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OHIO COMMON GROUND RESEARCH CENTER

Options Identified for Reducing Ohio State Government Spending

A Research Catalog of Proposals from Think Tanks, State Commissions, the Auditor of State, and the Ohio General Assembly

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Research Note

This catalog was assembled from primary government records, legislative documents, performance audits, institutional policy reports, and contemporaneous reporting. Each attributed proposal is identified by source, and each source is cited by name and date rather than by general reference. Where a proposal could not be traced to a specific, named source, that is stated explicitly rather than left ambiguous. Inclusion of a proposal in this catalog does not constitute endorsement by Ohio Common Ground; OCG Research Center publications are descriptive, not prescriptive, and do not rank, grade, or recommend among the options presented.

Executive Summary

This review identified many proposals for controlling Ohio state government spending, but relatively few carry a publicly documented, independently verified net-savings estimate. The largest claimed savings generally arise in Medicaid and K–12 education, where reductions may affect federal matching funds, local property taxes, provider finances, or service levels. More readily isolated and measured options tend to appear in economic-development subsidies and earmarks, nonprofit and civic grants, procurement, state facilities, and administrative consolidation — though these are smaller in aggregate scale than Medicaid or education.

This catalog distinguishes, wherever the underlying source allows it: confirmed reductions in spending from avoided future growth; state savings from cost shifts to local governments, providers, or federal partners; and one-time proceeds from recurring savings. It also distinguishes, entry by entry, between proposals with a specific, citable source and items that remain research leads pending confirmation. Readers should treat any dollar figure in this paper as provisional until the "Sources Cited" and "Evidence status" lines accompanying it are reviewed.

Scope and Purpose

This paper catalogs proposals that have been publicly advanced to reduce state government spending in Ohio or to slow its rate of growth. It is descriptive rather than prescriptive: it does not recommend which proposals should be adopted, does not assign an overall dollar figure to "achievable savings," and does not rank proposals by merit. Where sources disagree about a proposal's savings, feasibility, or consequences, this paper presents the competing figures and claims side by side.

Fraud, improper payments, theft, and abuse are excluded from the scope of this paper and are addressed separately in other Research Center work (see forthcoming publication on fraud, waste, and improper payments, to be assigned its own catalog number). This paper instead addresses proposals grounded in ordinary program administration, procurement, and budgeting practice. Where a specific mechanism could plausibly belong to either category — for example, Medicaid eligibility redetermination — this paper includes only the ordinary-administration version of the proposal and excludes any mechanism whose principal purpose is identifying intentional deception or recovering fraudulent payments.

How to Read the Sourcing Notes in This Paper

Each entry below identifies, as specifically as the underlying record allows, which organization, commission, or agency advanced it. Where multiple items are grouped under a single citation, that citation applies to the general proposal, not necessarily to every specific mechanism listed beneath it; those cases are marked accordingly. A short "Sourcing note" closes many sections and falls into one of the following categories:

- A citation to a specific, named document OCG has reviewed directly.
- A citation to a named organization or commission where a specific dollar figure or detail still requires confirmation against the full underlying report.

- A note that a proposal is a recurring topic in public-administration or budget-reform literature generally, but has not been traced to a specific, named Ohio source; these are presented as research topics rather than attributed proposals.
- A note that a classification or evaluation framework was developed by OCG itself, rather than drawn from an external source.

A Note on How to Read Savings Claims

Sources cited throughout this paper use the word "savings" to describe several different things. Four distinctions recur:

- Reduction from a proposed increase versus reduction from current spending. A figure describing avoided growth is not the same as a figure describing a cut to today's budget.
- Gross reduction versus net state savings. Because Ohio's Medicaid program and other programs draw federal matching funds, a reduction in state appropriations can also reduce the federal match the state receives, so the net effect on total state resources can differ from the gross figure.
- True reduction in spending versus a shift in who pays. Some proposals move a cost from the state budget to counties, school districts, hospitals, providers, or households rather than eliminating the cost.
- One-time proceeds versus recurring savings. Asset sales and other one-time transactions are reported separately from changes that reduce spending in every future budget cycle.

A related distinction applies to budget denominators: a percentage or dollar figure tied to "GRF spending," "all-funds spending," or "state-only spending" can differ substantially depending on which base is used. Where a source specifies its denominator, this paper states it; where a source does not, this paper notes that the figure requires denominator confirmation rather than assuming a base.

1. Medicaid and State-Financed Healthcare

Medicaid is the largest single category discussed in this catalog. The Buckeye Institute's 2025 Piglet Book states that Medicaid consumes more than half of General Revenue Fund (GRF) spending and will account for more than 45 percent of total state spending by the end of FY 2027, with projected program growth of 9.6 percent in FY 2026 and 6.2 percent in FY 2027 — both above inflation and above every other budget line item. The report attributes this partly to elevated federal Medicaid matching rates and broader eligibility during the pandemic, which it expects to revert to pre-pandemic norms, and partly to underlying program growth it says remains above the state's economic growth rate.

For context, the Office of Budget and Management's FY 2026–27 executive budget projects Ohio's all-funds spending at more than \$105 billion in FY 2025, growing to more than \$108.6 billion in FY 2026 and \$110.7 billion in FY 2027. The Buckeye Institute frames these as "relatively modest" year-over-year growth rates that nonetheless sit atop a baseline it considers too high, noting that total state spending grew roughly 5 percent in FY 2020, roughly 10 percent in FY 2021, and roughly 11 percent in FY 2022, such that FY 2025 spending is more than 55 percent above FY 2018 levels — compared with an average annual increase of about 2.56 percent between 2010 and 2019.

> *Fraud/administration boundary: this paper includes ordinary Medicaid eligibility administration and coordination-of-benefits reforms. It excludes proposals whose principal fiscal mechanism is identifying*

> *intentional deception, recovering fraudulent payments, or prosecuting misconduct — those belong to the Research Center's separate fraud, waste, and improper-payments project.*

A. Proposals Specifically Contained in the Buckeye Institute's 2025 Piglet Book

The Buckeye Institute's 2025 Piglet Book states specifically that applying a strengthened State Appropriation Limitation to Medicaid alone "would save the state more than $6.7 billion over the next biennium" (FY 2026–27) — this is the origin of the $6.7 billion figure the report also cites as its overall recommended budget reduction. The figure is therefore a projection tied to a specific structural change (capping Medicaid's growth rate under the SAL) rather than a sum of many itemized cuts, and it is measured against the trajectory of continued Medicaid growth rather than against FY 2025 enacted spending. Within Medicaid specifically, the report recommends:

- More rigorous eligibility audits and cross-checks to prevent double-dipping by recipients also receiving services in other states
- Strict enforcement of Ohio's Medicaid work-requirement waiver
- Scaling back recent increases in hospital franchise fees, including a proposed 53 percent increase, which the report characterizes as a mechanism that draws additional federal matching dollars but largely cycles them back to providers rather than improving program efficiency

Sourcing note: *The $6.7 billion figure, its origin in applying the SAL to Medicaid specifically, and the three mechanisms above are confirmed directly against the 2025 Piglet Book's "Begin Taming Medicaid" and "Strengthen the State Appropriations Limitation" sections (pp. 6–8), including the report's underlying citations to Cleveland.com reporting on the Auditor of State's double-dipping findings and to Buckeye Institute testimony before the Ohio House Medicaid Committee, February 11, 2025.*

B. Additional Medicaid Options Identified for Further Research

The following mechanisms are commonly discussed in Medicaid cost-containment literature generally and were identified during preliminary research. OCG has not yet traced each one to a specific Ohio-focused recommendation by a named source, and they should be read as a research agenda rather than as attributed Buckeye Institute or state-commission proposals:

- Managed-care contract reform and medical-loss-ratio review
- Pharmacy-benefit and drug-purchasing reform
- Value-based and outcome-linked purchasing
- Utilization management for high-cost services
- Coordination with private and third-party coverage
- Expanded use of home- and community-based care in place of institutional placement

Sourcing note: *Each item above is a mechanism commonly discussed in Medicaid cost-containment literature generally; none has yet been traced to a specific, named Ohio proposal, and none should be read as attributed to the Buckeye Institute or any other named source.*

C. Rebalancing Long-Term Care Toward Home- and Community-Based Services

Rebalancing long-term care toward home- and community-based settings is a recurring theme in Ohio budget-reform discussions dating at least to 2010, on the premise that institutional care carries a higher average per-recipient cost and that many recipients prefer community-based settings. OCG has reviewed the introductory sections of the Ohio Budget Planning and Management Commission's House Majority/Senate Minority report of December 8, 2010, which frames a general menu of budget-balancing options, but has not yet located the specific commission page discussing long-term-care rebalancing; this item is presented as a recurring policy theme rather than a page-cited commission recommendation.

