

Main Operating Budget in Brief

House Bill 166 – As Introduced

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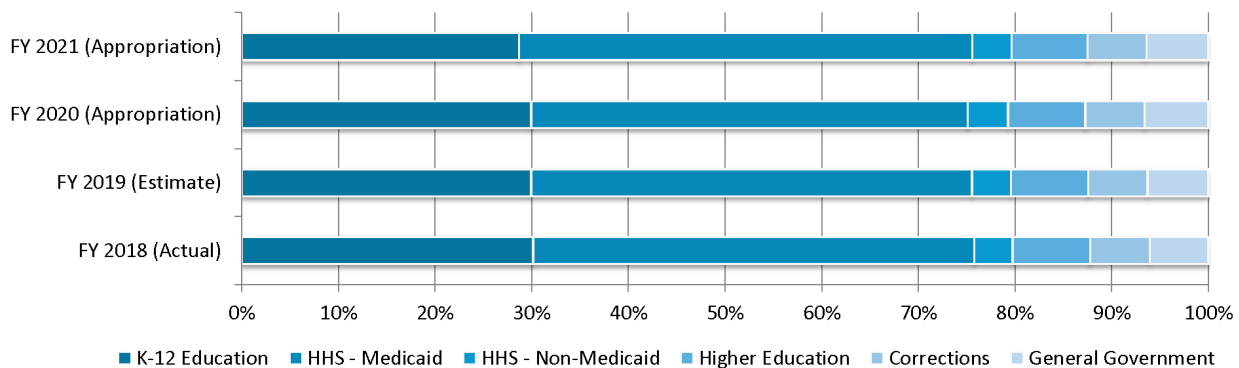
Where do GRF moneys come from?

Source (Executive)	FY 2018 (Actual)	FY 2019 (Estimate)	FY 2020 (Forecast)	FY 2021 (Forecast)
Sales & Use Tax	\$10,148.1	\$10,551.4	\$10,872.0	\$10,966.0
Personal Income Tax	\$8,411.0	\$8,600.0	\$9,179.0	\$9,472.0
Other Tax & Non-Tax Receipts	\$4,442.2	\$4,500.5	\$4,448.0	\$4,521.6
Federal Grants	\$9,469.9	\$9,615.8	\$9,679.5	\$10,437.5
GRF Source Total	\$32,471.2	\$33,267.7	\$34,178.5	\$35,397.1
% Change	—	2.5%	2.7%	3.6%
GRF Tax Total	\$22,423.2	\$23,093.5	\$23,988.9	\$24,391.8
% Change	—	3.0%	3.9%	1.7%



Where do GRF moneys go?

Program Category	FY 2018 (Actual)	FY 2019 (Estimate)	FY 2020 (Appropriation)	FY 2021 (Appropriation)
K-12 Education	\$9,563.2	\$9,728.6	\$10,082.8	\$10,119.9
Health & Human Services—Medicaid	\$14,482.5	\$14,825.6	\$15,213.5	\$16,569.3
Health & Human Services—Non-Medicaid	\$1,255.5	\$1,309.6	\$1,407.8	\$1,434.7
Higher Education	\$2,553.7	\$2,596.9	\$2,686.8	\$2,774.0
Corrections	\$1,940.3	\$1,993.0	\$2,063.7	\$2,141.0
General Government	\$1,932.0	\$2,046.9	\$2,228.2	\$2,264.1
GRF Program Total	\$31,727.2	\$32,500.6	\$33,682.8	\$35,303.0
% Change	—	2.4%	3.6%	4.8%



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

The executive budget provides state and federal GRF appropriations totaling \$33.68 billion for FY 2020 and \$35.30 billion for FY 2021, increases of 3.6% and 4.8%, respectively. Medicaid and K-12 Education account for 46.1% and 29.3%, respectively, of the biennial total. State-source GRF appropriations total \$23.99 billion in FY 2020 and \$24.85 billion in FY 2021, increases of 4.9% and 3.6%, respectively. K-12 Education and Medicaid represent 41.4% and 23.8%, respectively, of the biennial total. Across all funds, main operating budget appropriations total \$69.56 billion in FY 2020, an increase of 4.1%, and \$71.29 billion in FY 2021, an increase of 2.5%.

