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## OFFICE OF BUDGET AND MANAGEMENT

- Increases the amount of money intended to be maintained in the Budget Stabilization Fund from 5% to 8.5% of General Revenue Fund revenues for the preceding fiscal year.
- Permits a state agency to certify to the Office of Budget and Management (OBM) the amount due for a service subscription provided to a state agency for which an ongoing service was initiated but payment was not received.
- Authorizes the OBM Director to transfer from the receiving agency to the providing agency the amount that should have been paid for the service subscription.
- Defines a service subscription as an ongoing service provided to a state agency by another state agency for which an estimated payment is made in advance and final payment due is determined based on actual use.
- Permits the OBM Director, under certain circumstances, to transfer interest earned by any state fund to the GRF.
- Authorizes the OBM Director, in each fiscal year, to transfer up to \$60 million in cash to the GRF from non-GRF funds that are not constitutionally restricted to ensure that GRF receipts and balances are sufficient to support GRF appropriations.
- Permits the OBM Director to issue guidelines to agencies applying for federal money made available to the state for fiscal stabilization and recovery purposes.
- Appropriates any money the Controlling Board approves for expenditure, or any increase in appropriation the Controlling Board approves, pursuant to ongoing law.
- Abolishes various uncodified funds.

### **Budget Stabilization Fund transfer**

(R.C. 131.43 and 131.44)

The act increases the amount of money intended to be maintained in the Budget Stabilization Fund (BSF) from 5% of General Revenue Fund revenues for the preceding fiscal year to an amount equal to 8.5% of such revenues. The act also modifies the definition of "required year-end balance" to account for the change in the amount to be maintained in the BSF. As a result, under law modified by the act, the Office of Budget and Management (OBM) Director is required to calculate the state's surplus revenue by



July 31 each year, and transfer amounts in excess of one-half of 1% of the GRF revenues of the preceding fiscal year as follows:

(1) To the BSF, an amount necessary to bring the BSF balance to equal 8.5% of GRF revenues of the preceding fiscal year;

(2) To the Income Tax Reduction Fund, any amounts remaining of surplus revenue.

### **Service subscription late payment transfer**

(R.C. 131.34)

The act authorizes any state agency that has provided a service subscription to another state agency to certify to the OBM Director (1) that the service subscription has been initiated and (2) the amount due for the service subscription. The agency providing the service subscription may make a certification only if it does not receive payment from the agency receiving the service subscription within 30 days after the providing agency initiates the service subscription and submits an invoice requesting payment for it. After determining what part of the certified amount should have been paid by the receiving agency and that the receiving agency has an unobligated balance in an appropriation for the payment, the OBM Director may transfer the amount that should have been paid from the appropriate fund of the receiving agency to the appropriate fund of the providing agency. The transfer must be made on an intrastate transfer voucher.

Under the act, a service subscription is an ongoing service provided to a state agency by another state agency for which an estimated payment is made in advance and the final payment due is determined based on actual use.

Under continuing law a providing agency that has provided goods and services to a receiving agency may follow a similar process to recover payment.

### **Transfers of interest to the GRF**

(Section 512.10)

The act permits the OBM Director, through June 30, 2017, to transfer interest earned by any state fund to the GRF as long as the source of revenue of the fund is not restricted or protected under the Ohio Constitution or federal law.



## **Transfers of non-GRF funds to the GRF**

(Section 512.20)

The act authorizes the OBM Director, in both fiscal year 2016 and 2017, to transfer up to \$60 million in cash to the GRF from non-GRF funds that are not constitutionally restricted. These transfers are to be made to ensure that available GRF receipts and balances are sufficient to support GRF appropriations in each fiscal year.

## **Federal money for fiscal stabilization and recovery**

(Section 521.60)

To ensure the level of accountability and transparency required by federal law, the act permits the OBM Director to issue guidelines to any agency applying for federal money made available to the state for fiscal stabilization and recovery purposes and to prescribe the process by which agencies are to comply with any reporting requirements established by the federal government.

## **Expenditures, appropriation increases approved by Controlling Board**

(Section 503.100)

The act states that any money the Controlling Board approves for expenditure, or any increase in appropriation the Controlling Board approves, as permitted under ongoing law<sup>21</sup> is appropriated for the period ending June 30, 2017.

## **Various uncodified funds abolished**

(Section 512.60)

The act requires the OBM Director to abolish various uncodified funds pertaining to certain state agencies, as indicated in the act, after (1) transferring their cash balances to other funds, and (2) cancelling and reestablishing encumbrances. The amendment or repeal of any Revised Code sections that create any of the abolished funds is addressed in other parts of this analysis.

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<sup>21</sup> R.C. 127.14 and 131.39, not in the act; R.C. 131.35 in the act but amendments vetoed.