A complete causal analysis requires several additional factors: community-based care may increase total program utilization by serving people who would otherwise receive unpaid family care rather than substituting for institutional placement; nursing-facility fixed costs do not necessarily decline in proportion to small census changes; workforce shortages may constrain how quickly home-based care can expand; and federal waiver rules and maintenance-of-effort requirements may affect the pace and size of any resulting savings.

Sourcing note: *The existence, date, and general scope of the 2010 Budget Planning and Management Commission report are confirmed directly; the specific long-term-care recommendation has not yet been located on a specific page. The savings-mechanics discussion above is OCG's own analytical framework.*

D. Federal Reimbursement for Inpatient Care of Incarcerated Individuals — Not a Reduction in Total Public Spending

A recurring proposal in Ohio budget-reform discussions calls for pursuing federal Medicaid reimbursement for eligible inpatient medical services provided to incarcerated individuals. This is a shift of cost from state or local funds to federal funds rather than a reduction in total public spending, and this paper labels it accordingly rather than as a "savings" figure. As with the long-term-care item above, OCG has confirmed the existence and general scope of the 2010 commission report but has not located this specific recommendation on a specific page within it.

Sourcing note: *General theme confirmed as a recurring proposal in Ohio budget-reform literature; specific page-level attribution to the 2010 commission report remains outstanding.*

E. Managed-Care Purchasing

Earlier Ohio commissions proposed expanding or refining managed care as a Medicaid cost-control mechanism, including review of administrative payments to managed-care organizations, medical-loss ratios, quality-bonus structures, potential duplication across administrative systems, encounter-data reliability, pharmacy carve-in or carve-out arrangements, and whether capitation rates are structured around prevention rather than primarily transferring utilization risk.

Sourcing note: *Source identified in general terms; specific report and page citation still required.*

Considerations Raised About This Category

- Every Medicaid proposal in this catalog should ultimately disclose the gross reduction, the state-share reduction, any lost federal match, the resulting net state savings, and the expected effect on coverage, providers, and cost-shifting to counties, hospitals, employers, or families.
- No claim in this category should be read as achievable "without affecting eligibility, provider payments, service levels, federal matching funds, or access" unless the underlying source makes that specific showing.

Sources Cited for This Category

- The Buckeye Institute, 2025 Piglet Book (full document and savings appendix to be independently obtained)
- The Ohio Budget Planning and Management Commission, House Majority and Senate Minority Members' report, December 8, 2010 (introductory sections reviewed; specific Medicaid recommendations pending further page-level review)

2. K–12 Education Spending

Proposals in this category concern both the state's funding formula and the administrative structure of school districts. Reductions in this area can function as a transfer of cost from the state budget to local property taxpayers rather than a net reduction in total public spending, and this paper treats that distinction as central.

A. Funding Guarantees for Districts with Declining Enrollment

The Buckeye Institute's 2025 Piglet Book characterizes Ohio's school funding model as funding schools rather than students, since it allows districts to retain much of the per-pupil funding allocated for students no longer enrolled — which the report describes as using taxpayer dollars "to pay for empty desks." That phrase is the Buckeye Institute's characterization; its use here is not an OCG endorsement of the framing. The report states that Governor DeWine has proposed ending this funding structure and separately recommends that lawmakers reexamine how state funding formulas offset local district costs driven by local collective-bargaining agreements, which it says raise the average state-subsidized teacher salary while giving state policymakers little ability to control locally created costs.

Funding guarantees are not necessarily intended merely to fund departed students. They can also function as a transition mechanism, since a district's costs for buildings, transportation, staffing contracts, and specialized services do not fall immediately when enrollment declines. The policy question is therefore not simply whether guarantees exist, but how long they remain in place, how they phase out, and whether they are tied to demonstrated fixed-cost exposure. The savings case for reducing guarantees is generally presented as strongest where enrollment decline is persistent rather than temporary, where any change is phased in, and where transportation, special-education, and facility obligations are explicitly accounted for.

Sourcing note: *The Buckeye Institute's position and its characterization of the Governor's proposal are confirmed directly against the 2025 Piglet Book's "Reform the School Fair Funding Plan" section (p. 7), which in turn cites Patrick Campbell and Brian Hoffmeister, "Members Brief: Formula Funding Phase-in and Guarantees," Legislative Service Commission, November 12, 2024, and Laura Hancock, "DeWine's $23.4B Education Plan: Continues to Pay for Choice, Reduces 'Guarantee' for Public Schools," Cleveland.com, February 3, 2025. The transition-mechanism analysis above is OCG's own analytical framework.*

B. Shared Administrative and Purchasing Functions (Source Confirmation Pending)

Shared-services proposals — shared superintendents or treasurers, regional purchasing, shared transportation, joint insurance purchasing, shared special-education services, and consolidated payroll, accounting, legal, and information-technology functions among districts — are a recurring theme in Ohio budget-reform discussions. The Ohio Society of CPAs' Ohio Budget Advisory Task Force Report (June 2010) is organized around "Efficiency and Structure," "Revenue Enhancements and Cost Reductions," and "Strategic

Planning” sections that plausibly address shared services, but OCG has reviewed only the report’s preface and table of contents and has not yet reviewed those substantive sections directly.

Sourcing note: *The Ohio Budget Advisory Task Force Report’s existence, sponsor (the Ohio Society of CPAs), date, and section structure are confirmed directly. The specific shared-services items above have not yet been confirmed against the report’s substantive sections.*

C. District Consolidation, Full or Functional

Available research did not establish that full school-district mergers consistently produce net savings; that is an empirical question rather than a settled finding, and this paper does not assert it as fact. Functional consolidation of specific back-office services — procurement, bus maintenance, food purchasing, cybersecurity, payroll, insurance, facility management, and specialized instruction — is discussed in the literature as a narrower and potentially more measurable alternative to full mergers.

Sourcing note: *This is a general characterization of the school-consolidation research literature rather than a citation to a specific study; a specific citation should be added in a future revision.*

D. Earmarked and Categorical Programs

Budget documents contain targeted grants and line items outside the principal funding formula. Candidates identified for review include programs described as duplicating formula funding, lacking measurable statewide outcomes, serving very small constituencies, continuing past an original pilot period without evaluation, or lacking a statutory sunset.

Sourcing note: *This is OCG’s own evaluation framework rather than a citation to a specific named source; specific line items should be identified in a future revision.*

Considerations Raised About This Category

- This paper recommends distinguishing true efficiency savings from state-to-local cost shifts, service reductions, formula redistribution, and reductions measured against a proposed increase rather than current spending.
- This distinction is directly relevant to any future OCG discussion of property-tax replacement proposals.

Sources Cited for This Category

- The Buckeye Institute, 2025 Piglet Book
- The Ohio Society of CPAs, Ohio Budget Advisory Task Force Report, Version 2.0, June 2010 (preface and table of contents reviewed)

3. Economic-Development Spending and Industry-Specific Subsidies

This category is comparatively easier to quantify than Medicaid or education because many programs involve discrete, itemized appropriations or tax credits rather than entitlement spending. It is also, however, the category where the distinction between appropriated spending and foregone tax revenue matters most, since the two are frequently combined in advocacy figures without being reconciled.

A. Direct Corporate-Development Grants

The Buckeye Institute's 2025 Piglet Book states that ending Ohio's corporate welfare payments and closing tax loopholes would free up more than $2.5 billion, to be used for tax reform and workforce training. Within the corporate-welfare portion specifically, the report itemizes six programs it recommends eliminating, with dollar figures it states come from the Governor's FY 2026–27 executive budget proposal:

- Wine Industry marketing — $2.4 million: state-funded marketing for wine grape growers, underwritten by a nickel-per-gallon wine excise tax.
- TourismOhio — $15 million: state tourism marketing, funded by the state sales tax.
- Small Business and Export Assistance — $8 million: targeted small-business support payments.
- Research and Development — $36 million: Ohio Department of Development grants assisting specific businesses with research facilities.
- Procurement and Technical Assistance — $3 million: funding for business and trade-association activities.
- Sports Events Grants — $2.1 million: state funding to help attract sporting events; the report specifically cautions against public financing of stadiums, citing then-pending budget language that would have raised gaming taxes to help fund Ohio sports facilities including a new Cleveland Browns domed stadium (see Subsection E below for how that financing mechanism was ultimately enacted).

