

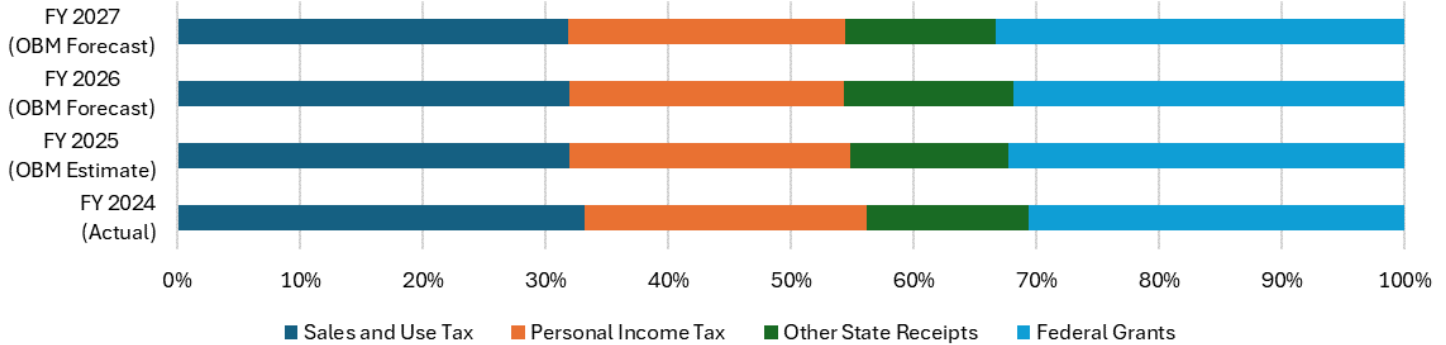
Legislative Budget Office of the Legislative Service Commission

Main Operating Budget House Bill 96 – As Introduced

Budget in Brief

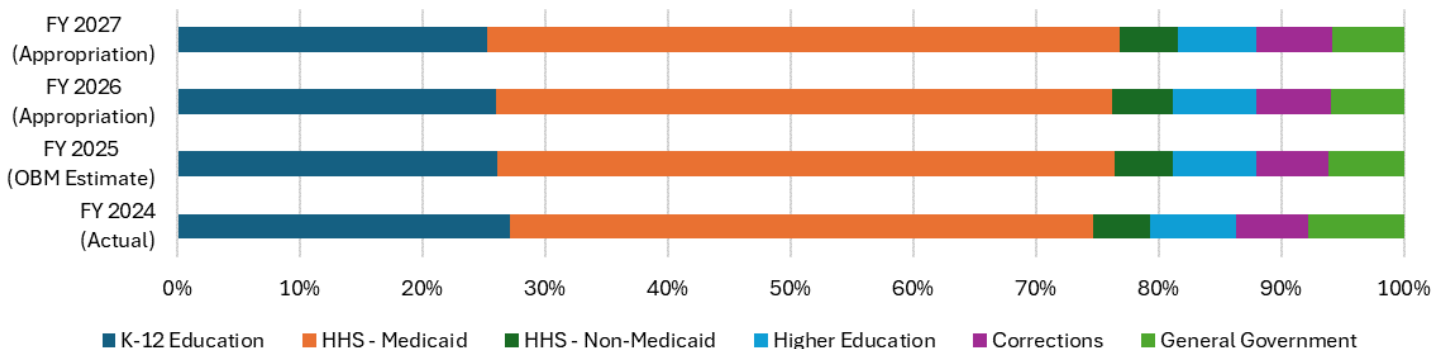
Where do GRF moneys come from?

