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OHIO LEGISLATIVE SERVICE COMMISSION

Office of Research
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Legislative Budget
Office

S.B. 145
136th General Assembly

Fiscal Note & Local Impact Statement

[Click here for S.B. 145's Bill Analysis](#)

Version: As Introduced

Primary Sponsors: Sens. Reynolds and Craig

Local Impact Statement Procedure Required: No

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Highlights

- The bill would rename the Department of Development to the Department of Housing and Development. Costs to update the agency's website and physical signage would presumably be paid under Fund 1350 appropriation line item (ALI) 195684, Development Operations.
- The Department of Housing and Development could incur additional costs to hire staff to build a statewide housing dashboard, create a housing toolkit, and operate a zoning support hotline as required by the bill.
- The bill would require TourismOhio, under the Department of Housing and Development, to establish and implement a marketing campaign highlighting the state as a place to live. These costs would be paid out of Fund 5MJ0 ALI 195683, TourismOhio Administration.
- Under the bill, the Ohio Housing Finance Agency (OHFA) Board and the Ohio Housing Trust Fund Advisory Committee will each gain four additional legislative members. OHFA and the Department of Housing and Development will each incur costs to reimburse legislative members for the reasonable and necessary expenses incurred in the discharge of their official duties.

Detailed Analysis

Department of Housing and Development

The bill renames the existing Department of Development (DEV) as the Department of Housing and Development. The costs to rename the agency are uncertain. Presumably the Department will update its website, update any physical signage, and phase in the name change on items, including published materials, as supplies are restocked. These costs would presumably

be paid under Fund 1350 appropriation line item (ALI) 195684, Development Operations. This ALI is the primary source of administrative funding for the Department's central operating activities and is supported by assessments on DEV's various divisions. These amounts are deposited into the Supportive Services Fund (Fund 1350). Specifically, the ALI covers payroll, supplies, equipment, and maintenance costs associated with the functions of DEV's executive leadership, legal office, communications and marketing staff, information technology staff, and other central administrative services.

The bill also expands the scope of activities the newly renamed department is to undertake. Among the new duties, the bill requires the Department to: (1) create, publish, and maintain the Ohio housing dashboard to provide data and information related to the Ohio housing market, (2) provide information and guidance for local government officials and housing industry stakeholders, (3) establish a campaign to promote Ohio as a pro-housing state and educate Ohioans on the benefits of innovation in housing and economic development, (4) oversee the existing Welcome Home Ohio (WHO) Program as revised by the bill, and (5) consider the use of All Ohio Future Fund money for economic development by funding infrastructure that is a critical component of either site readiness and preparation or housing to accommodate a growing workforce. The possible fiscal effects of these additional responsibilities are summarized below.

Ohio housing dashboard

The bill requires the Department to create and maintain an Ohio housing dashboard comprised of data on home prices, rental rates, rental vacancy rates, housing inventory levels, homeownership rates, foreclosure rates, and population growth. The Department will incur costs to develop a dashboard webpage and consistently update it. It is unclear if the existing staff will be able to absorb this responsibility, or if additional staff would be necessary to accomplish these tasks.

Ohio housing toolkit

The bill requires the Department to create and maintain an Ohio housing toolkit that includes resources to assist local government officials and housing stakeholders in navigating housing development and community planning. The toolkit must be published on the Department's publicly accessible website. Additionally, the bill requires the Department to establish an administrative support hotline to provide guidance, best practices, and technical support for local governments in adopting, implementing, and managing new or amended zoning codes. Under the bill, it is possible that the Department of Housing and Development could incur additional costs to hire staff to develop these resources and operate the hotline.

TourismOhio

The bill revises the purpose of TourismOhio to promote Ohio as a "destination for living, learning, working, and traveling." In addition, the bill requires TourismOhio and the Department to establish and implement a campaign to promote Ohio as a pro-housing state and to engage and educate Ohioans about the benefits of growth and innovation in housing and economic development. The costs for the campaign would be paid out of Fund 5MJ0 ALI 195683, TourismOhio Administration. The ongoing Tourism Fund (Fund 5MJ0) has been capitalized by transfers from the GRF.

Welcome Home Ohio

The bill makes changes to the WHO programs as detailed in the [LSC bill analysis](#). There is no direct fiscal effect to the state or political subdivisions resulting from the program changes. There are two WHO grant programs – one for the purchase of residential property at foreclosure sales and another for the rehabilitation or construction of residential property for income-restricted owners.¹ Additionally, there is a tax credit component. Continuing law allows the Department to issue up to \$25.0 million in tax credits in both FY 2024 and FY 2025 but does not allow credits to be issued after FY 2025. The bill does not extend the credit beyond FY 2025. Absent further revisions, the credit will expire.²

All Ohio Future Fund

The current purpose of the All Ohio Future Fund (Fund 5XM0) is generally to promote economic development, including the development of infrastructure. The bill revises the purpose to include the installation or improvement of infrastructure that is a critical component of either: (1) site readiness and preparation, or (2) housing to accommodate a growing workforce. This might expand the scope of allowable uses of the cash in Fund 5XM0.

Legislative representation

Under the bill, the Ohio Housing Finance Agency (OHFA) Board and the Ohio Housing Trust Fund Advisory Committee each respectively will have increased legislative representation. Specifically, the bill adds two members of the House of Representatives and two members of the Senate to OHFA, growing the membership from 15 to 19. The Housing Trust Fund Advisory Committee would grow from seven to 11 members with the four new legislative appointees. OHFA and the Department of Housing and Development could each incur some new costs to reimburse legislative members for the reasonable and necessary expenses incurred in the discharge of their official duties.

Ohio Housing Finance Agency Board

Under continuing law, OHFA assists with the financing, refinancing, production, development, and preservation of affordable housing for occupancy by low- and moderate-income persons. Its duties include the apportionment and administration of the federal low-income housing tax credit. In addition, the bill requires the newly constituted board to consider changes to program policies in a way that resolves inequities and increases participation in rural areas of the state. The fiscal effect of this change will depend on what adjustments might be made taking into account this additional requirement.

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¹ For the grant programs, H.B. 96, the FY 2026-FY 2027 operating budget pending in the Senate, appropriates \$45.6 million in each fiscal year under Fund 5AP1 ALI 1956H3. In each fiscal year, the bill earmarks \$22,812,500 for each program. H.B. 96 would also make additional changes to the WHO grant programs.

² Pending H.B. 96 extends the WHO tax credit from the end of FY 2025 through the end of FY 2027 and caps the total amount of credits awarded in the biennium at \$20 million. H.B. 96 also makes additional changes to the WHO tax credit program.