

State of Ohio 2020-2021 Executive Budget & Greater Cleveland Partnership Public Policy Priorities: Comparative Summary

An Adaptable Government & Public Sector:

Strengthening Economic Development Tools/Continue to enhance the JobsOhio delivery platform

- Ongoing support for JobsOhio as a strong statewide economic development tool
- Third Frontier will see a 5% increase in its Research and Development Projects budget, totaling \$21 million in 2020
- Continued investment in New Markets, Historic Preservation, Motion Picture, and Job Creation Tax Credit programs

Providing grant assistance for brownfield redevelopment

- Brownfield Redevelopment funding decreases by \$1 million, totaling \$2 million in FY 2020
- The Brownfields Revolving Loan Program will be increased from \$860k to \$2.5 million in FY 2020

Opportunity Zones

- Promote investment in Opportunity Zones by providing 10% income tax credit for investments in designated Opportunity Zone areas across the state

Regional Public Transportation & Mobility

- Increase in federal flex funding for public from \$33 million to \$40 million
- \$6.5 million for public transit in the State GRF

Government Modernization & Evolving Technologies

- Provide leadership in information technology management through the support of the CyberOhio program, the Office of InnovateOhio, and ongoing implementation of IT Optimization, which fosters the growth of central IT solutions to produce savings for the State and redirect those savings into improved services programs
- No clear funding allocation, although IT Governance funding increases to \$32.1 million from \$28.1 million in FY 2020 and increases against the following year by 1.5%

A Sustainable & Predictable Tax & Regulatory Environment:

Occupational Licensing Reform

- Support enterprise technology and services like the Ohio Business Gateway state portal, an online application and renewal system for licensing boards (eLicense)
- Ohio Business Gateway funding will increase by \$11.6 million, totaling \$15.5 million in FY 2020, and will decrease by 6.4% in FY 2021

Responsive Regulatory Environment

- Continues Ohio's Common Sense Initiative under the purview of the Office of the Lieutenant Governor
- Maintains the Ohio Medical Marijuana Advisory Committee, formed to provide guidance on the implementation of the law

State Taxes

- Preserves Ohio’s small business tax deduction on the first \$250,000 in business income
- Maintains today’s sales tax base, the current commercial activity tax (CAT) rate and upholds today’s CAT exemption level

Talent Development & Retention to Advance Business Growth:

Investing in People

- Support regional industry sector partnerships to coordinate regional job training efforts and workforce solutions
 - Industry Sector Partnerships will receive \$2.5 million in new funding each year of biennium
- Create a low-cost credential that takes students less than a year to complete and quickly qualifies Ohioans to work in growing industries and award a minimum of 10k Ohioans each year with these “micro-degrees” at no cost so long as they remain in Ohio
 - Micro-degrees will receive \$15 million in new funding each year of biennium
 - A high school version of the program will receive \$25 million each year of biennium
- Workforce Programs will receive an additional \$1.1 million in funding, totaling \$3.9 in FY 2020 and increasing by 2.2% in FY 2021
- Workforce Innovation and Opportunity Act Programs will receive \$20.3 million in additional funding, bringing the total to \$138.2 in FY 2020
- Trade Programs will receive an additional \$4.8 million, totaling \$19.8 million in FY 2020

Advancing Minority Business Growth

- Identify minority-owned and women-owned businesses and assist them with certification and in securing State contracts. Help the State meet or exceed the 15% MBE requirement
- Promote technology diversity and inclusion within high schools by funding an internship program that will expose high school students to the technology profession
- Increase the number and use of certified MBE and EDGE businesses, ensure that all State contractors are complying with equal employment opportunity construction compliance regulations, and ensure that all agencies are adhering to the State’s affirmative action mandates for contracting and employment
 - The Equal Opportunity Division Operating budget will increase by \$572k, totaling \$1.8 million in FY 2020, but will decrease by 31% in FY 2021

Other Fundamental Priorities:

Educational Reform

- Provide funding for early childhood education and opportunities for economically disadvantaged students to enroll in high quality preschools. Fund early literacy activities to support schools and ensure teachers and students are prepared for the Third Grade Reading Guarantee
- Support school improvement activities focusing on the state’s lowest-achieving schools
 - School Improvement Grants remain flatly funded at \$17 million
 - However, Literacy Improvement is funded an additional 7.9%, totaling \$1.4 million
 - Striving Researching funding is increased by 25%, totaling \$12.5 million

Protecting Federal & Defense Assets

- Federal Research Network funding is maintained at \$3.4 million through the biennium

Access to Capital

- Foster and support entrepreneurship with technical assistance and access to capital through the regional network of Small Business Development Centers, Minority Business Assistance Centers, Procurement and Export Assistance Centers, and Manufacturing and Business Innovation Assistance
 - Small Business and Export Assistance remains flatly funded at \$3 million

Cybersecurity

- Support cyber range initiatives in cooperation with the Ohio Cyber Collaboration Committee
 - No clear funding allocation
- Build a better and more secure atmosphere for online activity in Ohio through the CyberOhio Initiative. Bring together businesses and government to set up guidelines for helping businesses and individuals operate in a safe manner and protect online information
 - No clear funding allocation

Energy

- Certify energy generating facilities, enforce state energy benchmarks, and promote energy efficiencies and economic development initiatives
 - No clear funding allocation

Health Care

- Funding for FY 2020 for the Department of Medicaid is \$24.9 billion, or a 2.9% increase from fiscal year 2019.
 - This increases by 4.5% in FY 2021 to \$26 billion

Human Resources & Labor

- Continue right-sizing the Department of Job and Family Services Office of Unemployment Insurance Operations while developing staffing plans that can be implemented quickly based on future needs
 - Unemployment Insurance Operations remains flatly funded at \$221 million through the biennium

Worker's Compensation

- The Governor submitted his proposed budgets for the Ohio Bureau of Workers' Compensation (BWC) and the Ohio Industrial Commission (IC) for the FY20-21 biennium, which were then introduced in the Ohio House as [HB 79](#) for the IC budget and [HB 80](#) for the BWC budget; both budgets are funded through workers' compensation premiums paid by Ohio employers.
- The proposed BWC budget asks for \$645 million to cover operations – approximately \$52 million more than the BWC's current budget; the plan includes \$40 million for safety grants and \$2 million to build a new Safety and Health Center of Excellence, expanding work being done to use technological advances to prevent adverse incidents on the job.
- The proposed IC budget totals \$109.5 million – about \$6 million more than was appropriated for the current budget cycle; the increase is reportedly to pay for \$1.6 million in I.T. upgrades and \$4.6 million in payroll because 2020 is a year with 27 pay periods, not the usual 26 periods.