Sourcing note: *The $2.5 billion aggregate figure and all six itemized programs are confirmed directly against the 2025 Piglet Book's "End Corporate Welfare" section (pp. 11–12), sourced there to the State of Ohio Executive Budget Fiscal Years 2026-27 (OBM, February 3, 2025). These six items sum to approximately $66.5 million — a small fraction of the $2.5 billion headline figure, meaning the great majority of the $2.5 billion total is composed of the tax-loophole items in Subsection B below, not itemized appropriated grants.*

B. Tax Loopholes the Buckeye Institute Recommends Closing

The 2025 Piglet Book states that the Ohio Department of Taxation's Tax Expenditure Report identifies more than $2.25 billion in tax loopholes it recommends closing or phasing out, drawn from three categories. OCG independently reviewed the underlying primary source — the Tax Expenditure Report: State of Ohio Executive Budget Fiscal Years 2026-27 (Ohio Department of Taxation, February 3, 2025) — and confirmed each figure below. Every figure in the Piglet Book's appendix equals the sum of the primary report's separately listed FY 2026 and FY 2027 estimates; the primary report itself presents each item on an annual basis rather than as a two-year total. This is a concrete example of the denominator issue this paper flags throughout: the same tax expenditure can be reported as roughly half its stated value if measured for a single fiscal year rather than the full biennium.

Sales Tax Credits and Exemptions (Piglet Book total: $280.4 million)

- Eligible Productions Tax Credit (the "motion picture tax credit") — $96.0 million ($48.0 million in each of FY 2026 and FY 2027)
- Three-Day Sales and Use Tax Holiday — $47.3 million
- Qualified Call Center Exemption — $41.1 million
- Sales of Materials and Services for Maintenance and Repair of Aircraft — $33.2 million
- $800 Tax Cap on Qualified Fractionally-Owned Aircraft — $19.4 million
- Sales of Investment Bullion and Coins — $16.9 million

- Copyrighted Motion Pictures and Films (rental/sale for exhibition) — $14.1 million
- Agricultural Land Tile and Portable Grain Bins — $4.4 million
- Small Business Investment Credit — $6.0 million
- Flight Simulators — $2.0 million

Income Tax Credits and Deductions (Piglet Book total: $1,927.8 million)

- Ohio Business Investor Income Deduction — $1,821.8 million ($902.8 million in FY 2026 and $919.0 million in FY 2027): allows individuals with business income to deduct up to $250,000 of net business income (R.C. 5747.01(A)(28)); this single item accounts for approximately 95 percent of the income-tax portion of the Piglet Book's tax-loophole total and roughly 81 percent of its entire $2.25 billion figure. The report recommends phasing this deduction down in step with any future personal income-tax rate reduction, rather than eliminating it immediately, "to avoid unfairly raising taxes on small business owners."
- $50 Credit for Taxpayers Aged 65 or Older — $48.5 million
- Deduction for Long-Term Care Insurance Premiums — $48.9 million
- $20 Personal Credit — $5.5 million
- Campaign Contributions Credit — $3.1 million
- Grape Production Credit — less than $1 million

Commercial Activity Tax Credit (Piglet Book total: $47.1 million)

- Jobs Retention Tax Credit — $47.1 million

For context on scale, Ohio's FY 2026–27 Tax Expenditure Report lists a grand total of approximately $12.5 billion in all tax expenditures (all 177 provisions in the report) for FY 2026 and approximately $12.9 billion for FY 2027 — combined, roughly $25.4 billion across the biennium. The Piglet Book's $2.25 billion in recommended loophole closures is therefore a specifically selected subset of a much larger universe of tax expenditures, most of which (such as broad-based sales tax exemptions for groceries or manufacturing inputs) are not included in the report's recommendations.

Sourcing note: *All figures in this subsection are confirmed directly against the Ohio Department of Taxation's Tax Expenditure Report: State of Ohio Executive Budget Fiscal Years 2026-27 (February 3, 2025) and cross-checked against the 2025 Piglet Book's appendix (pp. 15–17), which cites the same primary report. The R.C. 5747.01(A)(28) statutory citation for the business investor income deduction is drawn directly from the primary report's own text.*

C. One-Time Strategic Community Investments — Named Local and Regional Earmarks

Separate from the Buckeye Institute's corporate-welfare and tax-loophole lists above, OCG's direct review of the enacted House Bill 96 text found a large program of named, legislator-directed local and regional project grants carried under the "One Time Strategic Community Investments" appropriation line (item 042509), administered by the Office of Budget and Management. This program traces to earlier capital-bill lineage (Section 200.30 of House Bill 2 of the 135th General Assembly, as subsequently amended) and continues to appear as a distinct appropriation item in House Bill 96. Individual project grants OCG observed directly in the enacted bill text range from small local awards (for example, a $25,000 pedestrian walkway or a $30,000 community center) up to large individual awards such as the Cincinnati Open Tennis Tournament ($27.5 million), the Transportation Research Center Impact Lab Upgrades ($24 million), the Ohio Center for Advanced Technologies ($20 million), the Columbus Symphony Orchestra — Music for All ($18.5 million), Hall of Fame Village ($9.76 million), and the Pro Football Hall of Fame Modernization ($7 million). OCG has not compiled a full list or total for this program, which spans dozens of pages of the enacted bill organized by county and project; a complete accounting would be a substantial project in itself and is noted here as a research priority.

The enacted bill also includes a real, existing accountability mechanism directly on point with the general reform ideas discussed in Section 4 below: Section 265.400, titled “Earmark Accountability,” requires any entity receiving a Department of Education and Workforce budget earmark to submit an annual report on the services supported, results achieved, program effectiveness, and applicability to other districts, and bars further-year funding to an earmarked entity until its prior-year report is filed. Separately, Section 506.10 shows the mechanism in active use: it blocks a previously awarded One Time Strategic Community Investments grant to a specific recipient (the Chardon High School Athletic Boosters, for a stadium restroom and concession project), requires return of any unspent funds, and redirects the returned amount to two other named recipients — a concrete, enacted example of an earmark being reviewed and reallocated after the fact.

Sourcing note: *The One Time Strategic Community Investments program, its appropriation item number, its origin in House Bill 2 of the 135th General Assembly, and each named project figure quoted above are confirmed directly against the enacted text of Am. Sub. House Bill 96 (136th General Assembly). Section 265.400 (Earmark Accountability) and Section 506.10 (the Chardon High School Athletic Boosters redirection) are confirmed the same way. This subsection does not attempt a complete inventory or total of the program and should not be read as one.*

D. JobsOhio and Related Development Infrastructure

A complete evaluation of Ohio’s development apparatus would compare incremental investment against several distinct cost components, each of which should be classified separately rather than combined:

- Foregone liquor-enterprise value (an opportunity-cost calculation, not appropriated spending)
- State tax credits (a revenue-side measure)
- State grants and infrastructure commitments (appropriated spending)
- Local tax abatements (a local tax expenditure, not state spending)
- Utility concessions (may be borne by ratepayers or local utilities, not the state budget)
- Administrative expense and the opportunity cost of public capital

This overlaps directly with the Research Center’s separate JobsOhio project (WP-002, “The Ledger Behind the Deal”), which should be treated as the authoritative source for JobsOhio-specific figures.

Sourcing note: *OCG analytical framework; see WP-002 for sourced JobsOhio-specific findings.*

E. The Cleveland Browns Stadium Commitment — Enacted, but Currently Enjoined

Governor DeWine’s original FY 2026–27 budget proposal, released February 3, 2025, included a gaming-tax increase intended to help fund Ohio sports facilities, including a new Cleveland Browns domed stadium. The enacted version of House Bill 96 ultimately financed the project differently. OCG has now reviewed the enacted bill’s own text directly, including both the codified law changes and the specific uncodified appropriation section. New Revised Code section 123.282 creates the Ohio Cultural and Sports Facility Performance Grant Fund in the state treasury, funded by unclaimed-funds money remitted under R.C. 169.08(I) plus any amounts the General Assembly separately appropriates to it. New R.C. 123.283 sets the general program's terms: grants may cover up to 15 percent of a facility's initial estimated construction or renovation cost where that cost is under $500 million, or up to 25 percent where the cost is $500 million or more, with no single grant exceeding $250 million, and with minimum project-cost thresholds ($50 million for an Ohio sports facility, $5 million for an Ohio cultural facility) before any award can be made.

