



Ohio Budget Process

THE PLAYERS

Executive

- Governor
- Agencies and Departments
- Higher Education Board of Regents
- Office of Budget and Management (OBM)

Legislature

- Ohio House of Representatives
 - House Finance and Appropriations Committee
 - Higher Education Subcommittee
 - Cliff Rosenberger
 - Dan Ramos
 - Kathleen Clyde
 - Mike Dovilla
- Ohio Senate
 - Senate Finance Committee
 - Senate Education Committee
- The Legislative Service Commission (LSC)
 - Seven House Members
 - Seven Senators

PROCESS

Ohio's Current budget is in effect from July 1, 2013, through June 30, 2015.

Ohio's state fiscal year begins on July 1, runs through June 30 of the following year, and is known by the calendar year in which it ends. Therefore, FY 2014 runs from July 1, 2013, through June 30, 2014.

The state budget is normally in effect for a period of two fiscal years, although the Constitution permits appropriations for shorter periods.

The new budget must be adopted before spending authority under the old budget expires.

From the perspective of the legislature, work on the budget occurs primarily in the first six months of the biennial session of the General Assembly.

The main operating appropriations bill provides funding for most state agencies. (Usually appropriations for education related agencies are included in this bill, but on at least one occasion, a separate education appropriations bill has been enacted.)



The Office of Budget and Management (OBM) initiates the process by submitting to agencies receiving appropriated funds are to follow in preparing their budget requests, as well as the date by which the requests must be submitted to OBM. After receiving an agency's budget request, OBM reviews the request and holds meetings and budget hearings with the agency as needed. OBM then works with the Governor and his or her staff to formulate preliminary budget recommendations.

The Governor is required to present the executive budget to the General Assembly within four weeks after its organization early in January of every odd-numbered year.

House committee hearings on the operating appropriations bills are conducted by the full Committee and by its standing subcommittees. Near the end of the hearings, the chairperson of the Finance and Appropriations Committee usually instructs LSC to draft substitute bills that make extensive changes in the bills as introduced. Many of the changes are based on recommendations of the subcommittees. The substitute bills are then considered and amended in full committee, reported, and sent to the House floor for third consideration.

After the House passes the operating appropriations bills, they are introduced in the Senate. Due to the limited amount of time available, the Senate Finance Committee ordinarily begins its hearings on the main operating appropriations bill while the bill is still in the House Finance and Appropriations Committee.

As the Senate and House versions are rarely identical, a conference committee then negotiates a conference bill to bring back to the two chambers. The Constitution empowers the Governor to veto any item in an act making an appropriation, approval of the act is usually accompanied by the Governor's line item veto (disapproval of specific items in the act).

TIMELINE

January (odd-numbered years) – Governor outlines budget in State of the State Address and presents the Executive Budget (as late as March 15 for newly elected governors)

February – Budget bill introduced in the House of Representatives and referred to House Finance and Appropriations Committee

February/March – Public testimony on the budget heard in subcommittee and in full committee, which passes an amended version of the bill

March – House of Representatives passes the budget bill and sends it to the Senate

April – Senate Finance Committee hears public testimony on the budget and passes an amended version of the bill



May – Ohio Senate passes the budget bill; if House fails to concur, a Conference Committee is appointed to work out the differences

June – Conference Committee resolves differences between House and Senate versions of the budget and sends an agreed-upon version of the budget to the floor of both houses for approval; Governor signs bill into law with or without line-item vetoes

SOURCES

“The Ohio Budget Process,” Ohio Legislative Service Commission, accessed August 22, 2013, <http://www.lsc.state.oh.us/guidebook/chapter8.pdf>

“Legislative Process,” Advocates for Ohio’s Future, accessed August 22, 2013, <http://www.advocatesforohio.org/legislative-process>

“Senate Finance Committee,” The Ohio Senate, accessed August 22, 2013 <http://www.ohiosenate.gov/committee/finance>

“Higher Education Subcommittee,” Ohio House of Representatives, accessed August 22, 2013, <http://www.ohiohouse.gov/committee/higher-education-subcommittee>