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# OHIO LEGISLATIVE SERVICE COMMISSION

Office of Research  
and Drafting

Legislative Budget  
Office

H.B. 27  
135<sup>th</sup> General Assembly

## Fiscal Note & Local Impact Statement

[Click here for H.B. 27's Bill Analysis](#)

**Version:** As Passed by the Senate

**Primary Sponsors:** Reps. Mathews and J. Thomas

**Local Impact Statement Procedure Required:** No

Jason Glover, Senior Budget Analyst, and other LBO staff

### Highlights

#### Capital appropriations and reappropriations

- The bill makes capital appropriations totaling \$1.37 billion for the FY 2025-FY 2026 biennium. Of this amount, \$1.27 billion is supported by debt and \$0.10 billion is supported by cash. These appropriations are summarized in the following table.

Table 1. Capital Appropriations Summary

Fund	Fund Name	Purpose	Amount
7032	School Building Program Assistance	School facilities	\$600,000,000
7038	State Capital Improvements	Local public infrastructure	\$400,000,000
7026	Administrative Building	Expo2050 projects	\$196,350,000
7056	Clean Ohio Conservation	Local conservation projects	\$75,000,000
<b>Total Debt Supported</b>			<b>\$1,271,350,000</b>
7040	State Capital Improvements Revolving Loan	Local public infrastructure	\$100,000,000
<b>Total Cash Supported</b>			<b>\$100,000,000</b>
<b>Total Appropriations</b>			<b>\$1,371,350,000</b>

- The bill also reappropriates, for the FY 2025-FY 2026 biennium, the remaining balance of existing capital appropriations available at the end of FY 2024, if the Director of Budget and Management determines that the reappropriations are necessary.

### Adoption Grant Program

- The bill increases GRF ALI 600562, Adoption Grant Program, by \$19.0 million in both FY 2024 and FY 2025 (from \$15.0 million to \$34.0 million). The bill also reappropriates the remaining balance of this appropriation at the end of FY 2024 for FY 2025. This appropriation is under the Ohio Department of Job and Family Services (ODJFS).

### State university and community college financial cost forms

- State universities and community colleges may incur additional administrative costs to provide certain students with a financial cost and aid disclosure form with their initial financial aid packets.

## Detailed Analysis

### Capital appropriations and reappropriations

The bill makes capital appropriations totaling \$1.37 billion for the FY 2025-FY 2026 biennium. These appropriations are listed by agency, fund, and appropriation line item (ALI) in the following table.

Table 2. Capital Appropriations by ALI			
Fund	ALI	ALI Name	Amount
<b>Ohio Facilities Construction Commission (OFCC)</b>			
7032	C23002	School Building Program Assistance	\$600,000,000
<b>Public Works Commission (PWC)</b>			
7038	C15000	Local Public Infrastructure/State CIP	\$400,000,000
7040	C15030	Revolving Loan	\$100,000,000
7056	C15060	Clean Ohio Conservation Program	\$75,000,000
<b>Ohio Expositions Commission (EXP)</b>			
7026	C72324	Expo2050	\$196,350,000
<b>Total Appropriations</b>			<b>\$1,371,350,000</b>

### Ohio Facilities Construction Commission

The bill appropriates \$600.0 million under Fund 7032 ALI C23002, School Building Program Assistance, to provide the state share of project costs to school districts participating in

facilities projects overseen by OFCC. Most of OFCC's school facilities appropriations are provided to districts through the Classroom Facilities Assistance Program (CFAP). State funding under CFAP is provided as a percentage of a district's "basic project cost" to address the entire classroom facilities needs of the district. All school districts are eligible for CFAP. However, the state share of a district's basic project cost is based on each district's relative wealth. Lower wealth districts are funded before higher wealth districts and receive a larger percentage of their total project funding from the state. A school district generally passes a bond levy to meet its required local share to participate in CFAP. The bill authorizes the Ohio Public Facilities Commission (OPFC) to issue and sell \$600.0 million in new bonds deposited to the credit of Fund 7032 to support the appropriation from ALI C23002.

### **Public Works Commission**

The bill appropriates a total of \$575.0 million to PWC. Of this total, the bill appropriates \$400.0 million under the State Capital Improvements Fund (Fund 7038) capital ALI C15000, Local Public Infrastructure/State CIP, for PWC to issue grants to local governments for road and bridge projects, fresh water treatment and distribution systems, wastewater collection and treatment facilities, storm sewer systems, and solid waste disposal facilities under the State Capital Improvement Program (SCIP). A further \$100.0 million appropriated under the State Capital Improvements Revolving Loan Fund (Fund 7040) capital ALI C15030, Revolving Loan, is used to provide loans to local governments under SCIP. The funding under the Clean Ohio Conservation Fund (Fund 7056) is distributed to local governments and nonprofit organizations to acquire and develop open space and undertake riparian corridor enhancement projects under the Greenspace component of the state's Clean Ohio Conservation Program (COCP). Finally, the bill authorizes the Ohio Public Facilities Commission to issue and sell new bonds in the amounts of \$400.0 million and \$75.0 million deposited to the credit of Fund 7038 and Fund 7056, respectively, to support those appropriations.

### **Ohio Expositions Commission**

The bill appropriates nearly \$196.4 million under Fund 7026 ALI C72324, Expo2050, to support the recommendations of the Ohio Expo 2050 Task Force. Additionally, the bill authorizes the Treasurer of State to issue and sell new bonds totaling \$196.0 million and deposited to the credit of Fund 7026 to support the appropriation.

