for the Family and Children Services appropriation. H.B. 96 also increases funding for early childhood education to \$130.3 million each year, an increase of 19.6% over FY 2025.
- H.B. 96 sets up a new state block grant structure for providing funding to boards of alcohol, drug addiction, and mental health services from the newly named Department of Behavioral Health.

K-12 Education

- H.B. 96 completes the phase-in of the school funding formula enacted in H.B. 110 of the 134th General Assembly and appropriates \$11.27 billion in FY 2026 and \$11.53 billion in FY 2027 for formula funding to school districts, joint vocational school districts (career centers), and community and STEM schools, and for support to students who attend participating nonpublic schools through state scholarship programs. These appropriations are funded through a combination of GRF, including a transfer from the GRF to the Student Wellness and Success Fund of \$600.0 million in each fiscal year, and lottery and sports gaming profits.
- H.B. 96 appropriates \$1.30 billion in FY 2026 and \$1.33 billion in FY 2027 for property tax rollbacks and the homestead exemption for school districts.
- H.B. 96 appropriates \$99.2 million in FY 2026 and \$108.2 million in FY 2027 from lottery profits, increases of 12.0% and 9.1%, for community school facilities, increasing the annual per pupil amount for brick-and-mortar schools by \$100 each year and providing an annual per pupil amount of \$25 for e-schools. New funding from lottery profits of \$12.0 million in each year is provided for literacy coaches.

- H.B. 96 establishes a grant program for education demonstration projects funded at \$15.0 million in FY 2026 and \$35.0 million in FY 2027 through a GRF transfer.

Higher Education

- The state share of instruction (SSI) is funded in H.B. 96 at \$2.16 billion in FY 2026 and \$2.18 billion in FY 2027, increases of 1.8% and 1.0%. Included in that appropriation is \$100.0 million each year distributed according to a new formula based on retention and employment outcomes of graduates, \$10.0 million each year distributed according to a new retention-based formula providing \$10,000 bonuses per graduate for technician-aligned associate degrees, and \$17.5 million each year set aside for specific academic centers.
- H.B. 96 requires state colleges and universities to restrain increases in instructional and general fees over the biennium and limits increases to \$10 per credit hour per year for community colleges.
- H.B. 96 appropriates \$220.6 million in FY 2026, an increase of 11.8% and \$207.4 million in FY 2027, a decrease of 6.0%, for OCOG, Ohio's needs-based financial aid program.
- H.B. 96 increases funding for The Ohio State University College of Veterinary Medicine to \$15.0 million in each year, an increase of 182.8% over FY 2025.
- H.B. 96 expands funding for the Governor's Merit Scholarship to \$47.0 million in FY 2026 and \$56.4 million in FY 2027, increases of 107.0% and 20.0%. The bill provides funding for the War Orphans and Severely Disabled Veterans' Children Scholarships of \$25.0 million in FY 2026 and \$30.0 million in FY 2027, increases of 21.4% and 20.0%.

Local Government, Corrections, and Other Initiatives

- H.B. 96 increases the percentage of GRF tax revenue going to the Local Government Fund from 1.70% to 1.75%, which is expected to provide \$530.9 million in FY 2026 and \$541.2 million in FY 2027 for the fund. H.B. 96 also provides funding for public libraries of \$490.0 million in FY 2026 and \$500.0 million in FY 2027 through GRF transfers.
- H.B. 96 appropriates \$694.1 million in FY 2026 and \$709.4 million in FY 2027 for property tax rollbacks and the homestead exemption for local governments other than school districts.
- H.B. 96 appropriates \$1.48 billion in FY 2026 and \$1.55 billion in FY 2027 for the operation of Ohio's prisons, increases of 5.8% and 5.3%. GRF appropriations for medical services for inmates are \$374.5 million in FY 2026 and \$397.2 million in FY 2027, increases of 6.3% and 6.1%. The bill increases GRF funding for education services in prisons by 12.8% to \$51.1 million in FY 2026 and by 8.5% to \$55.5 million in FY 2027. H.B. 96 also provides \$207.0 million in FY 2026 and \$218.0 million in FY 2027, increases of 5.4% and 5.3% for juvenile correction facilities and related programs through RECLAIM Ohio.
- H.B. 96 appropriates \$173.7 million in FY 2026 and \$178.9 million in FY 2027 from the GRF for reimbursements to counties for indigent defense, increases of 1.1% and 3.0%. H.B. 96 also creates the Northwest Regional Hub to provide indigent defense services in Allen, Hardin, and Putnum counties, and provides new GRF funding to support the Hub of \$3.4 million each year.
- H.B. 96 increases GRF funding for the Ohio History Connection, providing \$8.8 million each year for operations of historical sites and museums, an increase of 16.7% over FY 2025. It also provides \$8.8 million in FY 2026, an increase of 191.7%, and \$2.0 million in FY 2027, a decrease of 77.1%, for the Ohio Commission for the U.S. Semiquincentennial.
- H.B. 96 provides \$10.5 million each year through a GRF transfer to reduce MARCS subscriber fees for local governments.
- H.B. 96 creates a new Residential Development Revolving Loan program funded through a \$100.0 million GRF transfer. It also provides new GRF development funding of \$10.0 million in FY 2026 and \$15.0 million in FY 2027 for the Residential Economic Development District grant program.
- H.B. 96 provides \$10.8 million in GRF funding each year for Appalachia development assistance, an increase of 61.5% from FY 2025, including \$2.8 million each year for the Foundation for Appalachian Ohio.
- H.B. 96 provides \$500,000 in each year for the Ohio-Israel Agricultural Initiative an increase of 100% over FY 2025.

