



THE BUCKEYE INSTITUTE

2017 Ohio Piglet Book

March 29, 2017

By Greg R. Lawson

Introduction

The Buckeye Institute was founded because its staff and supporters believe that economic prosperity and personal happiness is best achieved when the size and scope of government is limited.

Ohio policymakers of all political persuasions want more job growth and greater opportunity for their constituents. Unfortunately, government spending is not a long-term engine that will drive job growth. There is much academic literature that shows more government spending crowds out private spending and investment as well as charity.¹ Ample academic evidence also shows that there are significant extraction costs of larger government. In other words, the bigger the government becomes, the higher taxes must eventually be to pay for it because new spending almost invariably creates a new budget baseline that is difficult to subsequently reduce.²

By contrast, smaller government means lower taxes, less bureaucracy and more individual freedom. This unleashes the real engine of growth—the creativity and risk taking of entrepreneurs and private business. The more government spending there is, the less opportunity there is for individual freedom and creativity to flourish and everyone becomes poorer.

This is not to say that government should play no role in our lives. When it comes to assuring public safety, the sanctity of private contracts, and the development of critical infrastructure, government often plays an indispensable role. Once government extends its reach beyond these areas, problems begin to emerge.

This is why Ohio's biennial budget is so important. This key piece of legislation establishes Ohio's spending priorities and creates the framework for how Ohio's government operates.

Too much spending, a long-term problem in Ohio, limits the ability of policymakers to embrace the kind of free market reforms that will keep our engine of growth humming. Non-essential spending should be curtailed. The money not spent should be returned to Ohio taxpayers through comprehensive tax reform that will give us a system that raises only what is absolutely needed and does so in a way that leaves as little of a government impact on private economic decisions as possible.

The goal of the *2017 Piglet Book* is to give Ohio policymakers' ideas on ways to restrain the rate of growth in Ohio's budget while remaining focused on essential services.

As outlined in The Buckeye Institute's 2015 version of the *Piglet Book*, there are three principles that can guide Ohio's policymakers to reasonable, and sustainable, levels of government spending.

- *Constrain growth rates across the board.* Policymakers should commit to restraining growth of government. It is reasonable to expect spending to grow as population grows. It is also necessary to increase essential spending to keep pace with inflation. Increases

1 Matthew D. Mitchell, "In the Long Run We Are All Crowded Out," The Mercatus Center, September 22, 2010, <https://www.mercatus.org/publication/long-run-we-re-all-crowded-out#cit11>.

2 Daniel Mitchell, "Supplement to the Impact of Government Spending on Growth," The Heritage Foundation, March 15, 2005, <http://www.heritage.org/budget-and-spending/report/supplement-the-impact-government-spending-economic-growth>.

above these rates should be regarded with skepticism. Given that recent inflation has been under 3 percent, we advise increasing most appropriations from Fiscal Year 2016 expenditures by no more than 5 percent for Fiscal Year 2018 and then no more than 2 percent above that for Fiscal Year 2019.

- *Eliminate corporate welfare.* The government should not pick winners and losers in the economy by distributing taxpayer dollars to companies it thinks should succeed. Crony capitalism does not drive economic growth.
- *Eliminate government encroachments on philanthropy and government advocacy.* Arts, culture, and advocacy groups are valuable to society but should not be an arm of the government. Philanthropists and private charities are better positioned to direct citizens' money to programs they want to support. Furthermore, government spending actually crowds out private giving.

Governor Kasich's Budget Proposal

With the introduction of the Fiscal Year (FY) 2018-2019 Blue Book³ by Governor John Kasich, The Buckeye Institute again takes a look at proposed state spending and highlights wasteful spending that serves no essential public purpose while continuing to keep the state's budget larger than necessary.

Overall spending in the governor's proposal rises to more than \$144 billion in total expenditures over the biennium. The FY18 appropriations are an increase of 4.4 percent over the estimated FY17 expenditures with FY19 appropriations being another 1.8 percent higher than the first year of the biennium. Much of this is driven by the ever-increasing expenses of Medicaid, which requires substantial reforms⁴ that are beyond the scope of this *Piglet Book*.