Section 229.40 of the enacted act — titled "Cultural, Sports, and Major Sports Facilities Performance Grants" — directs the specific transaction: on or about January 1, 2026, the Director of Commerce must remit $1,000,000,000 of escheated unclaimed funds to the Ohio Cultural and Sports Facility Performance Grant Fund (Fund 5CY1); any unclaimed funds escheating on that date beyond the $1 billion are instead deposited into a newly created Ohio Escheatment Fund. The act then appropriates the full $1,000,000,000 to appropriation item 042428, "Cultural, Sports, and Major Sports Facilities Performance Grants," for fiscal year 2026, and directs that $600,000,000 of it be used to support construction of the "transformational major sports facility mixed-use project" associated with the Brook Park economic development project (the Browns stadium) — with a specific restriction that no grant funds may be disbursed before February 1, 2026. The remaining $400,000,000 is directed to support construction or renovation of other Ohio cultural or sports facilities under the general R.C. 123.283 program described above. Any unexpended, unencumbered balance at the end of FY 2026 is reappropriated to the same item for FY 2027.

OCG's review of the enacted bill text found no veto marking on either the $600 million or the $400 million provision; both appear as fully enacted law in the version reviewed. This paper's earlier drafts, relying on a secondary status summary, described the $400 million as "partially vetoed" — OCG has not been able to confirm that characterization against the enacted bill text itself and now treats both the $600 million and $400 million appropriations as enacted and unvetoed unless and until a specific veto item is located. The Brook Park district also carries a distinct, temporary tax-revenue mechanism: for calendar years 2026 through 2028 only, the act specifies that state sales, use, and income tax revenue generated by construction activity within the project district will be counted as "incremental" district tax revenue under R.C. 123.28, a mechanism intended to demonstrate that the project's own construction-phase economic activity offsets a portion of the grant during the build period; the act specifies that this temporary construction-era counting method does not alter the separate four-year performance targets set under R.C. 123.281(H)(5)(a).

The act sets additional conditions on state participation in either program, including a requirement that the professional sports franchise, governmental agency, nonprofit corporation, or other operating entity submit a financial and development plan (covering lease or operating agreements, remaining agreement term, other state tax credits involved, project phasing, and a demonstrated public benefit) to the Office of Budget and Management for evaluation, with controlling board approval required for certain benefit determinations. This is an enacted budget provision, not merely a proposal.

Beginning in late 2025, plaintiffs filed suit in Franklin County Court of Common Pleas (Skierski, et al. v. Maxfield, et al., Case No. 25CV010760) arguing that the transfer of unclaimed funds — which the plaintiffs contend remain private property — to finance the stadium violates the Ohio Constitution's public-use and due-process protections. A magistrate, Jennifer Hunt, found the plaintiffs substantially likely to succeed on the merits and issued a preliminary injunction blocking the transfer; that injunction remains in place, and the state has filed objections seeking to reverse the magistrate's decision. A parallel federal case reached a different conclusion on similar facts. Site work and excavation at the Brook Park location have nonetheless begun.

This paper therefore classifies the $600 million Browns allocation as enacted, but legally contingent — not as a merely proposed appropriation, and not as an ordinary recurring agency expenditure. Whether the state's obligation is ultimately reduced, and by how much, depends on the outcome of pending litigation rather than on any budget-cutting decision by the General Assembly. The $400 million directed to other Ohio cultural and sports facility projects is a separate appropriation from the $600 million Browns commitment and should not be combined with it in any savings estimate, nor is it currently known to be subject to the same litigation.

Sourcing note: *The gaming-tax proposal in the Governor's original budget is confirmed against the 2025 Piglet Book, which cites Dave DeNatale and Kaitor Kay, "Gov. Mike DeWine's Budget Plan Includes Gaming Tax Hike to Boost Ohio Sports Facilities, Including New Cleveland Browns Domed Stadium," WKYC.com, February 3, 2025. R.C. 123.282 and 123.283, the general grant-percentage formula, and Section 229.40 (appropriation item 042428, the $1 billion/$600 million/$400 million transaction, the February 1, 2026 disbursement restriction, and the FY2027 reappropriation) are confirmed directly against the enacted text of Am. Sub. House Bill 96 (136th General Assembly). The absence of veto markings on this section is based on OCG's direct review of the enacted bill text as currently available; it is not a certification that no line-item veto exists elsewhere affecting this program and should be reconfirmed against the Governor's official veto message before this paper is treated as the final word on the subject. The litigation case name, case number, court, and current procedural posture are confirmed via the Franklin County Clerk of Courts case record. Because the litigation is ongoing, its status may change before or after this paper's publish date and should be reverified against the Franklin County docket at that time.*

Considerations Raised About This Category

- This category raises, more directly than most others, the question of whether a given expenditure represents a core governmental obligation as distinct from a discretionary benefit conferred on a private or narrowly defined beneficiary.

Sources Cited for This Category

- The Buckeye Institute, 2025 Piglet Book, Greg R. Lawson, March 20, 2025
- Am. Sub. House Bill 96, 136th General Assembly, enacted text, R.C. 123.282, R.C. 123.283, Section 229.40, appropriation item 042509 (One Time Strategic Community Investments), Section 265.400 (Earmark Accountability), and Section 506.10
- Tax Expenditure Report: State of Ohio Executive Budget Fiscal Years 2026-27, Ohio Department of Taxation, February 3, 2025
- State of Ohio Executive Budget Fiscal Years 2026-27, Office of Budget and Management, February 3, 2025
- Ohio Legislative Service Commission, Final Analysis of Am. Sub. House Bill 96, 136th General Assembly, "Sports Facilities and Unclaimed Funds," pp. 533–534
- Franklin County Court of Common Pleas, General Division, Skierski, et al. v. Maxfield, et al., Case No. 25CV010760
- Ohio Common Ground Research Center, WP-002, "The Ledger Behind the Deal" (JobsOhio)

4. Grants to Nonprofit and Civic Organizations

The Buckeye Institute's 2025 Piglet Book states that Ohio can save nearly $64 million by ending government-funded philanthropy and advocacy, arguing that governments make poor philanthropists and that charitable, voluntary contributions are better directed by private donors than by public officials. The report states that all dollar figures in this section come from the Governor's FY 2026–27 executive budget proposal, and itemizes six specific appropriations it recommends eliminating or reducing:

- Ohio Arts Council — $55.2 million (Buckeye Institute figure, sourced to the Governor's proposed budget): state redistribution of income and sales tax revenue to artists and galleries selected by the government. OCG independently checked the enacted appropriation directly: the enacted bill provides the Council $28,570,595 in FY 2026 and $28,476,201 in FY 2027 across all fund sources (of which $26,710,595 and $26,781,201, respectively, are General Revenue Fund), for a two-year total of approximately $57.0 million all-funds or $53.5 million GRF-only — somewhat higher than the Buckeye Institute's $55.2 million figure, which was drawn from the Governor's original proposal rather than the final enacted appropriation. Because enacted figures reflect what actually became law, this paper treats the enacted total as the more current figure while still reporting Buckeye's original citation.
- Ohioana Library Association — $621,000: a subsidy covering the Association's rent at the State Library of Ohio; the report suggests one of Ohio's more than 250 public libraries could house the Association without a state subsidy.
- County Agricultural Societies — $760,000: state subsidies for county fairs, which the report says crowd out local governments and private organizations such as 4-H.
- Ohio History Connection — $3.1 million: state subsidies to museums and historical nonprofits including the Hayes Presidential Center.
- Ohio Commission for the U.S. Semiquincentennial — $5 million: the report recommends "right-sizing" a $10 million appropriation for America's 250th-anniversary commemoration to $2.5 million per year for two years, with the remainder funded privately.
- New African Immigrants Commission — $500,000: state financial aid to immigrants from sub-Saharan Africa, which the report says private charities and foundations should fund instead.

