

As Introduced

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Representatives Snitchler, Rosenberger

Cosponsors: Representatives Wachtmann, Maag, McClain, Blair, Boose,
Murray, Derickson, Stautberg, Sears, Huffman, Hayes, Grossman, Martin,
Stebelton, Combs, Blessing, Hall, Adams, J., Dovilla, Amstutz

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A B I L L

To amend sections 126.02 and 126.022 and to enact
section 126.18 of the Revised Code to require
performance budgeting by most state agencies.

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BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

Section 1. That sections 126.02 and 126.022 be amended and
section 126.18 of the Revised Code be enacted to read as follows:

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Sec. 126.02. The director of budget and management shall
prepare and submit to the governor, biennially, not later than the
first day of January preceding the convening of the general
assembly, state budget estimates of revenues and expenditures for
each state fund and budget estimates for each state agency, except
such estimates as are required under section 126.022 of the
Revised Code, and, as applicable, the performance data required to
be submitted by state agencies by division (A) of section 126.18
of the Revised Code. The budget estimates for each state agency
for which direct appropriations are proposed shall include the
following details:

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(A) Estimates of the operating budget;

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(B) Estimates of the subsidy appropriations necessary, 18
delineated by a distinct subsidy program; 19

(C) Estimates for special purposes, delineated by a distinct 20
special purpose program; 21

(D) Estimates of appropriations necessary from each fund in 22
reasonable detail to allow for adequate planning and oversight of 23
programs and activities. 24

In the preparation of state revenue and expenditure 25
estimates, the director of budget and management shall, not later 26
than the fifteenth day of September in the year preceding the 27
first regular session of the general assembly, distribute to all 28
affected state agencies the forms necessary for the preparation of 29
budget requests, which shall be in the form prescribed by the 30
director in consultation with the legislative service commission 31
to procure information concerning the revenues and expenditures 32
for the preceding and current bienniums, an estimate of the 33
revenues and expenditures of the current fiscal year, ~~and~~ an 34
estimate of the revenues and proposed expenditures for the 35
respective agencies for the two succeeding fiscal years for which 36
appropriations have to be made, and, as applicable, the 37
performance data required by division (A) of section 126.18 of the 38
Revised Code. Each such agency shall, not later than the first day 39
of November, file with the director its estimate of revenues and 40
proposed expenditures for the succeeding biennium and, where 41
required by section 126.18 of the Revised Code, a comprehensive 42
and integrated statement of agency missions and outcome and 43
performance measures. 44

Each such agency shall, not later than the first day of 45
December, file with the chairperson of the finance committees of 46
the senate and house of representatives and the legislative 47
service commission a duplicate copy of such budget request. 48

The budget request shall be accompanied by a statement in 49
writing giving facts and explanation of reasons for the items 50
requested. The director and the legislative service commission may 51
make further inquiry and investigation as to any item desired. The 52
director may approve, disapprove, or alter the requests, excepting 53
those for the legislative and judicial branches of the state. The 54
requests as revised by the director constitute the state budget 55
estimates of revenues and expenditures which the director is 56
required to submit to the governor. 57

The director shall determine a method to incorporate the 58
principles of zero-based budgeting into the forms prescribed in 59
this section. 60

Sec. 126.022. Not later than four weeks after the general 61
assembly convenes in each even-numbered year, the director of 62
budget and management shall prepare and recommend to the general 63
assembly, subject to the concurrence of the governor, estimates of 64
revenues from, or derived from, payments to the state under the 65
tobacco master settlement agreement ~~and~~, expenditures of such 66
revenues for the biennium beginning on the following first day of 67
July, and, as applicable, the performance data required by 68
division (A) of section 126.18 of the Revised Code. Each state 69
agency affected by such revenues or expenditures shall submit to 70
the director of budget and management any related information the 71
director requires, in such form and at such times as the director 72
prescribes, and, where required by section 126.18 of the Revised 73
Code, a comprehensive and integrated statement of agency missions 74
and outcome and performance measures. 75

Sec. 126.18. (A) Except for the offices of the attorney 76
general, auditor of state, governor, secretary of state, and 77
treasurer of state and agencies of the legislative and judicial 78
branches, each state agency filing budget requests under section 79

126.02 of the Revised Code shall, in accordance with the schedule 80
set forth in division (B) of this section, include with its 81
requests data that measure the performance of the programs and 82
activities of the agency in meeting program goals and objectives. 83
Data reported shall include indicators of output, efficiency, 84
outcomes, and other measures relevant to each program and 85
activity. The agency shall also include historical data needed for 86
an understanding of major trends and shall set targets for future 87
performance where feasible and appropriate. All such data shall be 88
presented in a manner that serves to assist legislative review of 89
and decision making concerning the programs and activities of the 90
agency. 91

(B)(1) Division (A) of this section shall apply to the budget 92
requests of the department of education and the department of job 93
and family services beginning with their budget requests for the 94
biennium ending June 30, 2015. 95

(2) The director of budget and management shall divide all 96
other agencies subject to division (A) of this section into the 97
following three categories: 98

(a) Agencies to which division (A) shall apply beginning with 99
their budget requests for the biennium ending June 30, 2015; 100

(b) Agencies to which division (A) shall apply beginning with 101
their budget requests for the biennium ending June 30, 2017; 102

(c) Agencies to which division (A) shall apply beginning with 103
their budget requests for the biennium ending June 30, 2019. 104

(C) The director shall provide all agencies subject to 105
division (A) of this section with substantial technical assistance 106
in carrying out the requirements of that division and shall review 107
the appropriateness, validity, and reliability of agency 108
performance measures and data. 109

(D) Beginning with the biennium after the biennium in which 110

the budget requests of the Ohio board of regents first become 111
subject to division (A) of this section, the board shall offer 112
assistance to each state university or college as defined in 113
section 3345.12 of the Revised Code in developing relevant 114
performance measures for the university's or college's programs 115
and activities and in setting targets for future performance where 116
feasible and appropriate. 117

Section 2. That existing sections 126.02 and 126.022 of the 118
Revised Code are hereby repealed. 119