Another major area of spending is in the K-12 Education budget. Gov. Kasich, to his credit, is working towards eliminating "caps" and "guarantees" that distort the present school funding formula and allow districts with declining enrollments to maintain the same level of funding year in and year out. This policy is ready for serious examination by the General Assembly. The Buckeye Institute recommends, at the least, embracing Gov. Kasich's limited reforms in this area.

Finally, Ohio's spending on the Department of Rehabilitation and Corrections (DRC) looms large in the budget. Absent numerous policy changes that shift non-violent offenders from DRC and work towards more community-based options, DRC risks continued prison overcrowding. Aside from the budgetary problems overcrowding represents, there are serious reasons to be concerned about the safety and efficacy of housing non-violent offenders side-by-side with more hardened criminals.

3 Governor John Kasich, *State of Ohio Executive Budget: Fiscal Years 2018-2019*, Office of Budget and Management, January 30, 2017, http://obm.ohio.gov/Budget/operating/doc/fy-18-19/FY18-19_Budget_Recommendations.pdf.

4 Rea S. Hederman Jr. and Dennis G. Smith, "Returning Health Care Power to the States," The Buckeye Institute, September 21, 2016, <https://www.buckeyeinstitute.org/research/detail/returning-health-care-power-to-the-states-2>.

Finally, there are many questionable appropriations that should be scaled back or eliminated in order to better right-size other areas of Ohio government. From arts grants to grants given to specific businesses to subsidies for local decisions made by local governments (such as \$2 billion in general revenue funds that pay for the 12.5 percent “property tax rollback”), Ohio needs to recalibrate its spending priorities.

Control Growth Rates

Calls for increased agency funding should be evaluated skeptically. Though it is reasonable to expect budgets to rise with prices and with a growing population, it is important to frequently re-evaluate the rationale and need for programming and determine the efficacy of such programs.

To keep pace with recent levels of inflation and population growth, budgets should not, for the most part, increase by more than 3 percent per year.⁵

If most agencies were capped at 2 to 2.5 percent growth over the next two years the state could save more than \$3.7 billion. This projection makes allowances for departments to grow at a higher rate when their statutory responsibilities are increased or new circumstances emerge. For example, Ohio’s current opioid epidemic is leading to multiple areas of new spending. Additionally, efforts to reform Ohio’s rehabilitation and corrections system require investment in community-based programs thus necessitating adequate resources.

To see a revised set of appropriations based upon this principle of capping growth to between 2 and 2.5 percent, refer to the appendix.

Unless otherwise noted, all of the subsequent appropriations can be found in the initial 2018 and 2019 budget proposal, commonly known as the Blue Book, produced by the Kasich Administration and presented to the Ohio General Assembly.

Eliminate Corporate Welfare

A key tenet of the free market is that the government should not be in the business of picking winners and losers in private industry. The use of taxpayer money to support favored businesses is both ethically inappropriate and economically harmful.⁶ Firms can succeed by lobbying for political favor and reap millions in tax dollars. Though private investment seeks out the most successful and efficient firms, government investment seeks out politically popular firms.

The following items that are recommended for elimination are not necessarily bad things in general. However, they are not appropriate use of state resources. In each case both for profit and non-profit entities should leverage their resources to accomplish the ends outlined here.

5 Bureau of Labor Statistics, “12-Month Percentage Change, Consumer Price Index, Selected Categories, Not Seasonally Adjusted,” accessed February 3, 2017 at <https://www.bls.gov/charts/consumer-price-index/consumer-price-index-by-category-line-chart.htm>.

6 Tom DeHaven and Chris Edwards, “Corporate Welfare Spending vs. the Entrepreneurial Economy,” June 1, 2012, <http://www.cato.org/publications/congressional-testimony/corporate-welfare-spending-vs-entrepreneurial-economy>.

Ohio Grape Industries - \$2.4 million

The state of Ohio has developed a program that conducts marketing on behalf of Ohio-grown wine grapes. This is underwritten by a 5 cents per gallon excise tax on wine sold in Ohio. Ohio's wine producers should contract with private marketing firms, and they should not expect taxpayers to foot the bill.

TourismOhio - \$20 million

Funded by the sales tax, this is a marketing program for Ohio's tourist industry. This program could be privatized and paid for by the businesses it benefits.