Medicaid, Health, and Other Human Services

- Across all agencies and funds, the executive Medicaid budget totals \$28.15 billion in FY 2020, an increase of 4.0%, and \$29.44 billion in FY 2021, an increase of 4.6%. About two-thirds of this spending will be reimbursed by the federal government. The GRF portion of this spending is \$15.21 billion (54.0%) in FY 2020 and \$16.57 billion (56.3%) in FY 2021.
- * The state share of GRF Medicaid spending is \$5.52 billion in FY 2020 and \$6.11 billion in FY 2021. This spending grows (6.3% in FY 2020 and 10.8% in FY 2021) faster than overall Medicaid spending due partly to the decreases in federal reimbursement rates for the Children's Health Insurance Program (CHIP) and the Affordable Care Act (ACA) expansion population (Group VIII). The reimbursement rate for CHIP decreases from the current ACA-enhanced rate of 97% to about 85% beginning October 1, 2019 and then back to the regular match rate of about 74% beginning October 1, 2020. The rate for Group VIII decreases from 93.5% in FY 2019 to 91.5% in FY 2020 and 90.0% beginning in FY 2021. In FY 2021, lower growth in state non-GRF Medicaid spending also contributes to higher growth in state GRF Medicaid spending.
- The budget provides \$9.75 million per year for the Recovery Ohio Law Enforcement initiative and earmarks, in each year: (1) \$3.4 million for creating narcotics task forces focusing on cartel trafficking interdiction, (2) \$3.25 million for a specialized Narcotics Intelligence Center, (3) \$2.5 million for the task forces to build partnerships with local law enforcement, and (4) \$600,000 for a uniform records management and data intelligence system. It also provides \$500,000 per year for the Attorney General to support these narcotics task forces.
- The budget increases Fund 5T20 funding for ADAMHS Boards from \$5 million in FY 2019 to \$21 million in FY 2020 and earmarks \$10 million of the increase to develop and expand crisis services infrastructure to support families in a variety of settings. FY 2021 funding for ADAMHS Boards is \$11 million. The budget increases funding for Chronic Disease, Injury Prevention and Drug Overdose by 119.6% to \$7.7 million in FY 2020 and 3.0% to \$7.9 million in FY 2021 to purchase naloxone and provide related overdose prevention and intervention services.
- The budget increases the Veterans' Homes appropriation by 51.6% to \$41.4 million in FY 2020 and 9.6% to \$45.4 million in FY 2021 to serve veterans with more complex health-related challenges with person-centered care in Ohio's veterans homes.
- The budget provides \$151.1 million per year for Family and Children Services, an increase of 95.6% over FY 2019. The increased funding will be used to recruit more foster and kinship caregivers, provide additional support to the county public children services agencies, and serve young adults who are transitioning out of foster care. The budget provides \$82.7 million per year for Continuum of Care Services, an increase of \$6 million (7.8%) over FY 2019. The increased funding is to be used to expand OhioSTART, an intervention program that serves children who have a parent with a substance abuse issue.
- The budget provides \$10 million per year in non-GRF Medicaid funding for innovative programs and other support services for youth involved with multiple government agencies. It also earmarks \$5.2 million in FY 2020 from state GRF Medicaid funding for Ohio State for the development and clinical evaluation of a non-opiate, non-addictive pharmaceutical treatment intervention.
- The budget increases funding for Environmental Health/Radiation Protection to \$2.8 million per year, an increase of \$1.6 million (135%) over FY 2019, to abate and demolish lead-blighted properties for lower-income families and reimburse individuals for the cost of becoming licensed in lead abatement. The budget also creates a nonrefundable lead abatement tax credit with a cap of \$5 million per biennium.
- The Statewide Treatment and Prevention program is funded at \$15.6 million in FY 2019, \$51.6 million in FY 2020, and \$20.6 million in FY 2021. The significant funding increase in FY 2020 will be used to support several largely one-time funding initiatives, including \$18.0 million for the K-12 prevention education material and resource initiative, \$13.0 million to expand statewide multi-media prevention, treatment, and stigma reduction campaigns, and \$5.0 million to expand the number of individuals, including law enforcement, trained in mental health first aid.
- The budget increases funding for Help Me Grow by 101.5% to \$40.3 million in FY 2020 and 22.3% to \$49.3 million in FY 2021 to increase home visiting services for at-risk, expectant mothers to reduce infant mortality and promote child development and school readiness. The budget also provides \$5 million in FY 2020 for Books from Birth to support childhood literacy efforts in the state.

