



OHIO LEGISLATIVE SERVICE COMMISSION

Bill Analysis

Abby McMahon

H.B. 580

132nd General Assembly
(As Introduced)

Reps. Thompson, Henne, Becker, Romanchuk, Riedel, Koehler, Hood, Retherford

BILL SUMMARY

- Requires an executive agency applying to receive or renew a major grant to submit a copy of the completed grant application and a written assessment of the grant to the Office of Budget and Management (OBM) and the Governor at least 60 days before applying for the grant.
- Requires an executive agency applying to receive or renew a minor grant to submit a copy of the completed grant application to OBM and the Governor at least seven days before applying for the grant.
- Requires OBM to submit a written report to the Governor concerning the grant not later than 30 days after receiving a copy of a grant application.
- Prohibits an executive agency from applying for, accepting, or renewing a major grant without written approval from the Governor.
- Permits the Governor to prohibit, in writing, an executive agency from applying for, accepting, or renewing a minor grant.
- Requires OBM to maintain a public database of all grants received or renewed by executive agencies.

CONTENT AND OPERATION

Grant application process

Executive agency requirements

The bill requires an executive agency (see "**Definitions**," below) applying after the bill's effective date to receive or renew a major grant, which is defined under the bill as any grant whose total value exceeds \$1 million, to submit a copy of a completed grant application and a written assessment of the grant to the Office of Budget and Management (OBM) and the Governor. The completed grant application and written assessment must be submitted to OBM and the Governor at least 60 days before the executive agency applies for the grant. The written assessment must include the following information:

- The grant's purpose and effect, including the grant's effect on, or relationship to, any current state or local program policy;
- All mandates or policy directives that must be met in order to comply with the terms of the grant;
- A complete cost-benefit analysis of the grant, including a projection of any direct or indirect costs to the state or to local governments resulting from the receipt of the grant during a period of at least ten years after the grant expires;
- The grant's impact on state and local government policy, including any resulting transfer of authority or control from state or local government officials to any other person or entity; and
- Any changes to Ohio laws or administrative rules that would be necessary in order to comply with the grant's terms.

An executive agency applying after the bill's effective date to receive or renew a minor grant, which is defined under the bill as any grant whose total value does not exceed \$1 million, must submit a copy of a completed grant application to OBM and the Governor at least seven days before the executive agency applies for the grant. If an agency is applying for a minor grant, a written assessment is not required.

Under the bill, if OBM is applying to receive or renew a grant, OBM is required to submit the completed application or written assessment only to the Governor. If the Governor is applying to receive or renew a grant, the Governor is required to submit a copy of the grant application or written assessment only to OBM.

OBM requirements

The bill requires OBM to submit a written report to the Governor concerning the grant not later than 30 days after receiving a copy of a grant application or written assessment or after submitting a copy of a grant application or written assessment to the Governor. When OBM submits the report concerning a grant to the Governor, OBM also must submit copies of the report, along with copies of the completed grant application and a written assessment, if any, to the Speaker and Minority Leader of the Ohio House of Representatives and to the President and Minority Leader of the Ohio Senate. OBM's written report must assess whether the executive agency applying for the grant has fulfilled the bill's requirements and whether the grant would impose any new requirements or restrictions on private sector persons or entities. OBM can require an executive agency to promptly provide any information OBM needs to complete its report concerning the grant.

Governor's approval or prohibition

The bill prohibits an executive agency from applying for, accepting, or renewing a major grant without first receiving final written approval from the Governor. The Governor may prohibit, in writing, an executive agency from applying for, accepting, or renewing a minor grant. The Governor may allow an executive agency to revise an application and resubmit it before approving or prohibiting a grant application. The Governor must submit a copy of the Governor's written approval or prohibition of a grant application to OBM.¹

Grant database

The bill also requires OBM to maintain a database of all grants received or renewed by executive agencies. The database must be available to the public on OBM's official website and include the following information for each grant:

- A copy of the completed grant application and any revised grant application submitted to the Governor;
- A copy of the written assessment required for a major grant application;
- A copy of the written report prepared by OBM concerning the grant application;

¹ R.C. 126.60, 126.61, 126.62, and 126.63.

--A copy of the Governor's written approval for an executive agency to apply for, accept, or renew a major grant.²

Definitions

Under the bill:³

"**Executive agency**" means the office of an elected executive official, a department created under R.C. 121.02, or any other state agency, department, board, or commission controlled or directed by an elected executive official or otherwise subject to an elected executive official's authority. "Executive agency" does not include any court or judicial agency, the General Assembly or any legislative agency, the Controlling Board, or JobsOhio.

"**Grant**" means any funds, goods, or services awarded to an executive agency by any person or entity other than a state or local government entity in Ohio for which repayment is not required, including any funds, goods, or services of which an executive agency is a subrecipient. "Grant" does not include a donation, gift, bequest, or devise of funds, goods, or services provided to an executive agency without any accompanying terms or conditions with which the executive agency or any other person or entity must comply.

HISTORY

ACTION	DATE
Introduced	04-03-18

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² R.C. 126.64.

³ R.C. 126.60.