Third Frontier - \$251.7 million

The Third Frontier program was initially designed to spur technical innovation via grants to universities and businesses. In the current budget proposal, the Third Frontier program is slated to distribute up to \$251.7 million to private research and development firms over the next two years through proceeds of both non-taxable and taxable general obligation bonds. Though the responsible use of debt to fund key infrastructure projects may make sense under certain circumstances, using debt that is ultimately backed by tax revenue, to essentially perform the role of a venture capital firm, is not a good use of public resources.

Venture capital firms' sole purpose is to identify innovative lines of research. There is almost no relationship between a firm's technical innovation and its lobbying prowess. Indeed, small firms on the cutting edge of research will likely have fewer resources to invest in currying political favors.

Given that this program is financed with bond sales, many of which have already taken place, there is nothing that can be done about *existing* debt. However, eliminating this program will prevent additional future tax resources being funneled in this direction.

Innovation Ohio - \$20 million

Under this program, the Development Services Agency (DSA) lends money to businesses in targeted industry sectors for a variety of purposes, including research and development and commercialization of research products.

Like the Third Frontier program, many of the stated purposes are worthwhile for the private sector and non-profit world. However, there is a risk of this program becoming an example of crony capitalism when government gets involved in picking winners and losers through selecting which specific entities are entitled to get access to these loans.

Technology Programs & Grants in Development Services Agency - \$27,799,912

These programs and grants are administered by the DSA, during both FY 18 and 19, and bestowed on business incubators and small- and mid-sized manufacturers. Though we all want to help manufacturers, why should only certain companies get access to state general revenues rather than others? Again, this creates an unfair playing field. Without government intervention, this questions would never have to be raised.

Small Business and Export Assistance - \$7,614,348

These appropriations are designed to help facilitate overseas market access for Ohio manufacturers. This is a worthy goal. However, tax dollars should not be used to subsidize any specific business and give it an unfair competitive advantage versus other competitors.

While the above is not a comprehensive list of Ohio's corporate welfare programs, these examples alone, if eliminated, represent more than \$329 million in potential savings.

Eliminate Government Encroachments on Philanthropy and Public Advocacy

Private individuals and the private sector should guide investment. Private philanthropy should support culture. Artistic and cultural endeavors can and should be underwritten by donors giving voluntarily rather than government fiat. When the government takes on the role of directing civil society, which includes the myriad of private associations that people become involved with, it crowds out private philanthropy. Government expansion into the realms of private philanthropy have led to reductions in donations, in turn calling for still more government spending.⁷ Not only does this cycle produce perpetual spending growth, it increases the government's influence in what were once private areas. This is especially problematic when it comes to public advocacy groups, as replacing donations with government funding transforms these groups from public advocates to government advocates.

The examples cited below, though not exhaustive in this category, should be considered ripe for termination.

Ohio Arts Council - \$25.9 million in subsidies

The Ohio Arts Council receives income and sales tax revenue to distribute to specifically selected artists and galleries. While these programs have value, the government should not be an arbiter of culture. Ohioans can evaluate for themselves which artists to patronize without the government's guidance.

Ohioana Library - \$595,228

The Ohioana Library Association is a private, non-profit organization whose mission is to collect and promote literary works by Ohio authors. The state General Revenue Fund dollars it receives are used as a subsidy to pay for the organization's rent at the State Library of Ohio in Columbus and to "leverage" private dollars.

Though it serves a useful purpose, the Ohioana Library Association already obtains private funding. It should continue to do so, but the association is clearly not a core government service that requires taxpayer subsidies.

County Agriculture Subsidies - \$782,830

Income and sales tax revenue is given to the Ohio Department of Agriculture to subsidize county fairs. Private groups, such as 4-H, could fill this role, as could the local governments that put these fairs together. County fairs are not a state issue.

⁷ David B. Muhlhausen and Patrick D. Tyrrell, *The 2013 Index of Dependence on Government*, The Heritage Foundation, November 21, 2013, http://thf_media.s3.amazonaws.com/2013/pdf/SR142update.pdf.

Ohio History Connection - \$2 million

The Ohio History Connection appropriation includes \$1 million in Fiscal Years 2018 and 2019 to subsidize both the National Afro-American Museum and the Hayes Presidential Center. Each of these entities should be able to secure private philanthropic dollars.