K-12 Education

- School foundation aid is appropriated at \$8.62 billion in FY 2020, an increase of \$250 million (3.0%) over FY 2019, and \$8.67 billion in FY 2021, an increase of \$50 million (0.6%) over FY 2020. The executive budget distributes this aid in two components: (1) the first component provides every school district and joint vocational school district (JVSD), in both FY 2020 and FY 2021, the same amount of formula aid received in FY 2019 and (2) the second component provides an earmark of \$250 million in FY 2020 and \$300 million in FY 2021 under the newly established Student Wellness and Success Funds (SWSF) initiative.
- * The SWSF earmark will be distributed directly to school districts, JVSDs, and community schools based on the number of students they educate and according to a sliding scale based on federal census poverty data. The per pupil amounts range from \$20 to \$250 per pupil in FY 2020 and from \$25 to \$300 per pupil in FY 2021. Every school district, JVSD, and community school is guaranteed to receive a minimum of \$25,000 in FY 2020 and \$30,000 in FY 2021.
- * Schools are required to use the SWSF funds for certain services that address the non-academic barriers to student success, including mental health services, family engagement and support services, and mentoring. They are also required to coordinate with at least one community partner in utilizing SWSF funds. Furthermore, schools must report annually on how the SWSF funds were spent.

- The budget provides GRF funding of \$57.2 million in FY 2020 and \$71.0 million in FY 2021, increases of 20.0% and 24.1%, respectively, for the income-based EdChoice expansion. These increases are used to provide additional scholarships as the program expands to 6th grade in FY 2020 and 7th grade in FY 2021. The budget maintains the FY 2019 maximum amounts of \$6,000 for high school students and \$4,650 for elementary school students for both EdChoice and Cleveland Scholarship programs.
- The budget provides lottery funding of \$30 million per year for the newly established Quality Community School Support initiative. This funding will be distributed to a community school designated as a Community School of Quality on a per pupil basis (\$1,750 for each economically disadvantaged student and \$1,000 for each student who is not designated as economically disadvantaged).
- The budget provides \$3 million in FY 2020 to support graduate coursework for high school teachers to earn credentialing to teach College Credit Plus courses in a high school setting and \$1.5 million in FY 2020 to support teachers to receive credentialing to teach computer science.