Revenue Source	FY 2024 (Actual)	FY 2025 (OBM Estimate)	FY 2026 (OBM Forecast)	FY 2027 (OBM Forecast)
Sales & Use Tax	\$13,700.5	\$13,934.0	\$14,522.6	\$14,906.9
Personal Income Tax	\$9,519.3	\$9,987.0	\$10,184.3	\$10,605.7
Other State Receipts	\$5,467.5	\$5,630.9	\$6,246.2	\$5,744.1
Federal Grants	\$12,645.7	\$14,121.4	\$14,499.8	\$15,648.0
GRF Source Total	\$41,333.0	\$43,673.3	\$45,452.9	\$46,904.7
% Change		5.7%	4.1%	3.2%
<i>GRF Tax Total</i>	<i>\$27,944.5</i>	<i>\$28,442.8</i>	<i>\$29,574.1</i>	<i>\$30,566.4</i>
<i>% Change</i>		<i>1.8%</i>	<i>4.0%</i>	<i>3.4%</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	\$11,616.2	\$11,784.4
HHS - Medicaid	\$19,329.5	\$21,921.9	\$22,402.8	\$24,039.8
HHS - Non-Medicaid	\$1,887.7	\$2,062.4	\$2,232.4	\$2,233.1
Higher Education	\$2,824.2	\$2,961.3	\$3,012.6	\$2,976.4
Corrections	\$2,392.3	\$2,545.8	\$2,742.3	\$2,910.7
General Government	\$3,179.5	\$2,693.7	\$2,650.0	\$2,710.0
GRF Program Total	\$40,617.7	\$43,533.8	\$44,656.3	\$46,654.4
% Change		7.2%	2.6%	4.5%



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

Appropriation Highlights

H.B. 96, as introduced, provides state and federal GRF appropriations totaling \$44.66 billion for FY 2026 and \$46.65 billion for FY 2027, increases of 2.6% and 4.5%, respectively. Medicaid (50.9%) and K-12 Education (25.6%) together make up 76.5% of the biennial total. State-source GRF appropriations total \$30.05 billion in FY 2026 and \$30.89 billion in FY 2027, increases of 2.4% and 2.8%, respectively. K-12 Education and Medicaid represent 38.4% and 26.4%, respectively, of the biennial total. Across all funds, appropriations total \$103.25 billion in FY 2026 and \$105.65 billion in FY 2027, increases of 2.9% and 2.3%.

Medicaid, Health, and Other Human Services

- Across all agencies and funds, H.B. 96 funding for Medicaid totals \$47.82 billion in FY 2026 and \$50.80 billion in FY 2027, increases of 9.6% and 6.2%. The federal share is expected to be 69.4% over the biennium. The GRF portion is \$22.40 billion (46.8%) in FY 2026 and \$24.04 billion (47.3%) in FY 2027. The state share of GRF Medicaid spending is \$7.79 billion in FY 2026 and \$8.27 billion in FY 2027, increases of 0.9% and 6.2%, respectively.
- H.B. 96 appropriations reflect executive policy proposals for the Medicaid program. The net effect on the state share of Medicaid spending over all funds from these policy proposals is estimated to be increases of \$596.9 million in FY 2026 and \$544.3 million in FY 2027. The executive proposes 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. An increase in the personal needs allowance from \$50 to \$100 is estimated to increase the state share from the GRF by \$6.3 million in FY 2026 and \$12.5 million in FY 2027 and enhanced dental and vision benefits for children is estimated to increase the state share from the GRF by \$1.7 million in each year.
- H.B. 96 increases GRF funding for programs targeting infant mortality, including appropriating \$63.6 million in FY 2026 and \$85.5 million in FY 2027 for Help Me Grow, increases of 13.5% and 34.5%. In addition, the Infant Vitality appropriation is about \$22.0 million each year, an increase of 31.1% over FY 2025. H.B. 96 also provides new GRF funding of \$10.0 million in FY 2026 for pediatric cancer research and increases GRF funding for early intervention services to \$30.6 million in FY 2026 and \$32.7 million in FY 2027, increases of 30.9% and 6.8%. The Parenting and Pregnancy appropriation also increases by 42.9% to \$10.0 million each year.
- In addition, H.B. 96 proposes \$304.0 million in FY 2026 and \$299.0 million in FY 2027, an increase of 18.7% in FY 2026 and a decrease of 1.6% in FY 2027 for the Family and Children Services appropriation. This appropriation includes \$20.0 million in FY 2026 and \$10.0 million in FY 2027 of new GRF funding for the establishment of regional wellness campuses throughout the state. H.B. 96 also increases funding for early childhood education to \$130.3 million each year, an increase of 19.6% over FY 2025 and proposes appropriations of \$10.0 million each year for the Dolly Parton Imagination Library of Ohio, an increase of 25.0% 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. H.B. 96 also appropriates \$15,000,000 of new GRF funding in FY 2026 to establish health information systems for behavioral health providers.
- H.B. 96 provides new GRF funding the Department of Health of \$22.6 million in FY 2026 and \$17.4 million in FY 2027 for vision care services for children and \$3.0 million in each year for children's dental services. It also increases funding for school-based health centers to \$10.0 million each year, an increase of 33.3% over FY 2025.

