

Redbook

LBO Analysis of Executive Budget Proposal

Office of the Governor

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LBO Redbook

Office of the Governor

Quick look...

- The Office of the Governor oversees the operations of state government; the Governor is the chief executive officer of the state, elected to a four-year term.
- The Governor’s major duties include formulating and implementing administrative policy for state agencies; submitting biennial capital and operating budgets; and appointing judges, agency directors, and board and commission members; and serving as commander in chief of the Ohio National Guard.
- The Office of the Governor directly employs a staff of 37, 35 of which are full-time permanent employees.
- The executive budget recommends funding of \$4.2 million in FY 2026 and \$4.3 million in FY 2027.

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
GRF ALI 040321, Operating Expenses					
\$2,874,033	\$2,885,777	\$3,184,456	\$3,481,221	\$3,481,221	\$3,580,624
% change	0.4%	10.4%	9.3%	0.0%	2.9%
Fund 5AK0 ALI 040607, Governmental Relations					
\$779,505	\$593,455	\$481,750	\$662,798	\$715,600	\$734,442
% change	-23.9%	-18.8%	37.6%	8.0%	2.6%
Total funding:					
\$3,653,538	\$3,479,233	\$3,666,206	\$4,144,018	\$4,196,821	\$4,315,066
% change	-4.8%	5.4%	13.0%	1.3%	2.8%

Agency overview

The Office of the Governor directly employs a staff of 37, 35 of which are full-time permanent employees. Major duties include formulating and implementing administrative policy for state agencies; submitting biennial capital and operating budgets; and appointing judges, agency directors, and board and commission members; and serving as commander in chief of the Ohio National Guard. In addition to these prescribed duties, current initiatives of the Office include providing leadership and support in several strategic priorities and initiatives, including: the Children’s Initiative, Common Sense Initiative, InnovateOhio, Faith-Based and Community Initiatives, RecoveryOhio, and Workforce Transformation.

Analysis of FY 2026-FY 2027 budget proposal

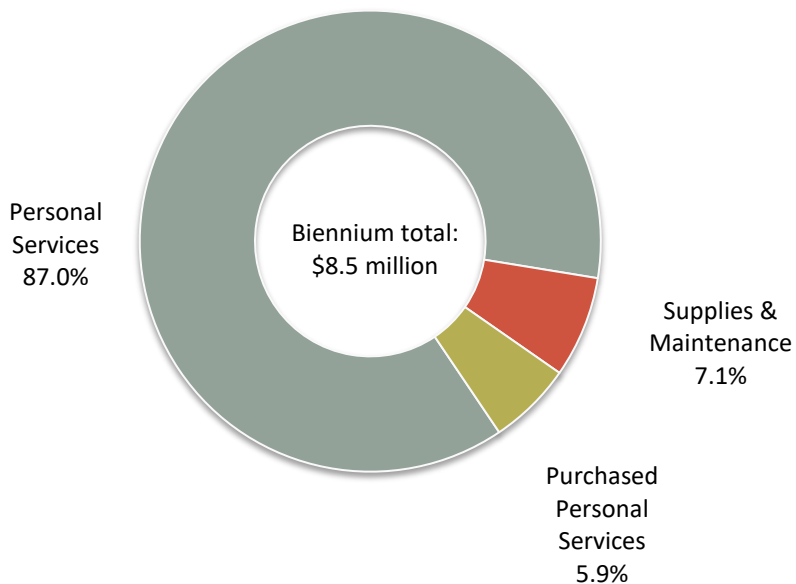
The Office of the Governor’s budget contains two appropriation line items (ALIs). The preceding table shows actual expenditures from these ALIs for FY 2022 through FY 2024, estimated expenditures for FY 2025, and recommended appropriations for FY 2026 and FY 2027.

Of the Office’s FY 2026-FY 2027 biennial budget, 83% is funded with GRF appropriated to ALI 040321, Operating Expenses. The remaining 17% is supported by fees assessed to executive branch agencies and deposited into the Government Relations Fund (Fund 5AK0), and appropriated to ALI 040607, Governmental Relations. That ALI pays for the costs of presenting the interests of Ohio to federal and local governments and membership dues for Ohio’s participation in regional and national associations.

Executive recommendations by expense category

The chart below shows the \$8.5 million proposed budget for the biennium by expense category. As shown, approximately 87.0% of the Governor’s Office budget is allocated for personal services (payroll and staffing costs). Another 7.1% is allocated for supplies and maintenance, and the remaining 5.9% is allocated for purchased personal services.

**Governor’s Office Budget by Expense Category
FY 2026-FY 2027 Biennium**



Budget highlights

Occupational license application processing time

The executive budget proposal includes a permanent law provision that permits the Common Sense Initiative Office (CSI),¹ within the Office of the Governor, to review any occupational license and establish an efficient application processing time. If such a processing time is established, CSI is required to direct the occupational licensing board governing the license to publish the established time on the board's website and to make available an electronic method for an applicant to request an application fee refund. If a board exceeds the established time, it must issue a refund to the extent permitted by law and inform CSI if a refund request was approved or denied.

CSI may incur additional costs to comply with the requirements of this provision. The magnitude of any increase will depend on the extent to which CSI chooses to utilize its authority to review an occupational license and establish an efficient processing time. It is unclear whether CSI currently has the staff and resources available to implement this provision if it chooses to do so.

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¹ S.B. 2 of the 129th General Assembly (effective June 2011) created CSI within the Office of the Governor to evaluate rules that may have an adverse impact on businesses.