Alternatives to Elimination Discussed in the Literature

In addition to outright elimination, reform options discussed in budget-reform literature generally include competitive grantmaking (as distinct from competitive procurement, which applies to purchasing goods or services rather than awarding discretionary grants), published scoring criteria, measurable deliverables, matching-fund requirements, geographic and population criteria, conflict-of-interest disclosure, independent evaluation, automatic sunset after one biennium, and recovery of funds for nonperformance. OCG has not traced these specific reform mechanisms to the Buckeye Institute's report as applied to the six items above. Ohio law already provides one concrete example of an earmark-accountability mechanism: Section 265.400 of House Bill 96 requires any recipient of a Department of Education and Workforce budget earmark to file an annual report on the services supported, results achieved, program effectiveness, and applicability elsewhere, and withholds further funding until that report is filed. Section 506.10 of the same act shows the broader One Time Strategic Community Investments program (discussed in Section 3C above) being used this way in practice: it blocks a previously awarded grant to one recipient, requires return of unspent funds, and redirects the returned amount to two other named organizations.

Sourcing note: *The $64 million aggregate figure and all six itemized appropriations are confirmed directly against the 2025 Piglet Book's "End Government Philanthropy & Advocacy" section (pp. 9–10), which states that its underlying figures come from the State of Ohio Executive Budget Fiscal Years 2026-27 (Office of Budget and Management, February 3, 2025). Summing the six itemized figures yields approximately $65.2 million, slightly above the report's stated "nearly $64 million" headline figure; this paper reports both without attempting to reconcile the small discrepancy, which may* *reflect rounding or a partial-year calculation not specified in the report. Section 265.400 and Section 506.10 are confirmed directly against the enacted text of Am. Sub. House Bill 96. The Ohio Arts Council figure has additionally been cross-checked directly against Section 217.10 of the enacted bill, as detailed above; the other five itemized appropriations have not yet been individually cross-checked against their enacted appropriation-item lines.*

Sources Cited for This Category

- The Buckeye Institute, 2025 Piglet Book, Greg R. Lawson, March 20, 2025
- State of Ohio Executive Budget Fiscal Years 2026-27, Office of Budget and Management, February 3, 2025
- Am. Sub. House Bill 96, 136th General Assembly, enacted text, Sections 217.10, 265.400, and 506.10

5. Higher Education

A. University-Specific Earmarks

The Buckeye Institute's 2021 Piglet Book, "Spending Principles & Priorities in a Pandemic Recovery," recommends that Ohio's budget prioritize core government services and states that its full package of recommendations would trim Governor DeWine's then-proposed FY 2022–23 budget by more than $600 million, covering corporate welfare, government philanthropy and advocacy, earmarks, and occupational-licensing burdens, with a companion recommendation to fund students directly (education savings accounts) rather than districts. A figure of approximately $107.7 million in university-specific earmarks has previously circulated in connection with Buckeye Institute research on this topic; OCG was not able to locate that specific figure within the edition of the report available for this review and does not include it here. Any future reference to that figure should be traced to its specific edition, fiscal year, and appendix line items before publication.

B. Administrative Consolidation, Outcome Metrics, and Facilities

Administrative consolidation (procurement, payroll, benefits administration, information technology, cybersecurity, legal services, real estate, energy purchasing, and learning-management platforms), outcome-linked state support (degree and credential completion, employment in Ohio, time to degree, transfer success, and cost per completion), and facilities disposition (sale, lease, or repurposing of underused capacity) are all credible subjects for review. OCG has not established that the 2021 Piglet Book proposed this complete list; these items are presented as OCG evaluation criteria for further research rather than as sourced Buckeye Institute proposals, except where noted above.

Regarding facilities specifically: one-time sale proceeds should not be presented as a recurring savings figure, and savings would primarily arise from avoiding deferred maintenance and future capital appropriations rather than from the sale itself.

Sourcing note: *The 2021 Piglet Book's general recommendations and its $600 million savings estimate are confirmed directly against the report (Greg R. Lawson, March 16, 2021). The commonly cited $107.7 million university-earmarks figure was not located within that document and is not used here. The administrative-consolidation, outcome-metrics, and facilities items are OCG's own evaluation framework, not a Buckeye Institute proposal.*

Sources Cited for This Category

- The Buckeye Institute, 2021 Piglet Book

6. State Workforce, Agencies, Boards, and Administration — Research Agenda

> *This section is explicitly labeled a research agenda rather than a catalog of verified proposals. The items below are plausible efficiency options frequently discussed in public-administration literature generally, but OCG has not traced a specific item to a named Ohio source. They are retained here to guide further research and should not be read as attributed to the Buckeye Institute, the 2010 Budget Planning and Management Commission, or any other named source unless and until a citation is added.*

Items Identified for Further Research

- Agency, board, and commission consolidation where duplicative statutory functions exist (savings require actual elimination of positions, contracts, facilities, or systems — not mere reorganization)
- Attrition and vacancy management, including justification requirements before refilling vacancies and review of supervisory ratios
- Limits on political or exempt appointments and reduced management layering
- Centralized recruitment and training
- A standing inventory of statutory boards, advisory councils, licensing boards, study commissions, and quasi-public entities, each tested for active meetings, necessary statutory function, duplication, and a defined sunset date
- Reduced out-of-state travel, conference registration, professional-association dues, state vehicles, and promotional or advertising contracts

Sourcing note: *None of the items in this section has been traced to a specific named source. A proposal-source table would be required before any item here could be described as an externally advanced proposal.*

7. Procurement and Contracting

Advantage Ohio was a four-part initiative of Governor Ted Strickland addressing regulatory reform, adjudicative and administrative reform, procurement reform, and expansion of the Ohio Business Gateway. Its Procurement Reform Working Group, convened in 2008, brought together private-sector chief procurement officers from Battelle, Cardinal Health, and Owens-Illinois; the chair of supply chain management at Bowling Green State University; and representatives of the Department of Administrative Services, the Office of Budget and Management, the Department of Job and Family Services, the Bureau of Workers' Compensation, the Board of Regents, the Governor's office, and both chambers of the General Assembly. Its April 2008 report recommended seven strategic imperatives for state procurement.

Recommendations of the 2008 Procurement Reform Working Group

- Create a center-led supply organization across state government, with a single Chief Procurement Officer providing common goals while agencies retain decentralized, mission-specific procurement operations.
- Maximize the state's purchasing power through leverage — the Working Group estimated cost savings through supplier reduction and greater agency participation in strategic sourcing at $34 million to $72 million annually for state agencies alone, not including potential savings for higher education or local governments.

- Apply a consistent strategic sourcing process across state government, drawing on private-sector best practices.
- Attract, develop, and retain a talented corps of supply-management professionals through improved position standards, certification, training, and recruiting.
- Set annual targets for key procurement performance metrics, report results, and apply a strict and consistent process for determining real cost savings.
- Maximize use of information technology across the procurement supply chain.
- Accomplish these objectives without compromising product quality, customer service, or supplier-diversity objectives.

Additional Opportunities Discussed in Procurement-Reform Literature Generally

Beyond the 2008 Working Group's seven imperatives, procurement-reform discussions more broadly (not specifically attributed to the 2008 report) also raise reverse auctions, cooperative purchasing with counties and schools, cloud-contract and software-license consolidation, standardized professional-service rates, limits on no-bid and emergency contracts, and shared fleet, pharmaceutical, and energy purchasing.

Considerations Raised About This Category

- Eliminating a contract is not automatically a saving: it may require new state employees, reduce service, delay projects, shift costs elsewhere, or create transition expenses. Any claimed saving should be measured against the full cost of the alternative arrangement.

Sourcing note: *The seven strategic imperatives and the $34–$72 million annual savings estimate are confirmed directly against the Advantage Ohio Procurement Reform Working Group's April 2008 report, Executive Summary. The additional generic procurement ideas listed above are common practice-literature topics that OCG has not traced to that report specifically.*

Sources Cited for This Category

- State of Ohio, Advantage Ohio Procurement Reform Working Group, Report of the Procurement Reform Working Group, April 2008

8. Information Technology and Digital Government

Shared, scalable computing and cross-agency technology consolidation is a recurring theme in Ohio budget-reform discussions dating at least to 2010. The Buckeye Institute's 2025 Piglet Book recommends embracing artificial intelligence and other emerging technologies to find and correct government inefficiencies, drawing an explicit comparison to the federal Department of Government Efficiency (DOGE). As an existing example, the report cites Ohio's Innovate the Code initiative, which used a tool called RegExplorer AI to identify duplicative and unnecessary rules in the Ohio Administrative Code, and states that this initiative is "saving the state roughly $44 million over the next decade." The report separately notes that the DeWine administration subsequently announced a plan to eliminate one-third of the Administrative Code, and that Senate Bill 9 (134th General Assembly) produced a regulatory inventory that the report credits with a 30 percent reduction in regulatory restrictions.