Higher Education and Workforce Development

- The budget limits the increases to in-state undergraduate tuition charged by public colleges and universities to 2% per year and subjects certain fee increases to the approval of the Department of Higher Education (DHE). It also requires, instead of authorizes as under current law, each state university to establish an undergraduate tuition guarantee program.
- The state share of instruction (SSI) is funded at just under \$2.00 billion in FY 2020, an increase of 1.1%, and \$2.02 billion in FY 2021, an increase of 1.0%. The budget earmarks \$1.54 billion in FY 2020 and \$1.55 billion in FY 2021 for universities and their regional campuses and \$460.8 million in FY 2020 and \$465.4 million in FY 2021 for community and technical colleges. The budget requires institutions to use the annual increases to provide need-based aid, counseling, support services, and workforce preparation services to students. It establishes the Employment Metrics Consultation to study weights for post-graduation employment measures to be incorporated into the SSI formula.
- The budget increases overall funding for the Ohio College Opportunity Grant (OCOG), a need-based student financial aid program, by 21.2% per year to \$122.3 million in FY 2020 and \$148.2 million in FY 2021. The earmark for public and private nonprofit institution students increases from \$95.4 million in FY 2019 to \$113.7 million in FY 2020 and \$139.7 million in FY 2021. There is a new earmark of \$3.0 million per year to help two-year college students with textbook purchases. The remainder (about \$5.5 million per year) is for private for-profit career college students.
- Funding for Choose Ohio First Scholarships increases by 74.1% to \$28.2 million in FY 2020 and 42.6% to \$40.2 million in FY 2021 to fund additional scholarships that target under-represented student populations in STEM disciplines and education. Funding for War Orphans Scholarships increases by 33.3% to \$11.2 million in FY 2020 and 12.0% to \$12.5 million in FY 2021. National Guard Scholarship funding increases by 1.0% to \$20.6 million in FY 2020 and 3.0% to \$21.2 million in FY 2021.
- The budget provides \$25 million per year for the newly established Industry-Recognized Credentials High School Students initiative and earmarks this funding in each year as follows: (1) \$8 million for payments to schools whose students earn an industry-recognized credential or an equivalent certification, (2) \$12.5 million for the Innovative Workforce Incentive Program that will provide \$1,250 for each qualifying credential earned by a student, and (3) \$4.5 million to assist schools in establishing credentialing programs that qualify for the Innovative Workforce Incentive Program.
- Funding for Appalachia Assistance increases from \$7.6 million in FY 2019 to approximately \$10.0 million in FY 2020 and FY 2021. The budget creates a new earmark of \$4 million per year for the GRIT Project that provides job training and related services to high school students and adults residing in Adams, Brown, Highland, Pike, or Scioto counties.
- The budget provides \$15 million per year for a new financial assistance program to support students in short-term (less than one year) programs for which college credits, certificates, or industry-recognized credentials are awarded. The budget provides \$2.5 million per year to support regional industry sector partnerships. It also increases capital funding for workforce based training and equipment by \$8 million.

H2Ohio, Natural Resources, and State & Local Governments

- The budget creates the H2Ohio Fund and directs a portion of FY 2019 GRF surplus revenue and the entire balance of FY 2020 and FY 2021 GRF surplus moneys, if any, to be deposited into the Fund to support programs that align with the statewide strategic vision and comprehensive water protection and restoration strategy. The budget includes line item appropriations totaling \$85.2 million in FY 2020 under the agency budgets of Agriculture, EPA, and Natural Resources and authorizes the Controlling Board to establish additional appropriations in FY 2021.
- The budget continues the \$20 million per year in GRF funding, which was first provided for FY 2019 in S.B. 299 of the 132nd G.A., to reduce total phosphorous in the Western Lake Erie Basin. It also earmarks an additional \$3.4 million per year in GRF funding for soil and water districts in the Western Lake Erie Basin.
- State Parks Operations funding increases from \$31.1 million in FY 2019 to \$60.1 million in FY 2020 and \$35.4 million in FY 2021. The budget also provides an additional \$50 million in capital funding to purchase the land around the new Jesse Owens State Park area and to provide additional outdoor recreation opportunities to Ohioans.
- The budget increases GRF funding for county indigent defense reimbursements by \$61.1 million (180.6%) over the FY 2019 funding level and allows the state reimbursement rate to go over the 50% cap if funds are available.
- The budget increases GRF funding for the Police and Fire Death Benefit Fund from \$25.5 million in FY 2019 to \$33.5 million (31.4%) in FY 2020 and \$33.8 million in FY 2021 to implement S.B. 296 of the 132nd G.A. that increases death benefits paid by the Fund.
- The budget provides new GRF funding of \$10 million per year to support additional performance audit services performed by the Auditor of State for local governments and school districts.
- The budget provides new GRF debt service funding of \$10.1 million in FY 2020 and \$12.3 million in FY 2021 to support payments due on Certificates of Participation (COPs) that were issued to assist counties in new voting machine purchases pursuant to S.B. 132 of the 132nd G.A., which also provided \$10.0 million in FY 2019 to reimburse certain counties that had already purchased new voting machines.
- The budget continues to provide 1.66% and 1.68%, respectively, of total GRF tax revenues to the Local Government Fund and Public Library Fund. The LGF's share of GRF tax revenues is expected to total \$412.3 million in FY 2020 and \$419.9 million in FY 2021 while the PLF's share is expected to total \$417.3 million and \$424.9 million during the same period.
- InnovateOhio, which was created in S.B. 296 of the 132nd G.A., is funded at \$12.5 million per year to lead state technology projects and to use data to improve state agency operations and efficiencies. The budget also requires the Department of Administrative Services and Office of Budget and Management to identify and consolidate programs for improving both offices' efficiencies.