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 \$11.15 billion in FY 2026 and \$11.29 billion in FY 2027 for formula funding to school districts, joint vocational school districts (career centers), community and STEM schools, and participating chartered nonpublic schools through the state's various 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 \$1.29 billion in FY 2026 and \$1.31 billion in FY 2027 for property tax rollbacks and the homestead exemption for school districts.
- H.B. 96 appropriates \$133.2 million in each year from lottery profits, an increase of 50.4% over FY 2025, for community school facilities, increasing the annual per pupil amount for brick-and-mortar schools from \$1,000 to \$1,500 compared to FY 2025 and providing an annual per pupil amount of \$25 for e-schools. Other new funding from lottery profits includes \$30.0 million in FY 2026 for school bus safety and \$12.0 million in each year for literacy coaches.

- H.B. 96 provides \$9.6 million in each year for tech prep regional centers to expand access to career-technical education, an increase of 257% over FY 2025.
- H.B. 96 proposes \$5.0 million in each year in GRF funding to support the newly created Principal Apprenticeship Program to develop teachers and other professionals into school principals through mentoring and on-site job training.
- H.B. 96 increases GRF funding for school bus driver training by \$3.9 million to \$5.0 million FY 2027 to expand access to advanced training opportunities.
- H.B. 96 proposes \$2.0 million in each year of new GRF funding for the State Board of Education to pay the costs of the Rapback system for educators and other school employees.