Total (State and Federal) GRF Appropriations by Agency

Agency	FY 2024 (Actual)	FY 2025 (OBM Estimate)	FY 2026 (Appropriation)	FY 2027 (Appropriation)
Department of Medicaid	\$18,352,954,630	\$20,790,632,762	\$20,875,998,336	\$21,791,176,825
Department of Education and Workforce	\$9,479,672,747	\$9,783,298,319	\$9,954,802,583	\$10,300,410,007
Department of Higher Education	\$2,824,220,362	\$2,961,313,939	\$3,002,344,191	\$2,975,421,701
Department of Rehabilitation and Correction	\$2,148,569,630	\$2,281,770,000	\$2,383,797,816	\$2,515,266,669
Revenue Distribution Fund	\$1,873,728,354	\$1,885,992,000	\$2,048,029,521	\$2,087,483,908
Department of Developmental Disabilities	\$925,989,408	\$1,049,901,000	\$1,177,855,217	\$1,188,021,000
Department of Children and Youth	\$0	\$863,186,421	\$898,293,531	\$921,281,066
Department of Behavioral Health	\$573,312,406	\$592,296,238	\$639,316,524	\$646,985,424
Department of Job and Family Services	\$1,046,897,140	\$510,141,690	\$505,424,268	\$507,368,199
Ohio Facilities Construction Commission	\$408,011,278	\$338,750,000	\$303,250,000	\$278,250,000
Public Works Commission	\$273,440,160	\$286,135,000	\$271,500,000	\$279,000,000
Department of Youth Services	\$243,684,685	\$264,043,179	\$269,926,593	\$282,146,118
Judiciary/Supreme Court	\$197,140,018	\$214,242,000	\$221,822,165	\$233,764,466
Ohio Public Defender Commission	\$175,791,563	\$183,349,000	\$190,296,460	\$195,747,940
Attorney General	\$163,330,733	\$189,242,152	\$172,955,419	\$177,900,663
Department of Development	\$730,513,012	\$120,540,500	\$134,569,660	\$140,287,245
Department of Natural Resources	\$162,596,583	\$179,368,083	\$127,690,238	\$166,488,727
Department of Administrative Services	\$146,711,970	\$149,066,000	\$108,325,833	\$123,902,404
Department of Health	\$147,637,412	\$95,572,832	\$76,331,457	\$76,254,264
Department of Public Safety	\$88,007,577	\$105,111,870	\$76,258,983	\$86,044,862
Department of Taxation	\$57,440,659	\$60,684,000	\$63,163,000	\$67,166,271
Department of Veterans Services	\$59,085,608	\$62,878,000	\$59,643,989	\$59,814,297
Department of Transportation	\$92,030,238	\$53,762,136	\$51,264,636	\$50,514,636
Department of Agriculture	\$50,749,481	\$49,682,000	\$47,231,500	\$48,125,900
Auditor of State	\$34,326,234	\$38,422,000	\$45,139,278	\$48,727,204
Opportunities for Ohioans with Disabilities Agency	\$29,916,357	\$35,520,000	\$44,370,000	\$44,370,000
Legislative Service Commission	\$33,952,872	\$58,032,838	\$43,309,000	\$43,234,000
Pension Subsidies	\$37,255,139	\$36,183,000	\$40,152,300	\$40,152,300
House of Representatives	\$28,122,454	\$37,300,000	\$35,100,000	\$36,210,000
Deaf and Blind Education Services	\$29,859,052	\$30,634,000	\$32,700,258	\$33,454,668
Ohio History Connection	\$21,117,000	\$20,604,000	\$29,977,807	\$23,735,527
