The Buckeye Institute's Recommendation

The 136th General Assembly should finish what it started last year, when it passed spending and government accountability provisions in **Ohio House Bill 96**, which Governor DeWine line-item vetoed. The legislature has the votes to override those vetoes and restore reasonable guardrails that The Buckeye Institute has advocated for years, regardless of which party holds the executive and legislative reins. The General Assembly should adopt a robust Regulations from the Executive in Need of Scrutiny (REINS) Act to improve legislative oversight of agency rulemaking or, if necessary, override the governor's related line-item veto. And the legislature should override the misguided line-item vetoes with respect to reducing federal program dollars that the **Controlling Board** may accept and changes to the **statutory appropriation limitation** (SAL) formula.

Background

As early as the Kasich administration, The Buckeye Institute supported the General Assembly's attempts to rebalance power between the legislative and executive branches. Such efforts have included **reducing the funding threshold** at which the Controlling Board can draw down unanticipated federal dollars and placing **guardrails on emergency orders**. The General Assembly has also long tried to **rein in regulatory** and **occupational licensing** overreach and should override Governor DeWine's line-item vetoes as part of that effort.

Embracing REINS Act Oversight

The Buckeye Institute has **advocated** adopting a robust REINS Act like the one proposed in **House Bill 11**, and such an act should remain the goal. In the interim, however, the General Assembly should move forward with the related provisions in House Bill 96, override the governor's line-item veto, and restore legislative oversight of any agency rule that would raise agency expenditures by $100,000 or more in the biennium, cost a directly affected person $100,000 or more, or affect Ohio's economy by $1 million or more per year. The budget, as passed, authorized the **Joint Committee on Agency Rule Review** (JCARR) to refer such rules to the General Assembly, and executive agencies could not adopt such referred rules unless authorized by law. Governor DeWine line-item vetoed this oversight authority.

In addition to overriding these vetoes, the General Assembly should also consider following The Buckeye Institute's recommendation to move the **Common Sense Initiative** from the executive branch to the legislative branch so that administrative regulations can align with executive and legislative objectives.

Constraining the Controlling Board

Governor DeWine vetoed the provision in House Bill 96 that would have capped the amount of funding the Controlling Board may accept on a per-purpose, per-year basis at $100 million. The legislature should override that veto so that—as The Buckeye Institute has **argued** since the Kasich administration—the full General Assembly, not just a board of six legislators and a gubernatorial appointee, decides whether Ohio should sign up for new federal programs and all their regulatory strings and obligations.

Strengthening the SAL

As originally designed, Ohio's SAL formula limits how much money the state may spend. But the governor and the General Assembly routinely find ways to circumvent the formula's cap. The Buckeye Institute reiterates its perennial call for the legislature to strengthen the SAL and shine a light on the state's "**shadow budget**" that is too often funded through creative accounting gimmicks. Governor DeWine vetoed House Bill 96 provisions that rightly would have counted for SAL purposes appropriations made indirectly through non-GRF line items but were ultimately supported by GRF cash transfers. The veto also prevented a harder cap on the SAL, which would have helped keep runaway spending in check. The General Assembly should override that line-item veto.

Conclusion

The Buckeye Institute calls on the General Assembly to do little more than it did when it originally followed these recommendations. Creative budgeting and opaque rulemaking that skirts legislative oversight exacerbate overspending and regulatory overreach. "Shadow budgets" and "shadow governments" erode accountability and the public's confidence in its civic leadership. Overriding recent House Bill 96 line-item vetoes would help restore that confidence, regardless of which political party is in charge.