The Buckeye Institute's own text characterizes the Innovate the Code figure as a state savings, not merely a private compliance-cost reduction. OCG notes, without disputing the Buckeye Institute's figure, that regulatory-streamlining savings of this kind typically reflect a mix of avoided private compliance costs and administrative efficiencies and are generally not booked as a specific line-item reduction in an enacted state budget the way an eliminated grant or a capped provider payment would be. Readers should treat this figure as the report's own characterization rather than as a confirmed reduction to a specific appropriation line.

Opportunities Identified for Further Research

- Consolidating data centers and cloud contracts
- Retiring obsolete systems and eliminating duplicate databases
- Centralizing identity management and cybersecurity tools
- Standardizing case-management platforms
- Reducing paper processing and automating licensing and renewals
- Centralizing software purchasing and eliminating unused licenses

Sourcing note: *The Buckeye Institute's recommendation and the $44 million Innovate the Code figure are confirmed directly against the 2025 Piglet Book's "Embrace Technology to Streamline Government" section (pp. 3–4), which cites Kim Palmer, "Ohio Looks to Save $44 Million Over a Decade with Innovate the Code," Crain's Cleveland Business, December 19, 2021; Governor DeWine and Lt. Governor Husted, "Announce Plan to Cut One-Third of Ohio Administrative Code," Office of the Governor press release, January 26, 2023; and Greg R. Lawson, "Making the Grade: Ohio's Success Cutting Regulations," The Buckeye Institute, February 28, 2024. The bulleted items above have not been traced to a specific named source.*

Sources Cited for This Category

- The Buckeye Institute, 2025 Piglet Book, Greg R. Lawson, March 20, 2025
- Kim Palmer, "Ohio Looks to Save $44 Million Over a Decade with Innovate the Code," Crain's Cleveland Business, December 19, 2021

9. Local-Government Efficiency Proposals That Could Affect State Aid

This section is retitled from a general "local-government structure" discussion to make clear that many of the proposals below would affect local, not state, expenditures directly. They are relevant to this paper only to the extent they connect to state revenue sharing, state grants, state administrative costs, or state incentives that substitute for larger ongoing state expenditures. The Buckeye Institute's 2025 Piglet Book describes Ohio's local-government structure as "antiquated" and recommends combining AI-driven analytics with a review of revenue-sharing policy and augmented performance audits; "antiquated" and "fragmented" are the Buckeye Institute's characterizations, not OCG's, and current official counts of Ohio's counties, municipalities, townships, school districts, and special districts from the Ohio Secretary of State or County Commissioners Association of Ohio should be added before publication.

The report states that Ohio projects spending more than $1 billion on revenue sharing through the Local Government Fund and the Public Library Fund, while separately subsidizing local property-tax renewal levies at a cost of nearly $2 billion each fiscal year — together, close to $3 billion annually across the two categories.

Proposals Identified

- Shared police, fire, EMS, dispatch, and jail services (local expenditure)
- Consolidated tax administration, road and fleet maintenance, and countywide purchasing (local expenditure)
- Joint human-resources and payroll functions (local expenditure)
- Regional water and sewer authorities (local expenditure)
- Incentives for voluntary municipal mergers and state grants conditioned on collaboration (state expenditure, contingent)
- Replacing automatic revenue sharing with outcome-based formulas (state expenditure, unsourced beyond the general Buckeye Institute recommendation to review revenue sharing)

Considerations Raised About This Category

- A reduction in the Local Government Fund is not inherently an efficiency saving. It may instead produce local tax increases, reduced police or fire services, deferred maintenance, greater reliance on fees, or fiscal stress in lower-capacity communities. This paper describes such reductions as "state spending reductions with possible local cost transfer" rather than as a net savings figure, unless accompanied by documented operational consolidation.

Sourcing note: *The Buckeye Institute's characterization of Ohio's local-government structure and its revenue-sharing figures are confirmed directly against the 2025 Piglet Book's "Embrace Technology to Streamline Government" section (pp. 3–4), which cites its own earlier report, Greg R. Lawson, "Joining Forces: Rethinking Ohio's Government Structure," The Buckeye Institute, October 3, 2011, and the State of Ohio Executive Budget Fiscal Years 2026-27 (OBM, February 3, 2025) for the dollar figures. The individual shared-service proposals listed above have not been traced to a specific named source and, where achieved, would primarily produce local rather than state savings.*

Sources Cited for This Category

- The Buckeye Institute, 2025 Piglet Book, Greg R. Lawson, March 20, 2025
- Greg R. Lawson, "Joining Forces: Rethinking Ohio's Government Structure," The Buckeye Institute, October 3, 2011
- State of Ohio Executive Budget Fiscal Years 2026-27, Office of Budget and Management, February 3, 2025

10. Corrections, Sentencing, and Criminal Justice

Sentencing reform as a means of controlling corrections spending while maintaining public safety is a recurring theme in Ohio budget-reform discussions dating at least to 2010; OCG has confirmed the existence and general scope of the 2010 Budget Planning and Management Commission report but has not located this specific recommendation on a specific page within the excerpt reviewed. Criminal-justice reform has separately been characterized in secondary sources as one of the Buckeye Institute's major structural budget areas, alongside Medicaid and K–12 education, though OCG has not confirmed this characterization against a specific Buckeye Institute publication.

Proposals Identified

- Reduced incarceration for selected low-level, nonviolent offenses
- Expanded earned-credit programs and improved probation and parole practices
- Reduced incarceration for technical parole or probation revocations
- Expanded treatment alternatives where less expensive and shown to be effective
- Prison medical-cost mechanisms specifically identified in the literature: medical-contract rebidding, Medicaid inpatient reimbursement for eligible services, telemedicine, compassionate-release criteria, generic-drug purchasing, and regional specialty-care arrangements
- Consolidation or closure of facilities where population trends permit an actual reduction in beds, staffing, or contracts
- Improved reentry programs aimed at reducing repeat incarceration

Pretrial detention practices are addressed separately below because they are primarily a county jail cost, not an Ohio Department of Rehabilitation and Correction cost, unless tied to a specific state fiscal mechanism; any state-level pretrial proposal should be documented with that mechanism identified.

Improved reentry programming is not automatically a spending cut. It frequently requires upfront program investment, with savings dependent on reduced recidivism, avoided incarceration, and the state's ability to actually close or downsize capacity as a result. This paper therefore classifies reentry investment as "investment proposed to reduce future corrections spending," not as a direct, immediate cut.

Considerations Raised About This Category

- Savings should not be claimed unless prison beds, staffing levels, contracts, or facilities are actually reduced, since a lower inmate population without a corresponding reduction in fixed costs may produce little near-term budget effect.

Sourcing note: *The 2010 commission report's existence and general scope are confirmed; the specific sentencing-reform recommendation and the Buckeye Institute characterization above have not yet been located on a specific page of either source. The medical-cost mechanisms and reentry framing above are OCG's own analytical framework.*

Sources Cited for This Category

- The Ohio Budget Planning and Management Commission, House Majority and Senate Minority Members' report, December 8, 2010

11. State Facilities, Real Estate, Fleets, and Energy

Long-term energy-efficiency investment in public buildings is a recurring theme in Ohio budget-reform discussions, though OCG has not located a page-specific recommendation on this topic within the 2010 commission report excerpt reviewed. The remaining items — selling surplus land and buildings, consolidating leased office space, hybrid-work-driven space reduction, centralizing facilities management, warehouse consolidation, fleet-size reduction, mileage reimbursement in place of assigned vehicles, extended vehicle-replacement schedules, and coordination of university and state-agency facilities — are presented as OCG research ideas rather than externally advanced Ohio proposals until documented otherwise.

Property-sale proceeds are one-time; reductions in ongoing rent, maintenance, utilities, and staffing are recurring, and the two should be reported separately rather than combined into a single savings figure.

Energy-efficiency projects in particular can reduce operating expense while increasing debt service or capital appropriations; a complete evaluation would distinguish gross project cost, financing cost, guaranteed savings, utility savings, maintenance savings, payback period, and contract length.