Higher Education

- The state share of instruction (SSI) is funded in H.B. 96 at \$2.12 billion in each fiscal year, an increase of 0.1% over FY 2025. Included in that appropriation is \$100.0 million each year distributed according to a new formula based on employment and wage outcomes of graduates and \$10.0 million each year distributed according to a new formula providing \$10,000 bonuses per graduate for technician-aligned associate degrees.
- H.B. 96 requires state colleges and universities to restrain increases in instructional and general fees over the biennium and limits increases to \$5 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 proposes new GRF funding of \$14.0 million in FY 2026 to establish the Ohio Institute for Quantum Computing Research, Talent, and Commercialization at Miami University. It also increases funding for The Ohio State University College of Veterinary Medicine to \$20.0 million in each year, an increase of 277.1% over FY 2025.
- H.B. 96 expands funding for the Governor's Merit Scholarship to \$47.0 million in FY 2026 and \$70.0 million in FY 2027, increases of 107.0% and 48.9%. The bill proposes increasing funding for the Choose Ohio First Scholarship by \$2.0 million each year to \$34.0 million in FY 2026 and \$36.0 million in FY 2027. Proposed funding for the War Orphans and Severely Disables Veterans' Children Scholarships is \$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 and the Public Library Fund from 1.70% to 1.75%, which is expected to provide \$531.7 million in FY 2026 and \$549.1 million in FY 2027 for each fund.
- H.B. 96 appropriates \$687.8 million in FY 2026 and \$698.8 million in FY 2027 for property tax rollbacks and the homestead exemption for local governments other than school districts.
- H.B. 96 appropriates \$1.54 billion in FY 2026 and \$1.64 billion in FY 2027 for the operation of Ohio's prisons, increases of 10.3% and 6.3%. GRF appropriations for medical services for inmates are \$377.8 million in FY 2026 and \$402.4 million in FY 2027, increases of 7.2% and 6.5%. The bill increases GRF funding for education services in prisons by 17.2% to \$53.1 million in FY 2026 and by 8.7% to \$57.8 million in FY 2027. H.B. 96 also proposes \$218.5 million in FY 2026 and \$220.5 million in FY 2027, increases of 11.3% and 0.9% 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 proposes the creation of 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, proposing \$11.7 million each year for operations of historical sites and museums, an increase of 56.2% over FY 2025; \$7.5 million in FY 2026, an increase of 150% and \$2.5 million in FY 2027, a decrease of 66.7%, for the Ohio Commission for the U.S. Semiquincentennial. H.B. 96 also proposes GRF funding for UNESCO World Heritage Sites of \$3.3 million in FY 2026 and \$2.6 million in FY 2027 and new GRF funding of \$1.8 million in each year for the Ohio as America social studies curriculum.
- H.B. 96 proposes new GRF development funding of \$5.0 million each year for the Foundation for Appalachian Ohio and \$7.0 million in FY 2026 to support cybersecurity for local governments.
- H.B. 96 provides new GRF funding for water system cybersecurity grants totaling \$2.0 million in FY 2026 and \$6.0 million in FY 2027.
- H.B. 96 provides new GRF funding of \$1.0 million each year to assist local communities with hazard mitigation projects.