Total (State and Federal) GRF Appropriations by Agency

Agency	FY 2018 (Actual)	FY 2019 (Estimate)	FY 2020 (Appropriation)	FY 2021 (Appropriation)
Department of Medicaid	\$13,806,565,296	\$14,142,519,498	\$14,451,399,003	\$15,805,747,194
Department of Education	\$7,994,050,683	\$8,117,761,609	\$8,431,827,487	\$8,441,662,073
Department of Higher Education	\$2,553,677,184	\$2,596,873,372	\$2,686,803,853	\$2,774,017,686
Revenue Distribution Fund	\$1,802,418,596	\$1,814,800,000	\$1,845,100,000	\$1,863,551,000
Department of Rehabilitation and Correction	\$1,732,198,252	\$1,776,999,596	\$1,837,211,450	\$1,905,525,085
Department of Job and Family Services	\$750,693,273	\$782,633,463	\$872,875,545	\$873,033,973
Department of Developmental Disabilities	\$674,344,871	\$679,962,005	\$717,403,647	\$719,102,089
Ohio Facilities Construction Commission	\$408,435,353	\$442,590,743	\$451,798,783	\$462,079,134
Department of Mental Health and Addiction Services	\$401,319,351	\$423,316,557	\$442,782,387	\$457,354,940
Public Works Commission	\$250,749,698	\$260,928,572	\$273,557,600	\$276,149,300
Department of Youth Services	\$208,142,634	\$215,974,377	\$226,464,976	\$235,507,551
Judiciary/Supreme Court	\$159,405,697	\$173,182,592	\$187,899,715	\$191,269,380
Department of Administrative Services	\$162,702,824	\$154,207,716	\$150,533,075	\$161,853,139
Development Services Agency	\$128,834,339	\$136,629,778	\$144,545,702	\$141,664,575
Department of Natural Resources	\$107,354,962	\$110,141,779	\$127,732,941	\$134,631,850
Department of Health	\$74,352,289	\$75,779,412	\$100,078,549	\$109,075,216
Department of Taxation	\$66,524,041	\$69,903,545	\$61,437,717	\$62,529,386
Attorney General	\$47,749,067	\$60,836,372	\$80,429,778	\$82,739,948
Department of Agriculture	\$21,741,800	\$47,633,938	\$54,509,927	\$54,029,329
Ohio Public Defender Commission	\$36,372,578	\$38,043,406	\$99,686,145	\$100,061,780
Department of Veterans Services	\$36,977,532	\$35,322,770	\$51,007,964	\$55,630,291
Legislative Service Commission	\$26,447,962	\$33,410,668	\$31,197,020	\$32,025,020
Auditor of State	\$29,117,496	\$30,290,670	\$40,298,471	\$40,309,612
Department of Public Safety	\$19,581,978	\$27,774,799	\$34,627,099	\$35,357,900
House of Representatives	\$21,595,856	\$25,917,274	\$25,917,274	\$25,917,274
Pension Subsidies	\$20,346,475	\$25,900,000	\$33,803,000	\$34,053,000
Opportunities for Ohioans with Disabilities Agency	\$16,055,715	\$16,056,210	\$17,431,310	\$18,850,210
Senate	\$12,144,616	\$15,902,029	\$15,902,029	\$15,902,029
Department of Aging	\$14,684,780	\$14,949,726	\$19,342,491	\$20,816,004
Ohio Arts Council	\$14,991,914	\$14,677,781	\$14,677,781	\$14,773,578
Department of Transportation	\$15,242,442	\$13,424,886	\$14,424,886	\$14,424,886
Ohio History Connection	\$11,800,447	\$11,800,448	\$13,295,448	\$13,331,448