Sourcing note: *The energy-efficiency theme is a recurring topic in Ohio budget-reform discussions; OCG has not located a page-specific citation within the sources reviewed. All other items in this section are OCG research ideas, not citations to a specific named source.*

Sources Cited for This Category

- The Ohio Budget Planning and Management Commission, House Majority and Senate Minority Members' report, December 8, 2010 (general theme; page-specific citation outstanding)

12. Regulatory Simplification

> *Not ordinarily a state-spending reduction: Regulatory simplification primarily reduces compliance costs borne by businesses and residents rather than appropriated state spending. The Buckeye Institute characterizes its Innovate the Code example (discussed in Section 8) as producing roughly $44 million in state savings over a decade; OCG notes that regulatory-streamlining savings of this kind are not typically booked as a specific state-budget line-item reduction and presents the figure as the report's own characterization rather than a confirmed appropriation cut. The DeWine administration has announced an initiative to reduce portions of the Ohio Administrative Code, and the Buckeye Institute credits recent regulatory-reduction initiatives, including Senate Bill 9 of the 134th General Assembly, with a 30 percent reduction in the state's count of regulatory restrictions.*

Sourcing note: *The general initiative and the 30 percent regulatory-restriction reduction figure are confirmed against the 2025 Piglet Book's citation to Greg R. Lawson, "Making the Grade: Ohio's Success Cutting Regulations," The Buckeye Institute, February 28, 2024. State-budget savings specifically attributable to regulatory simplification, as distinct from private compliance-cost savings, remain unestablished.*

Sources Cited for This Category

- The Buckeye Institute, 2025 Piglet Book, Greg R. Lawson, March 20, 2025
- Greg R. Lawson, "Making the Grade: Ohio's Success Cutting Regulations," The Buckeye Institute, February 28, 2024

13. Budgeting-Process Reforms — Governance Mechanisms, Not Cuts

This category consists of proposed changes to how the state budgets rather than specific line-item cuts, and none of the items below should be read as a savings amount in itself. They are presented as governance mechanisms that may contribute to sustained fiscal restraint over time.

Zero-Based or Program-Based Budgeting

The Ohio Budget Planning and Management Commission's House Majority/Senate Minority report (December 8, 2010) presents a "program specific" budget-review option, described in the report as a variant of what some call zero-based budgeting, involving a complete review of spending, revenue-sharing, and money transfers, as an alternative to a proportional across-the-board reduction. In practice, legal mandates, federal requirements, personnel obligations, and workload constraints frequently limit how completely any program can be rebuilt from zero; this is a method for structuring budget review, not a projected dollar savings.

Performance Auditing

Performance auditing — comparing actual program outcomes with stated goals — is a function the Ohio Auditor of State's office currently carries out on an ongoing basis (see Section 14). OCG has not confirmed whether the 2010 commission report specifically endorsed performance auditing as a budget-reform mechanism, as opposed to describing the Auditor's existing statutory role.

A Stronger Appropriations-Growth Limit

Ohio Revised Code section 107.033 requires the Governor to include a state appropriation limitation in the executive budget, capping year-over-year growth in aggregate General Revenue Fund appropriations. Under the statute's text, each fiscal year's limitation equals the prior year's limitation plus the greater of (1) 3.5 percent or (2) the sum of the rate of inflation and the rate of population change — meaning the limitation tracks whichever figure is larger, not smaller. The limitation applies to GRF appropriations specifically, though certain non-GRF appropriation line items can be pulled into the calculation under conditions set out in the statute.

> *Discrepancy flagged for the record: the Buckeye Institute's 2025 Piglet Book describes the SAL as limiting GRF growth to "3.5 percent or the sum of inflation plus population change, whichever is less." The statutory text itself, reviewed directly for this paper, says "whichever is greater." This is a substantive difference — a "lesser of" formula would generally impose a tighter cap than a "greater of" formula. This paper reports the statute's actual text and flags the Piglet Book's differing characterization rather than silently adopting either account; it does not resolve why the two differ, which could reflect a drafting error in either source, a reference to a different or proposed version of the formula, or a difference between how the statute is written and how it has been applied in practice.*

The 2025 Piglet Book recommends applying a similar limitation more broadly than the GRF and reducing the statute's exceptions, and states that too many exceptions and "creative accounting gimmicks" currently remove expensive line items from the SAL baseline. It recommends expanding the SAL to virtually all state funds and requiring a supermajority vote in both General Assembly chambers to exceed the limit.

Mandatory Sunset Provisions and Biennial Program Inventory

Recurring proposals call for tax credits, grant programs, boards, pilot programs, and economic-development incentives to expire automatically unless affirmatively reauthorized following an evaluation, and for a standing biennial inventory documenting each program's statutory authority, purpose, population served, total cost, personnel and contractor use, outcome metrics, and date of last independent evaluation. OCG has not yet traced this specific inventory concept to a named Ohio source and presents it as a research agenda item pending confirmation.

Restrictions on the Use of One-Time Revenue

Both the 2010 commission and more recent fiscal analysts caution against using temporary or one-time revenue to fund ongoing budget commitments.

Sourcing note: *The appropriations-limitation formula's statutory text is confirmed directly against Ohio Revised Code section 107.033 (effective September 29, 2013) and against the identical text as reenacted in House Bill 96 of the 136th General Assembly. The Buckeye Institute's recommendation to broaden the SAL and its $6.7 billion Medicaid estimate are confirmed against the 2025 Piglet Book, which in turn cites Greg R. Lawson, "Building a Responsible, Pro-Growth Budget," The Buckeye Institute, February 5, 2025, for the SAL-broadening recommendation. The sunset-provision and biennial-inventory proposals are recurring ideas in budget-reform discussions generally; OCG has not traced them to a specific named Ohio source.*

Sources Cited for This Category

- Ohio Revised Code § 107.033, effective September 29, 2013 (Legislative Service Commission authenticated text)
- Am. Sub. House Bill 96, 136th General Assembly (enacted budget), reenacting R.C. 107.033
- The Ohio Budget Planning and Management Commission, House Majority and Senate Minority Members' report, December 8, 2010
- The Buckeye Institute, 2025 Piglet Book

14. Ohio Auditor of State Performance Audits

Separately from the think-tank and commission proposals above, the Ohio Auditor of State's office conducts ongoing performance audits of state agencies, school districts, colleges and universities, and local governments under Ohio Revised Code § 117.46. These audits identify operational considerations and, in some cases, quantified savings recommendations; in many other cases, the Auditor's reports note that a specific recommendation carries no stated fiscal impact or that potential savings were "not identified." This paper does not adopt an aggregate cumulative-savings total across all performance audits, because OCG has not located adequate primary support for such a figure and because performance audits frequently focus on operational effectiveness and governance rather than quantified savings.

Audits Referenced in This Paper

- University of Akron: A performance audit dated December 2025 (transmittal letter dated December 23, 2025) was conducted by the Auditor's Ohio Performance Team. OCG has confirmed the audit's existence, subject, and date directly, but has not obtained its findings sections despite two attempts to retrieve the report; the previously circulated description of the audit as identifying declining enrollment, projected deficits, excess building space, athletics-program deficits, and twelve recommendations remains unconfirmed and should not be cited until that review is completed. A separate financial compliance review — the University's FY 2025 Regular and Single Audit, performed by Crowe LLP and accepted by the Auditor of State on April 8, 2026 — was obtained in both retrieval attempts; it is a distinct document from the performance audit and is not a source of operational-efficiency findings.
- Ohio Department of Aging: A performance audit dated June 2025 (transmittal letter dated June 12, 2025) has been confirmed to exist. OCG had access only to the audit's transmittal letter, not its findings sections, and does not have confirmed detail on its specific recommendations. Any future characterization of this audit's findings should be drawn directly from the report body rather than from secondary summaries.
- Waterloo Local School District (Portage County): A performance audit dated May 2022 identified six "Tier I" recommendations across financial management, human resources, facilities, and transportation, with a combined estimated average annual savings of $429,000 through the remainder of the District's

five-year forecast period. The quantified components include eliminating 0.5 FTE of building office support staff above the peer average (about $43,000), eliminating 2.00 FTE general-education teacher and 2.98 FTE monitoring-staff positions above the peer average (about $213,000 combined), and transitioning to a two-tier transportation model with expanded bus services (about $171,000 combined). The remaining three Tier I recommendations — developing formal strategic and capital plans, renegotiating collective-bargaining provisions, and developing a formal bus-replacement plan — carry no quantified savings in the report. The audit also identified separate Tier II and Tier III recommendations involving additional potential savings that were not included in the $429,000 Tier I total.