Miscellaneous***Auctioneers - \$722,900***

Only those professions where a demonstrable harm to an individual can take place should be considered for state licensing. This is a point of policy agreement across party lines and is backed by disparate groups ranging from The Heritage Foundation⁸ and Brookings Institution⁹ to the former Obama Administration.¹⁰

The Buckeye Institute has begun a program to reduce needless and burdensome occupational licensing in Ohio. Occupational licensure forces Ohioans to ask the state, “Mother May I,” and seek permission to work in their chosen profession. That said, we question why the Ohio Department of Agriculture licenses auctioneers in the state.

It is difficult to envision what public safety issue could be at stake with respect to auctioneers. Further, according to EstateSales.org, as of 2015 there are 23 states, including our neighbor to the north, that have no statewide licensure requirement for auctioneers (though there may be local requirements).¹¹ Consequently, this represents an unneeded and burdensome regulation that could be entirely dispensed with.

Motor Vehicle Repair Board - \$604,593

In Fiscal Years 2018 and 2019, the Motor Vehicle Repair Board investigates an average of 150 complaints per year and maintains a registry of approximately 1,850 collision repair facilities, auto glass businesses, airbag repair and replacement, window tint installation, and mobile auto repair businesses. Consumers have adequate access to information on the quality of facilities through a wide range of sources, from the Better Business Bureau to Angie’s List. With the ubiquity of technology, the utility of a state agency to perform functions that the market already does is duplicative and unnecessary. The Buckeye Institute recommends eliminating this entity.

8 Salim Furth, “Costly Mistakes: How Bad Policies Raise the Cost of Living,” The Heritage Foundation, November 23, 2015, <http://www.heritage.org/research/reports/2015/11/costly-mistakes-how-bad-policies-raise-the-cost-of-living>.

9 Morris M. Kleiner, “Reforming Occupational Licensing Policies,” The Brookings Institute, March 2015, https://www.brookings.edu/wp-content/uploads/2016/06/THP_KleinerDiscPaper_final.pdf.

10 The White House, “Occupational Licensing: a Framework for Policymakers,” July 2015, https://www.whitehouse.gov/sites/default/files/docs/licensing_report_final_nonembargo.pdf.

11 EstateSales.org, “Auction License Laws by State,” accessed February 22, 2017, <http://estatesales.org/university/auction-license-laws-by-state>.

Manufactured Homes Commission - \$1,891,336

The Ohio Manufactured Homes Commission was established in 2004 in order to regulate the industry.¹² However, the U.S. Department of Housing and Urban Development already establishes standards for the manufacturing and installation of these homes. Federal legislation in 2000 required states to develop their own installation programs that meet or *exceed* HUD's standards. Given that this is a relatively new board and given that there already is a regulator in place to address safety issues that could emerge, this commission's existence raises questions regarding the duplication of services. The governor's budget proposal merges the commission with the Division of Real Estate in the Ohio Department of Commerce. This is the least that should be done in order to find efficiencies. The commission should be considered for elimination.

No Earmarks

Though the governor's Blue Book does not contain pet projects, or earmarks, if history is any guide, the budget will pick up funding for a myriad of individual, parochial projects. The desire to add these to the budget should be resisted. A taxpayer in Columbus should not be subsidizing the wants of a local government to build a park in Toledo or vice versa.

Additionally, there should not be earmarks that define specific programs to be used by a state agency. For example, in the previous biennial budget, a reading program called "Read Baby Read" was specifically given \$250,000 in earmarks for Fiscal Years 2016 and 2017 while in the Ohio Senate and remained throughout the rest of the budget process. This earmark was eventually added to the broader budget category in the Ohio Department of Education Budget.¹³

This in no way is meant to criticize the utility of the program, but if ODE wished to use this specific program, there was nothing to prevent it. The decision should not have been forced and paid for through a special carve out.

Conclusion

By limiting the rate of budget growth and eliminating wasteful spending during the next biennium Ohio's policymakers could save nearly \$3.8 billion. With increasing demands made for K-12 funding, and the voracious appetite of Medicaid continuing to consume scarce resources,

The Buckeye Institute recommends that Governor Kasich and the General Assembly reevaluate their spending plan for Fiscal Years 2018 and 2019.