### **Capital reappropriations**

For the FY 2025-FY 2026 biennium, the bill reappropriates capital appropriations or reappropriations that a state agency has available on June 30, 2024, from the fund from which they were originally appropriated or reappropriated if the Director of Budget and Management determines that such appropriations or reappropriations are necessary to complete the projects for which they were appropriated or reappropriated. It also requires that each reappropriation be used for the same purpose for which it was originally appropriated or reappropriated. The bill requires that all reappropriations it authorizes be reported to the Controlling Board within 30 days of the provision's effective date.

The bill also reappropriates, for the FY 2025-FY 2026 biennium, the unexpended balance of a capital appropriation or reappropriation that a state agency has encumbered prior to the close of FY 2024 from the fund from which it was originally appropriated or reappropriated. Each reappropriation authorized by the Director of Budget and Management must be used only for

the purpose of discharging the encumbrance. Finally, the bill authorizes the Director to cancel a reappropriated encumbrance during the FY 2025-FY 2026 biennium if the Director determines that the encumbrance is no longer needed to complete the project for which it was originally appropriated or reappropriated.

## **Adoption Grant Program**

The bill increases the ODJFS appropriation in H.B. 33 of the 135<sup>th</sup> General Assembly for GRF ALI 600562, Adoption Grant Program, by \$19.0 million in each fiscal year (from \$15.0 million to \$34.0 million). The bill also reappropriates the remaining balance of this appropriation at the end of FY 2024 for FY 2025. This may allow for additional adoptive parents to receive grants through the program. Under current law, the program provides a one-time payment, for each eligible adopted child adopted on or after January 1, 2023, of (1) \$10,000, (2) \$15,000, if the adoptive parent was a foster caregiver for the child, or (3) \$20,000, if the child has been diagnosed with special needs. An adoptive parent can receive a grant if the adoptive parent has not previously received a grant payment for the adopted child and if the adoptive parent does not also currently claim an adoption tax credit for the adopted child.

The bill also modifies the Ohio Adoption Grant Program application process as follows: (1) requires the adoptive parent to be an Ohio resident at the time the adoption was finalized to be eligible for a grant; (2) clarifies that court and legal documents required as part of the application must be certified copies; (3) includes courts among other entities the ODJFS Director may require to provide documents related to an adoption grant application; and (4) states that a confidential record submitted to ODJFS as part of a grant application remains confidential after submission. The bill's modifications could potentially reduce the number of eligible applicants by specifying that the adoptive parent must be an Ohio resident at the time the adoption was finalized depending on if these individuals currently receive grants. Additionally, clarifying that court and legal documents must be certified copies could increase both revenue and administrative costs for the entities responsible for issuance. For example, the Ohio Department of Health's Bureau of Vital Statistics could realize an increase in the number of certified birth certificates requested. However, these impacts are likely minimal.

## **State university and community college financial cost forms**

Beginning one year after the bill's effective date, the bill requires state universities and community colleges to provide newly admitted full-time, degree-seeking students with a financial cost and aid disclosure form as part of their initial financial aid packets or financial aid award letters, respectively. A state university must provide the form prior to its student admission deadline. Forms may be provided to students electronically and must not exceed one double-sided page in length when printed. Each state university or community college form, based on a template developed or approved by the Ohio Department of Higher Education (ODHE), must include the following information:

1. Costs associated with attendance, including general and instructional fees, estimates for room and board, and special fees;
2. The qualifying student's aggregate cost of attendance;
3. All available sources of financial aid offered by the state institution for which the student is eligible, including any requirements to maintain the aid;

4. The expected net cost of attendance after aggregating financial aid and applying it to the student's aggregate cost of attendance; and
5. The expected monthly student loan payment upon graduation.

A state university must also include in its form the income range between the 25<sup>th</sup> and 75<sup>th</sup> percentiles for the university's most recent cohort of graduates, its cohort of graduates from five years prior to the new student's admission, and the graduates who had the same major or were enrolled in the same school as the new student if the student declares a major or enrolls in a particular school at the institution. In lieu of including this information in its form, a community college must provide a qualifying student, with the student's acceptance letter, a link to a readily available page on the college's website that contains the same income range information provided by a state university.

The bill may increase administrative costs for state institutions to gather data for the financial cost and aid disclosure form and provide it to each newly admitted full-time student. The costs for each state institution will vary depending on the extent to which they already collect the information required by the bill and provide it to their new students. Some state institutions may already have sufficient resources in place to gather the required data, while others may incur costs to comply with the bill. Existing resources may be available for state institutions to collect and report the required information. For example, if the institution does not collect the required data on the income of its graduates, it may be able to use information from the U.S. Census Bureau's experimental Post-Secondary Employment Outcomes (PSEO).<sup>1</sup> The PSEO contains a variety of data that can be filtered by state institution, degree level attained, and graduation cohort to show earnings for graduates from a number of instructional programs.

ODHE's administrative workload may also increase to develop a template for the financial cost and aid disclosure form or approve an existing alternative that addresses all of the above-mentioned information for institutions to use. ODHE must develop or approve the template in consultation with the U.S. Department of Education and financial aid directors from state institutions of higher education.

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<sup>1</sup> See PSEO on the U.S. Census Bureau's website: [census.gov](https://www.census.gov/pseos/).