Treasurer of State	\$10,880,552	\$11,464,056	\$11,463,075	\$11,464,675
Ohio School for the Deaf	\$10,656,702	\$11,228,591	\$13,082,919	\$13,594,347
Ohio State School for the Blind	\$9,979,046	\$10,507,510	\$12,440,519	\$12,576,088
Secretary of State	\$1,532	\$10,000,000	\$12,100,196	\$14,263,396
Broadcast Educational Media Commission	\$9,259,206	\$9,260,928	\$9,260,928	\$9,260,928
Environmental Protection Agency	\$8,957,192	\$8,919,594	\$11,186,610	\$11,046,610
Adjutant General	\$10,893,355	\$8,609,764	\$10,972,836	\$10,979,197
Ohio Civil Rights Commission	\$5,039,347	\$5,664,776	\$5,863,161	\$5,863,161
State Library Board	\$5,307,686	\$5,343,236	\$5,343,236	\$5,343,236
Office of Budget and Management	\$4,239,673	\$5,092,522	\$4,613,824	\$4,439,089
State Employment Relations Board	\$3,666,636	\$3,939,380	\$3,998,046	\$4,136,626
Capitol Square Review and Advisory Board	\$3,834,297	\$3,866,631	\$5,171,204	\$5,188,267
Court of Claims	\$2,946,148	\$3,189,699	\$3,549,611	\$3,579,473
Office of the Governor	\$2,107,849	\$2,775,943	\$2,914,740	\$2,973,034
Commission on Minority Health	\$2,453,163	\$2,592,851	\$2,755,287	\$2,775,534
Veterans' Organizations	\$1,853,665	\$1,887,986	\$1,923,000	\$1,923,000
Board of Tax Appeals	\$1,425,735	\$1,857,751	\$1,845,494	\$1,857,751
Ethics Commission	\$1,457,245	\$1,745,873	\$1,821,515	\$2,068,492
Inspector General	\$1,329,305	\$1,401,581	\$1,512,881	\$1,509,581
Judicial Conference of Ohio	\$716,365	\$715,163	\$963,500	\$911,305
Joint Legislative Ethics Committee	\$520,603	\$644,486	\$550,000	\$550,000
Environmental Review Appeals Commission	\$549,365	\$613,445	\$634,000	\$651,000
Joint Medicaid Oversight Committee	\$305,195	\$588,597	\$361,365	\$528,681
Joint Committee on Agency Rule Review	\$411,222	\$576,885	\$570,000	\$570,000
Commission on Hispanic/Latino Affairs	\$427,907	\$463,777	\$464,888	\$464,047
Ohio Elections Commission	\$418,774	\$435,221	\$435,221	\$435,221
Joint Education Oversight Committee	\$301,663	\$398,336	\$376,663	\$378,668
Expositions Commission	\$363,750	\$363,750	\$363,750	\$363,750
Commission on Service and Volunteerism	\$301,000	\$305,593	\$307,176	\$305,971
GRF - State	\$22,248,138,878	\$22,867,703,622	\$23,986,873,461	\$24,846,945,712
GRF - Federal	\$9,479,085,299	\$9,632,895,893	\$9,695,975,237	\$10,456,031,296
GRF - Total	\$31,727,224,177	\$32,500,599,515	\$33,682,848,698	\$35,302,977,008
Medicaid				
GRF - State	\$5,003,429,744	\$5,192,683,622	\$5,517,549,868	\$6,113,239,480
GRF - Federal	\$9,479,085,299	\$9,632,895,893	\$9,695,975,237	\$10,456,031,296
GRF - Total	\$14,482,515,043	\$14,825,579,515	\$15,213,525,105	\$16,569,270,776
Non-GRF - Total	\$11,860,144,030	\$12,233,167,548	\$12,938,578,910	\$12,872,283,730
All-Funds - Total	\$26,342,659,073	\$27,058,747,063	\$28,152,104,015	\$29,441,554,506