12 Ohio Manufactured Homes Commission, "About Us," accessed February 22, 2017, <http://www.omhc.ohio.gov/AboutUs.aspx>.

13 Ohio Legislative Service Commission, *Comparison Document for H.B. 64 - Main Operating Budget - Ohio Department of Education*, Ohio Legislative Service Commission, accessed February 22, 2017, <http://www.lsc.ohio.gov/fiscal/comparedoc131/en/edu.pdf>.

About the Author



Greg R. Lawson is the Senior Policy Analyst at The Buckeye Institute.

In this role, Lawson works with all members of the Buckeye research team with a particular focus on local government and education issues. He is also Buckeye's main liaison to the statehouse where he educates policymakers in both the legislative and executive branches on free-market solutions to Ohio's challenges.

Prior to his position at Buckeye, Lawson served in the Ohio General Assembly as a Legislative Service Commission Fellow. He then went on to several government affairs roles focusing on numerous public policy topics, including Medicaid, school choice, transportation funding, and Ohio's Building Code. He also has a background in PAC fundraising, grassroots organizing, and communications and served for five years on the boards of two Columbus-based charter schools.

Early in his career, Lawson nearly joined the U.S. Foreign Service. He continues to engage in his passion for foreign policy and history through participation in programs to strengthen ties between the United States and Turkey, travel, and his affiliation with a global, internet-based geopolitical consulting organization. Lawson lives in Westerville, Ohio with his wife and three children.

Founded in 1989, The Buckeye Institute is an independent research and educational institution—a think tank—whose mission is to advance free-market public policy in the states.

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APPENDIX: FY 2018 FY 2019 RECOMMENDED FUNDING LEVELS AND PROJECTED SAVINGS

Please note: All of the appropriations below come from the FY 2018 and 2019 Blue Book. Unless otherwise noted, Suggested Appropriations for FY18 are equal to an increase of 5% over the Actual Expenditures for FY16. The Suggested Appropriations for FY19 take the Suggested Appropriations for FY18 and increase them by 2%.

Agency	Actual Expenditures FY 2016	Blue Book Appropriation FY 2018	Blue Book Appropriation FY 2019	Suggested Appropriation FY 2018	Suggested Appropriation FY 2019	Total Savings Over Blue Book Appropriations
Accountancy Board of Ohio	1,292,236	1,466,957	1,561,965	1,356,848	1,383,985	288,089
Adjutant General's Department	48,259,773	53,575,666	53,575,666	50,672,762	51,686,217	4,792,353
Department of Administrative Services	630,477,394	786,412,145	787,302,541	662,541,264	675,792,089	235,381,333
Joint Committee on Agency Rule Review	413,994	512,253	512,253	434,694	443,388	146,425
Department of Aging	82,592,760	93,252,108	93,252,108	86,722,398	88,456,846	11,324,972
Department of Agriculture	63,148,520	85,153,096	85,192,896	66,305,946	67,632,065	36,407,981
Air Quality Development Authority	781,281	1,179,813	1,179,813	820,345	836,752	702,529
Architects Board and Ohio Board of Landscape Architect Examiners	512,880	576,916	604,765	538,524	549,294	93,863
Ohio Arts Council ¹	13,730,187	16,598,129	16,598,129	3,648,129	3,648,129	25,900,000
Athletic Commission	288,344	326,525	326,525	302,761	308,816	41,472
Attorney General	281,198,358	341,477,408	330,660,450	295,258,276	301,163,441	75,716,141
Auditor of State	73,075,432	83,953,353	85,453,353	76,729,204	78,263,788	14,413,715
Ohio State Barber Board*	571,724	433,805	0	433,805	0	0
State Behavioral Health & Social Workers Board*	0	1,107,279	2,593,861	1,107,279	2,593,861	0
Broadcast Educational Media Commission*	9,459,024	9,632,722	9,632,722	9,632,722	9,632,722	0
Office of Budget and Management	23,153,897	29,140,623	29,968,027	24,311,592	24,797,824	9,999,234
Capitol Square Review and Advisory Board	7,392,303	8,800,589	8,935,870	7,761,918	7,917,157	2,057,384
State Board of Career Colleges and Schools	480,559	540,260	540,260	504,587	514,679	61,254
Casino Control Commission	11,357,597	15,577,155	15,909,745	11,925,477	12,163,986	7,397,437
Chemical Dependency Professionals Board*	482,395	337,238	0	337,238	0	0
Ohio State Chiropractic Board	561,562	646,000	646,700	589,640	601,433	101,627
Civil Rights Commission	7,360,642	8,701,749	9,008,521	7,728,674	7,883,248	2,098,348
Court of Claims ²	11,504,264	3,660,512	3,792,651	3,660,512	3,733,722	58,929
Department of Commerce	199,061,015	214,475,888	212,090,777	209,014,066	213,194,347	4,358,252