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	\$21,147,158,574	\$22,769,607,797
Department of Education and Workforce	\$9,479,672,747	\$9,783,298,319	\$9,966,323,815	\$10,141,516,163
Department of Higher Education	\$2,824,220,362	\$2,961,313,939	\$3,012,625,519	\$2,976,386,704
Department of Rehabilitation and Correction	\$2,148,569,630	\$2,281,770,000	\$2,460,842,256	\$2,626,015,279
Revenue Distribution Fund	\$1,873,728,354	\$1,885,992,000	\$2,029,929,521	\$2,057,283,908
Department of Developmental Disabilities	\$925,989,408	\$1,049,901,000	\$1,177,690,217	\$1,188,148,356
Department of Children and Youth	\$0	\$863,186,421	\$951,944,419	\$961,898,729
Department of Behavioral Health	\$573,312,406	\$592,296,238	\$656,110,771	\$653,124,943
Department of Job and Family Services	\$1,046,897,140	\$510,141,690	\$510,140,494	\$512,084,425
Ohio Facilities Construction Commission	\$408,011,278	\$338,750,000	\$303,671,298	\$278,942,393
Department of Youth Services	\$243,684,685	\$264,043,179	\$281,432,565	\$284,675,099
Public Works Commission	\$273,440,160	\$286,135,000	\$271,500,000	\$279,000,000
Judiciary/Supreme Court	\$197,140,018	\$214,242,000	\$219,804,388	\$226,851,250
Ohio Public Defender Commission	\$175,791,563	\$183,349,000	\$190,296,460	\$195,747,940
Department of Natural Resources	\$162,596,583	\$179,368,083	\$156,388,445	\$175,932,482
Attorney General	\$163,330,733	\$189,242,152	\$146,955,419	\$145,400,663
Department of Development	\$730,513,012	\$120,540,500	\$133,796,962	\$125,546,228
Department of Health	\$147,637,412	\$95,572,832	\$122,277,778	\$117,974,486
Department of Administrative Services	\$146,711,970	\$149,066,000	\$112,196,833	\$130,773,404
Department of Public Safety	\$88,007,577	\$105,111,870	\$96,775,809	\$96,855,841
Department of Taxation	\$57,440,659	\$60,684,000	\$63,840,392	\$67,593,994
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	\$53,514,636	\$53,514,636
Department of Agriculture	\$50,749,481	\$49,682,000	\$46,987,500	\$47,916,900
Opportunities for Ohioans with Disabilities Agency	\$29,916,357	\$35,520,000	\$43,920,000	\$43,920,000
Legislative Service Commission	\$33,952,872	\$58,032,838	\$43,309,000	\$43,234,000
Auditor of State	\$34,326,234	\$38,422,000	\$41,570,879	\$42,636,722
Pension Subsidies	\$37,255,139	\$36,183,000	\$40,152,300	\$40,152,300
House of Representatives	\$28,122,454	\$37,300,000	\$37,300,000	\$37,300,000
Ohio History Connection	\$21,117,000	\$20,604,000	\$34,798,712	\$29,148,432
Deaf and Blind Education Services	\$29,859,052	\$30,634,000	\$32,700,258	\$33,454,668
Senate	\$15,612,362	\$27,000,000	\$27,000,000	\$27,000,000
Ohio Arts Council	\$24,650,422	\$25,563,000	\$25,710,595	\$25,781,201
Department of Aging	\$24,566,189	\$25,357,000	\$25,613,887	\$25,812,126
Adjutant General	\$13,480,577	\$14,984,924	\$16,788,909	\$16,992,853
Secretary of State	\$12,934,332	\$14,090,000	\$15,705,147	\$16,210,274
Environmental Protection Agency	\$12,158,956	\$13,908,000	\$15,232,534	\$19,265,775
Capitol Square Review and Advisory Board	\$5,901,787	\$9,467,772	\$12,953,530	\$7,162,135
Broadcast Educational Media Commission	\$10,836,761	\$10,633,000	\$10,980,106	\$11,053,969
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
State Library Board	\$5,262,889	\$5,335,000	\$5,576,552	\$5,662,990
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
State Board of Education	\$0	\$0	\$2,000,000	\$2,000,000
Judicial Conference of Ohio	\$1,140,683	\$1,231,000	\$1,398,265	\$1,475,131
Environmental Review Appeals Commission	\$660,706	\$701,000	\$745,000	\$795,000
Commission on Service and Volunteerism	\$682,000	\$694,000	\$731,407	\$747,115
Joint Legislative Ethics Committee	\$619,243	\$713,000	\$713,000	\$713,000
Joint Committee on Agency Rule Review	\$450,249	\$670,000	\$620,000	\$620,000
Ohio Elections Commission	\$414,998	\$432,000	\$587,000	\$659,500
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
<i>GRF - State</i>	<i>\$28,020,723,313</i>	<i>\$29,337,514,941</i>	<i>\$30,048,449,777</i>	<i>\$30,889,375,257</i>
GRF - Total	\$40,617,722,470	\$43,533,764,125	\$44,656,348,746	\$46,654,371,618
<i>Medicaid GRF - State</i>	<i>\$6,732,476,370</i>	<i>\$7,725,612,816</i>	<i>\$7,794,881,868</i>	<i>\$8,274,848,398</i>
<i>Medicaid GRF - Federal</i>	<i>\$12,596,999,157</i>	<i>\$14,196,249,184</i>	<i>\$14,607,898,969</i>	<i>\$15,764,996,361</i>
Medicaid GRF - Total	\$19,329,475,527	\$21,921,862,000	\$22,402,780,837	\$24,039,844,759
<i>Medicaid Non-GRF - Total</i>	<i>\$19,548,916,566</i>	<i>\$21,692,902,606</i>	<i>\$25,419,884,993</i>	<i>\$26,761,179,681</i>
Medicaid All-Funds - Total	\$38,878,392,093	\$43,614,764,606	\$47,822,665,830	\$50,801,024,440