Ohio Arts Council	\$24,650,422	\$25,563,000	\$26,710,595	\$26,781,201
Department of Aging	\$24,566,189	\$25,357,000	\$26,176,887	\$25,940,126
Senate	\$15,612,362	\$27,000,000	\$23,000,000	\$23,000,000
Secretary of State	\$12,934,332	\$14,090,000	\$15,705,147	\$16,210,274
Adjutant General	\$13,480,577	\$14,984,924	\$15,495,803	\$16,557,534
Environmental Protection Agency	\$12,158,956	\$13,908,000	\$13,232,534	\$13,265,775
Capitol Square Review and Advisory Board	\$5,901,787	\$9,467,772	\$13,003,530	\$7,212,135
Broadcast Educational Media Commission	\$10,836,761	\$10,633,000	\$10,264,106	\$9,663,969
Ohio Civil Rights Commission	\$6,965,487	\$7,822,000	\$7,464,880	\$7,763,235
Commission on Minority Health	\$6,426,992	\$7,288,000	\$7,284,577	\$7,299,944
Treasurer of State	\$7,648,404	\$11,053,250	\$5,432,000	\$5,432,000
State Employment Relations Board	\$4,199,611	\$4,375,000	\$4,533,029	\$4,655,023
Court of Claims	\$9,732,447	\$4,690,000	\$4,463,374	\$4,668,266
Office of Budget and Management	\$4,350,860	\$4,592,000	\$4,400,000	\$4,842,000
Office of the Governor	\$3,184,456	\$3,481,221	\$3,481,221	\$3,580,624
Veterans' Organizations	\$2,726,000	\$2,788,000	\$2,788,000	\$2,788,000
Ethics Commission	\$2,295,557	\$2,305,000	\$2,480,744	\$2,603,142
Board of Tax Appeals	\$1,842,264	\$2,146,000	\$2,110,000	\$2,160,000
Inspector General	\$1,865,525	\$2,078,000	\$2,079,000	\$2,158,000
Judicial Conference of Ohio	\$1,140,683	\$1,231,000	\$1,398,265	\$1,475,131
Environmental Review Appeals Commission	\$660,706	\$701,000	\$730,000	\$765,000
Joint Legislative Ethics Committee	\$619,243	\$713,000	\$713,000	\$713,000
Commission on Service and Volunteerism	\$682,000	\$694,000	\$694,000	\$694,000
Joint Committee on Agency Rule Review	\$450,249	\$670,000	\$570,000	\$570,000
Joint Medicaid Oversight Committee	\$308,648	\$591,000	\$530,532	\$654,606
Commission on Hispanic/Latino Affairs	\$338,343	\$490,000	\$466,248	\$483,670
Expositions Commission	\$368,960	\$380,000	\$380,000	\$380,000
Board of Embalmers and Funeral Directors	\$32,000	\$1,000,000	\$250,000	\$250,000
New African Immigrants Commission	\$0	\$250,000	\$250,000	\$250,000
State Library Board	\$5,262,889	\$5,335,000	\$0	\$0
Ohio Elections Commission	\$414,998	\$432,000	\$0	\$0
GRF - State	\$28,020,723,313	\$29,337,514,941	\$29,709,731,218	\$30,584,985,032
GRF - Total	\$40,617,722,470	\$43,533,764,125	\$44,126,928,035	\$45,661,522,946
Medicaid GRF - State	\$6,732,476,370	\$7,725,612,816	\$7,708,973,857	\$7,979,296,155
Medicaid GRF - Federal	\$12,596,999,157	\$14,196,249,184	\$14,417,196,817	\$15,076,537,914
Medicaid GRF - Total	\$19,329,475,527	\$21,921,862,000	\$22,126,170,674	\$23,055,834,069
Medicaid Non-GRF - Total	\$19,548,916,566	\$21,692,902,606	\$23,720,515,264	\$24,966,969,095
Medicaid All-Funds - Total	\$38,878,392,093	\$43,614,764,606	\$45,846,685,938	\$48,022,803,164