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Agency	Actual Expenditures FY 2016	Blue Book Appropriation FY 2018	Blue Book Appropriation FY 2019	Suggested Appropriation FY 2018	Suggested Appropriation FY 2019	Total Savings Over Blue Book Appropriations
Office of the Consumers' Counsel	5,185,888	5,541,093	5,641,093	5,445,182	5,554,086	182,918
Controlling Board*	0	10,000,000	10,000,000	10,000,000	10,000,000	0
Ohio State Board of Cosmetology & Barber Board*	3,693,776	4,462,105	5,348,760	4,462,105	5,348,760	0
Counselor, Social Worker, and Marriage and Family Therapist Board*	1,320,821	934,315	0	934,315	0	0
State Dental Board	1,552,239	1,754,868	1,830,082	1,629,851	1,662,448	292,651
Board of Deposit	1,493,685	1,876,000	1,876,000	1,568,369	1,599,737	583,894
Development Services Agency	986,567,266	1,184,690,857	1,194,904,357	1,035,895,629	1,056,613,542	287,086,043
Department of Developmental Disabilities ³	2,520,975,496	2,905,669,525	3,019,839,103	2,773,073,046	2,856,265,237	296,170,345
Board of Dietetics *	308,035	234,381	0	234,381	0	0
Department of Education	10,548,269,349	11,210,642,496	11,370,895,533	11,075,682,816	11,297,196,473	208,658,740
Ohio Elections Commission	518,117	624,448	641,309	544,023	554,903	166,831
State Board of Embalmers and Funeral Directors	\$665,148	791,253	771,000	698,405	712,374	151,474
Employee Benefits Funds *	1,538,079,486	1,608,712,278	1,683,969,956	1,608,712,278	1,683,969,956	0
State Employment Relations Board	3,551,117	4,003,270	4,018,270	3,728,673	3,803,246	489,621
State Board of Engineers and Surveyors	891,147	1,123,966	1,227,821	935,704	954,418	461,664
Environmental Protection Agency	173,459,553	187,412,752	189,515,252	182,132,531	185,775,181	9,020,292
Environmental Review Appeals Commission	\$564,451	620,617	620,617	592,674	604,527	44,033
Ohio Ethics Commission	\$2,078,696	2,319,271	2,374,311	2,182,631	2,226,283	284,668
Ohio Expositions Commission	15,209,626	16,463,166	16,463,166	15,970,107	16,289,509	666,715
Facilities Construction Commission ²	415,968,303	424,405,089	455,264,789	424,405,089	432,893,191	22,371,598
Office of the Governor *	3,151,552	3,151,552	3,151,552	3,151,552	3,151,552	0
Department of Health*	565,222,420	656,875,690	657,031,286	656,875,690	657,031,286	0
Department Of Higher Education	2,516,713,589	2,662,105,110	2,710,618,684	2,642,549,268	2,695,400,254	34,774,272
Higher Educational Facility Commission *	12,500	12,500	12,500	12,500	12,500	0

