

Legislator's Quick Guide to Redbooks & Greenbooks

LSC Redbook

Analysis of the Executive Budget Proposal

Legislative Service Commission

Produced at the beginning of the budget process

LSC Greenbook

Analysis of the Enacted Budget

Legislative Service Commission

Produced after the enactment of a budget

Quick look at Redbooks

- ◆ Analyze the **executive** budget proposal (the Introduced version of a budget bill), agency by agency
- ◆ Provide answers to questions such as:
 - ⇒ What are the agency's priorities for the next biennium?
 - ⇒ What is the executive funding recommendation for the agency for the next biennium? How does it compare to the agency's current funding levels?
 - ⇒ What are the objectives of the executive budget? How are they related to the agency's mission and current services?
 - ⇒ Does the executive budget propose any new initiatives or changes to existing programs?
 - ⇒ What percentage of the agency budget is used for its own operations? How does the agency use each of its line items?
- ◆ Produced at the beginning of the budget process
- ◆ Released according to the order of agency budget hearings before the House Finance subcommittees
- ◆ Include the following three components:
 - ◆ Overview – a brief description of the agency and summary of the executive budget recommendations, major new initiatives, and other important budget issues
 - ◆ Analysis of Executive Proposal – a detailed line item-by-line item analysis of the executive budget proposal, including funding for each initiative, earmarks, and proposed statutory changes
 - ◆ Attachments – Catalog of Budget Line Items and Budget Spreadsheet by Line Item – additional historical funding information for each line item



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Quick look at Greenbooks

- ◆ Similar to Redbooks but analyze the **enacted** budget, agency by agency
- ◆ Generally shorter, and more focused on the GRF, than Redbooks
- ◆ Highlight "what's in the final, enacted budget" and provide answers to questions such as:
 - ⇒ What major programs and services are funded in the agency budget?
 - ⇒ How will this new program work?
 - ⇒ How much funding is provided for that program?
 - ⇒ Did the Governor veto any provisions affecting the agency?
- ◆ Produced after each budget is signed by the Governor, mainly during the months of July and August following the enactment of the main operating budget
- ◆ Include an Overview section followed by the main section, Analysis of Enacted Budget

Ohio Legislative Service Commission

77 S. High St., 9th Fl
Columbus, OH 43215
614-466-3615

www.lsc.ohio.gov

Contact your LSC budget analysts and economists for nonpartisan budget information.

Q. When should I look for Redbooks and Greenbooks to come out?

Redbooks are produced at the beginning of the biennial budget process. They're released in the order of agency budget hearings before the House Finance subcommittees. Redbooks are our *top* priority at the start of the budget process. LSC budget analysts and economists make every possible effort to deliver each Redbook two business days before the agency's hearing. In total, we produce over 100 Redbooks over the first two to three weeks of the subcommittee hearing process.

The majority of Greenbooks are produced in the months of July and August after the Governor signs the main operating budget.

Q. Where can I find Redbooks and Greenbooks?

For quick, electronic access, go to www.lsc.ohio.gov, then *Budget Bills and Related Documents*. The vast majority of Redbooks and Greenbooks are located under the *Main Operating* budget page.

email: PaperDocuments@lsc.ohio.gov or call (614) 466-3615 for a hard copy of a large Redbook or Greenbook.

Q. How can Redbooks help me as I deliberate on the executive budget proposal?

Arguably, Redbooks are the most comprehensive budget briefing documents you'll see during the budget process. They cover topics such as the agency's mission and priorities, the executive funding recommendation, the objective of the executive budget proposal, and any proposed new initiatives and statutory changes affecting the agency.

Redbooks help shed light on how each agency plans to spend their appropriations in the next biennium and how those plans compare to the agency's current programs and services. They can help you understand where the money in the agency's budget goes. Is it spent on state personnel, debt service, or subsidies to outside entities? A regulatory agency typically spends a large portion of its budget on its own personnel. In contrast, the vast majority of the funds provided for agencies such as the Departments of Education and Medicaid are distributed to schools and Medicaid service providers, respectively. The Redbook for the Department of Education provides detailed information on how the school foundation formula works. Similarly, the Redbook for the Department of Medicaid details how the state funds various providers who serve Ohioans who are eligible for Medicaid.

Redbooks can also help you understand the sources of revenue used to fund each appropriation. Many line items are supported by non-GRF sources, such as license fees. Redbooks detail every line's funding sources.



Q. How are Greenbooks useful to me?

After the passage of the budgets, your constituents may ask you questions such as: Did the new state budget change the reimbursement rates for nursing homes? How does the new school funding formula affect our district? You may also wonder whether the Governor has vetoed a program that you advocated on behalf of your constituents. Greenbooks highlight "what's in the final, enacted budget" and help answer these and other questions about the enacted budgets. Some aspects of the executive budget proposal remain unchanged during the several months of the legislative budget process. Others are significantly altered.

Greenbooks are also useful in terms of helping you prepare for the next budget process. An excellent starting point for deliberating an agency's budget for the next biennium is to know that agency's current budget and programs. Greenbooks will help give you a head start on your budget deliberations!

Every state agency or program is covered by an LSC budget analyst or economist.