MIKE DEWINE
GOVERNOR
STATE OF OHIO

Executive Order 2021-01D

Implementing Fiscal Year 2021 Budget Reductions to Balance the Biennial Budget While Partially Restoring Fiscal Year 2021 Education Payments

WHEREAS, on March 9, 2020, I declared a State of Emergency in Executive Order 2020-01D regarding the community spread of COVID-19 in the State of Ohio; and

WHEREAS, in addition to a series of Executive Orders, the Ohio Department of Health Director has issued a series of special orders under Section 3701.13 of the Ohio Revised Code, to prevent the spread of COVID-19 and to protect life, health, and welfare of Ohioans; and

WHEREAS, at my direction, State agencies implemented several budgetary controls including but not limited to salary reductions, a freeze on employee travel and payroll step advancements in addition to limiting purchases unrelated to the State's response to the COVID-19 pandemic; and

WHEREAS, pursuant to Executive Order 2020-19D, a fiscal emergency exists, and State agencies made reductions to fiscal year 2020 expenditures by approximately $775 million across General Revenue Fund appropriations and in amounts necessary in other appropriations to align fiscal year 2020 expenditures with available cash balances and agencies continue to implement spending control strategies in fiscal year 2021; and

WHEREAS, the COVID-19 pandemic has negatively impacted State revenue over the fiscal years 2020-2021 such that the biennial budget is structurally out of balance such that revenue receipts and balances in the General Revenue Fund and other funds in the State treasury will likely, and in all probability, be less than enacted appropriations for fiscal year 2021; and

WHEREAS, R.C. §126.05 authorizes the Governor to issue orders to State agencies to prevent expenditures and incurred obligations from exceeding revenue receipts if he ascertains that the available revenue receipts and balances for the General Revenue Fund State funds will be less than the appropriations for the year to maintain a balanced budget; and

WHEREAS, under Chapter 126 of the Revised Code, the Director of the Office of Budget and Management is authorized to exercise control over the financial transactions of State agencies, administer the State accounting system, and implement accounting services on behalf of the State; and

WHEREAS, Executive Order 2020-19D required agencies to limit fiscal year 2021 allotments and disbursements to further control state spending and mitigate the estimated biennial revenue shortfall and structural imbalance as determined by the Director of Budget and Management; and

WHEREAS, additional immediate actions are necessary by State agencies to prevent State expenditures and incurred obligations from exceeding such revenue receipts and balances to maintain a structurally balanced State budget.

NOW THEREFORE, I, Mike DeWine, Governor of the State of Ohio, by virtue of the power and authority vested in me by the Constitution and laws of this State, in order to structurally balance the State budget, do hereby order all State agencies, departments, offices, institutions, boards and commissions (hereinafter "agencies" or "agency") to reduce their expenditures in fiscal year 2021, including any mandatory allocations by earmark or otherwise, as determined by the Director of Budget and Management to balance the State budget by:

1. Approximately $390 million across all agencies from General Revenue Fund Appropriations; and
2. For all other appropriations, in amounts necessary to align expenditures with available cash balances.

This order does not apply to appropriations for debt service, rents on public obligations, or any other payments due on securities, all State office building rent, pension payments, or to appropriations made to the executive department as defined in Article III, Section 1 of the Ohio Constitution, the General Assembly, or Ohio Supreme Court and any other exceptions determined by the Director of Budget and Management.

In making the foregoing determination, the Director of Budget and Management is authorized to permit:

1. The Department of Education to allot an additional $160 million of enacted fiscal year 2021 General Revenue Fund appropriations previously withheld under R.C. §126.08 and Executive Order 2020-19D; and
2. The Department of Higher Education to allot an additional $100 million of enacted fiscal year 2021 General Revenue Fund appropriations previously withheld under R.C. 126.08 and Executive Order 2020-19D.

Except as required to implement this Order, nothing in this Order shall be construed to rescind or replace any cost savings measures and spending control strategies implemented by the Directors of Budget and Management and Administrative Services according to their statutory authority, Executive Order 2020-19D, and Executive Order 2020-25D.

I signed this Executive Order on January 22, 2021, in Cedarville, Ohio, and it shall take effect immediately and remain in full force until June 30, 2021 unless rescinded by me before that date.

Mike DeWine

Mike DeWine, Governor

ATTEST:

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Frank LaRose, Secretary of State