Sourcing note: *The University of Akron and Ohio Department of Aging audits are confirmed as to existence, subject matter, and date directly against each report's transmittal letter; OCG had access only to those transmittal letters, not the full findings sections, and their specific recommendations remain unconfirmed. The Waterloo Local School District figures are confirmed directly against the full performance audit report, including its Tier I recommendations table.*

Sources Cited for This Category

- Ohio Auditor of State, University of Akron Performance Audit, December 2025
- Ohio Auditor of State, Ohio Department of Aging Performance Audit, June 2025
- Ohio Auditor of State, Waterloo Local School District Performance Audit, May 2022 (full report reviewed)

15. Categories of Claims That Are Not Automatically Spending Reductions

Several types of claims recur across the proposals above without always meeting the definition of a net reduction in total public spending. For analytical clarity, this paper identifies the following categories separately rather than folding them into an aggregate "cuts" total:

- Reductions in local-government revenue sharing, which may shift costs to local taxpayers rather than reduce total government spending.
- Reductions in Medicaid provider payments, which may shift costs to providers, other payers, or patients.
- Across-the-board agency cuts applied without regard to workload or outcomes.
- Federal-fund maximization strategies, which shift the funding source rather than reduce total program cost.
- Asset sales, which produce one-time rather than recurring proceeds.
- Deferred capital maintenance, which may increase future costs even as it reduces near-term spending.
- Hiring freezes not accompanied by an underlying workload review.
- Regulatory-savings claims, which primarily reduce private-sector compliance costs rather than the state budget.
- Enacted-but-legally-contingent commitments (such as the Browns stadium funding, Section 3E), where the ultimate fiscal outcome depends on pending litigation rather than a budgetary decision.

16. Sources Referenced, Remaining Verification Priorities, and Balance

This paper has been checked directly against a number of primary documents: the Ohio Revised Code text of the State Appropriation Limitation, the enacted text of House Bill 96 (reviewed directly through its concluding severability, effective-date, and harmonization sections, in addition to the specific appropriation items and codified sections cited throughout this paper) along with the Legislative Service Commission's final bill analysis, the full text of the Buckeye Institute's 2025 Piglet Book and the introductory sections of its 2021 and 2023 editions, the Ohio Department of Taxation's FY 2026–27 Tax Expenditure Report, the Advantage Ohio Procurement Reform Working Group's April 2008 report, the full Waterloo Local School District performance audit, transmittal materials for two other Ohio Auditor of State audits, and current court records concerning the Cleveland Browns stadium litigation. Where a claim could not be confirmed against a specific page of a primary document, this paper says so directly rather than presenting it as settled. The next step in this project is a proposal-level source ledger — a table with one row per proposal, showing the exact document, page or section, publication date, dollar figure (if any), and cost-shift risk — to close the remaining gaps identified throughout this paper before any future edition treats those items as fully confirmed.

Primary Sources Reviewed for This Edition

- Ohio Revised Code § 107.033, Appropriations Limitations to Be Included in Budget, effective September 29, 2013 (LSC authenticated text)
- Am. Sub. House Bill 96, 136th General Assembly (enacted FY 2026–27 budget), enacted text reviewed from its enacting clause through its concluding severability, effective-date, and harmonization sections, including the reenacted R.C. 107.032–107.034 (appropriations limitation), new R.C. 123.282–123.283 (Ohio Cultural and Sports Facility Performance Grant Fund), Section 229.40 (the Browns stadium appropriation), Section 217.10 (Ohio Arts Council appropriation), the One Time Strategic Community Investments program (item 042509), and Sections 265.400 and 506.10 (earmark accountability), plus the LSC Final Analysis
- The Buckeye Institute, 2021 Piglet Book, "Spending Principles & Priorities in a Pandemic Recovery," Greg R. Lawson, March 16, 2021 (introductory sections)
- The Buckeye Institute, 2023 Piglet Book, April 4, 2023 (introductory sections)
- The Buckeye Institute, 2025 Piglet Book, Greg R. Lawson, March 20, 2025 (full text, including appendix)
- The Buckeye Institute, "Joining Forces: Rethinking Ohio's Government Structure," Greg R. Lawson, October 3, 2011 (cited via the 2025 Piglet Book)
- The Buckeye Institute, "Making the Grade: Ohio's Success Cutting Regulations," Greg R. Lawson, February 28, 2024 (cited via the 2025 Piglet Book)
- The Buckeye Institute, "Building a Responsible, Pro-Growth Budget," Greg R. Lawson, February 5, 2025 (cited via the 2025 Piglet Book)
- Tax Expenditure Report: State of Ohio Executive Budget Fiscal Years 2026-27, Ohio Department of Taxation, February 3, 2025 (full text)
- State of Ohio, Advantage Ohio Procurement Reform Working Group, Report of the Procurement Reform Working Group, April 2008
- The Ohio Society of CPAs, Ohio Budget Advisory Task Force Report, Version 2.0, June 2010 (preface and table of contents)

- The Ohio Budget Planning and Management Commission, House Majority and Senate Minority Members' report, December 8, 2010 (introductory sections and general menu of options)
- Ohio Auditor of State, Waterloo Local School District Performance Audit, May 2022 (full report, including Tier I/II/III recommendations)
- Ohio Auditor of State performance audit transmittal letters: Ohio Department of Aging (June 2025), University of Akron (December 2025)
- University of Akron FY 2025 Regular and Single Audit, Crowe LLP, accepted by the Auditor of State April 8, 2026 (financial compliance document; confirmed twice not to contain performance-audit findings)
- Franklin County Court of Common Pleas case record, Skierski, et al. v. Maxfield, et al., Case No. 25CV010760

Remaining Items Requiring Further Primary-Source Confirmation

- A full accounting of the One Time Strategic Community Investments earmarks program (appropriation item 042509), which spans dozens of pages of the enacted bill; this paper cites illustrative named examples only, not a complete inventory or total
- The substantive sections (pages 5 onward) of the Ohio Budget Advisory Task Force Report and the Budget Planning and Management Commission report, to confirm or source the long-term-care, sentencing-reform, shared-technology, and energy-efficiency items discussed in this paper as recurring themes rather than page-cited recommendations
- The findings sections of the Ohio Department of Aging and University of Akron performance audits (this paper has access only to each report's transmittal letter, not its detailed findings, despite two attempts to retrieve the Akron report)
- Current Franklin County docket status for the unclaimed funds/Browns stadium litigation as of this paper's publish date
- The source of the discrepancy between the SAL statute's text ("whichever is greater") and the Buckeye Institute's description of it ("whichever is less"), flagged in Section 13
- Confirmation against the Governor's official veto message that no line-item veto affects Section 229.40 (Cultural, Sports, and Major Sports Facilities Performance Grants); this paper's current statement that the section is unvetoed is based on the absence of veto markings in the enacted bill text reviewed, not on the veto message itself
- Individual enacted-appropriation cross-checks for the five itemized philanthropy appropriations in Section 4 other than the Ohio Arts Council, and for the itemized corporate-welfare appropriations in Section 3A, following the same method used to verify the Ohio Arts Council figure

Additional Sources Identified but Not Directly Accessed (Subscription or Archive-Limited)

- Gongwer News Service Ohio
- The Hannah Report / Hannah News Service
- The Columbus Dispatch
- Cleveland.com / The Plain Dealer
- Crain's Cleveland Business
- Ohio Capital Journal budget archives

- Statehouse News Bureau / Ideastream / WOSU archives

Additional Institutional Voices to Seek for Balance

This paper relies heavily on the Buckeye Institute, which is not inherently improper for a conservative-leaning think tank's recommendations, but a genuinely comprehensive catalog should also incorporate:

- Ohio Legislative Service Commission analyses
- Ohio Office of Budget and Management documents
- Governor's executive budget documents
- Democratic and Republican caucus alternative budget proposals
- County Commissioners Association of Ohio and Ohio Municipal League positions
- Inter-University Council of Ohio testimony
- Ohio Hospital Association and Ohio Health Care Association analyses
- Policy Matters Ohio and other progressive fiscal analyses
- Pew Charitable Trusts or Council of State Governments research specific to Ohio

> *This list identifies additional sources for future research rather than a complete bibliography. Balance does not require equal endorsement of every source's conclusions; it requires showing, wherever sources disagree, whether an apparent cut is best characterized as an efficiency, a service reduction, or a cost shift.*