APPENDIX: FY 2018 FY 2019 RECOMMENDED FUNDING LEVELS AND PROJECTED SAVINGS

Agency	Actual Expenditures FY 2016	Blue Book Appropriation FY 2018	Blue Book Appropriation FY 2019	Suggested Appropriation FY 2018	Suggested Appropriation FY 2019	Total Savings Over Blue Book Appropriations
Commission on Hispanic/Latino Affairs	\$452,303	483,728	499,182	474,918	484,417	23,575
Ohio History Connection ⁴	13,410,478	11,770,478	11,770,478	10,770,478	10,770,478	2,000,000
Ohio Housing Finance Agency*	12,477,665	12,111,500	12,176,700	12,111,500	12,176,700	0
Ohio Industrial Commission	45,064,383	51,427,815	52,167,300	47,317,602	48,263,954	8,013,559
Office of Inspector General*	2,123,272	2,226,581	2,226,581	2,226,581	2,226,581	0
Department of Insurance	34,849,484	39,137,235	39,137,235	36,591,958	37,323,797	4,358,714
Department of Job and Family Services	2,970,764,920	3,361,193,331	3,309,019,262	3,119,303,166	3,181,689,229	369,220,198
Joint Education Oversight Committee*	0	500,000	500,000	500,000	500,000	0
Joint Legislative Ethics Committee	\$626,998	700,000	700,000	658,348	671,515	70,137
Joint Medicaid Oversight Committee	309,906	351,355	518,538	325,401	331,909	212,582
Judicial Conference of Ohio	1,108,537	1,215,245	1,238,309	1,163,964	1,187,243	102,347
Judiciary / Supreme Court	156,133,119	178,263,593	186,455,204	163,939,775	167,218,570	33,560,452
Lake Erie Commission	471,335	568,000	571,000	494,902	504,800	139,298
Legislative Service Commission	24,250,923	28,915,845	28,615,845	25,463,469	25,972,739	6,095,482
State Library Board	20,198,269	22,422,144	22,422,144	21,208,182	21,632,346	2,003,759
Liquor Control Commission	761,572	844,553	851,269	799,651	815,644	80,528
Lottery Commission*	492,263,235	374,005,190	375,254,372	374,005,190	375,254,372	0
Manufactured Homes Commission ⁵	905,887	1,206,959	687,377	687,377	0	1,206,959
Department of Medicaid ⁶	22,802,858,016	24,988,874,812	25,680,231,986	24,171,029,497	24,896,160,382	1,601,916,919
State Medical Board	9,401,520	10,163,504	11,064,757	9,871,596	10,069,028	1,287,637
Department of Mental Health and Addiction Services ⁶	585,113,388	690,797,632	694,544,896	620,220,191	638,826,797	126,295,540
Commission on Minority Health	2,550,558	2,734,672	2,772,333	2,678,086	2,731,648	97,271
Ohio Motor Vehicle Repair Board ⁷	518,632	587,371	604,593	587,371	0	604,593
Department of Natural Resources	315,160,545	352,459,024	349,499,363	330,918,572	337,536,944	33,502,871
Board of Nursing	9,312,443	10,430,395	10,837,858	9,778,065	9,973,626	1,516,561
Ohio Occupational Therapy, Physical Therapy and Athletic Trainers Board*	748,735	612,956	0	612,956	0	0
State Physical Health Services Board*	0	576,740	1,122,918	576,740	1,122,918	0

APPENDIX: FY 2018 FY 2019 RECOMMENDED FUNDING LEVELS AND PROJECTED SAVINGS

Agency	Actual Expenditures FY 2016	Blue Book Appropriation FY 2018	Blue Book Appropriation FY 2019	Suggested Appropriation FY 2018	Suggested Appropriation FY 2019	Total Savings Over Blue Book Appropriations
Ohioana Library Association ⁸	\$155,000	175,000	180,000	0	0	355,000
Opportunities for Ohioans with Disabilities Agency	234,808,436	258,800,870	262,382,975	246,548,858	251,479,835	23,155,152
Ohio Optical Dispensers Board [*]	364,184	235,768	0	235,768	0	0
State Board of Optometry [*]	322,052	227,394	0	227,394	0	0
State Board of Orthotics, Prosthetics, and Pedorthics [*]	163,809	122,574	0	122,574	0	0
Petroleum Underground Storage Tank Release Compensation Board	1,093,047	1,433,220	1,461,073	1,147,699	1,170,653	575,940
State Board of Pharmacy	6,652,220	10,665,915	10,752,587	6,984,831	7,124,528	7,309,143
State Board of Psychology [*]	549,380	384,551	0	384,551	0	0
Office of the Public Defender [*]	88,677,901	92,084,336	92,798,788	92,084,336	92,798,788	0
Department of Public Safety	599,229,194	722,857,706	725,252,599	629,190,654	641,774,467	177,145,185
Public Utilities Commission of Ohio	46,697,497	54,773,681	55,573,681	49,032,372	50,013,019	11,301,971
Public Works Commission [*]	318,032,028	329,701,156	326,289,206	329,701,156	326,289,206	0
State Racing Commission	28,762,781	32,306,090	32,333,043	30,200,920	30,804,938	3,633,274
Department of Rehabilitation and Correction [*]	1,667,180,401	1,826,854,871	1,857,810,300	1,826,854,871	1,857,810,300	0
House of Representatives	21,031,675	26,744,454	26,744,454	22,083,259	22,524,924	8,880,725
Respiratory Care Board [*]	534,793	363,106	0	363,106	0	0
State Revenue Distributions [*]	6,699,686,800	7,373,080,551	7,442,794,263	7,373,080,551	7,442,794,263	0
Board of Sanitarian Registration	151,373	174,533	178,120	158,942	162,120	31,591
Ohio State School for the Blind	9,604,706	12,060,323	12,302,120	10,084,941	10,286,640	3,990,862
Ohio School for the Deaf	11,030,035	12,160,821	12,387,044	11,581,537	11,813,167	1,153,161
Secretary of State [*]	18,310,674	18,190,826	18,190,826	18,190,826	18,190,826	0
Senate	11,661,535	16,442,602	16,442,602	12,244,612	12,489,504	8,151,088
Commission on Service and Volunteerism	6,572,763	8,792,396	8,785,092	6,901,401	7,039,429	3,636,658
Commissioners of the Sinking Fund	1,136,049,788	1,179,474,775	1,257,464,200	1,192,852,277	1,216,709,323	27,377,375
Southern Ohio Agricultural and Community Development Foundation	328,438	352,930	352,930	344,860	351,757	9,243
Board of Speech-Language Pathology and Audiology [*]	485,626	333,269	0	333,269	0	0
Board of Tax Appeals	1,640,753	1,850,307	1,886,042	1,722,791	1,757,246	256,312

APPENDIX: FY 2018 FY 2019 RECOMMENDED FUNDING LEVELS AND PROJECTED SAVINGS

Agency	Actual Expenditures FY 2016	Blue Book Appropriation FY 2018	Blue Book Appropriation FY 2019	Suggested Appropriation FY 2018	Suggested Appropriation FY 2019	Total Savings Over Blue Book Appropriations
Department of Taxation*	2,325,624,654 ¹	2,053,464,960	2,022,220,960	2,053,464,960	2,022,220,960	0
Department of Transportation*	3,429,603,657	3,324,011,026	3,201,272,272	3,324,011,026	3,201,272,272	0
Treasurer of State	39,950,474	54,431,040	31,181,090	41,947,998	42,786,958	877,175
State Vision and Hearing Board*	0	627,824	1,128,095	627,824	1,128,095	0
Veterans Organizations*	1,887,986	1,887,986	1,887,986	1,887,986	1,887,986	0
Department of Veterans Services	81,682,082	93,511,131	93,164,461	85,766,186	87,481,510	13,427,896
Veterinary Medical Licensing Board	363,914	426,369	469,369	382,110	389,752	123,876
Bureau of Workers' Compensation	265,669,139	281,916,264	284,618,764	278,952,596	284,531,648	3,050,784
Department of Youth Services*	229,844,920	231,654,932	235,302,022	231,654,932	235,302,022	0
TOTALS	\$63,233,223,585.00	70,819,121,006	71,914,451,503	68,819,424,989	70,134,649,026	3,779,498,494

*Keep same appropriations as Blue Book.

¹Eliminate \$12,950,000 from both FY18 and FY19 expenditures.

²Use Blue Book appropriation for FY18 but increase by 2% for FY19.

³Increase appropriation in FY18 by 10% over FY16 expenditures and increase FY19 by 3% over FY18.

⁴Reduce subsidies to certain historical locations by \$1 million in each FY.

⁵Eliminate whole Commission. Use FY19 Blue Book appropriations in FY18 to wind down operations and no appropriations in

⁶Increase FY18 appropriations by 6% over FY16 actual expenditures and then increase FY19 by 3% over FY18 appropriations

⁷Eliminate Board. Use FY18 Blue Book appropriations and no appropriations in FY19.

⁸Eliminate all Ohioana subsidies.