

SIMULATED IMPACT OF PROPOSED TAX EXPENDITURE LIMITATION AMENDMENT
Ohio State Government Expenditures

Fiscal Year	State Government Direct Expenditures	Intergovernmental Revenue FROM Federal Government ¹	Intergovernmental Revenue TO Local Government ¹	Intergovernmental Revenue FROM Local Government ¹	(-) Intergovernmental Revenue FROM State Government ¹	(-) Intergovernmental Revenue TO State Government ¹	(-) Interest earnings ²	(-) Insurance Trust Expenditures ²	(-) Expenditures from Tobacco Settlement ³	State Government Expenditures Subject to TEL	Rate of Change ⁴	CPI (All Urban Consumers, Midwest) rate of increase, prior CY	Ohio Population, July 1	Rate of change for prior year	CPI change + prior year Population change	TEL allowable rate applied for biennial budgeting ⁵	Budget limit under TEL beginning FY 1994 ⁶	Difference
1991																		
1992	\$22,425,215,000	\$6,267,841,000	\$7,493,246,000	\$201,023,000	\$680,720,000	\$6,022,409,000	\$16,746,468,000	--	--	\$16,746,468,000	--	2.795%	10,847,115	0.909%	3.704%			
1993	\$23,350,098,000	\$6,352,439,000	\$7,714,650,000	\$209,599,000	\$643,445,000	\$6,358,353,000	\$16,920,912,000	--	--	\$16,920,912,000	--	2.866%	10,945,762	0.764%	3.630%			
1994	\$24,890,015,000	\$7,931,533,000	\$7,930,063,000	\$286,256,000	\$573,008,000	\$6,289,052,000	\$17,470,229,000	--	--	\$17,470,229,000	4.842%	2.857%	11,152,454	0.650%	3.507%	\$17,535,130,335	\$205,098,665	
1995	\$25,456,658,000	\$7,944,947,000	\$8,379,152,000	\$226,648,000	\$598,966,000	\$6,598,128,000	\$18,467,121,000	--	--	\$18,467,121,000	4.097%	3.056%	11,202,751	0.462%	3.518%	\$18,148,859,897	\$318,261,103	
1996	\$25,463,785,000	\$8,369,701,000	\$9,132,588,000	\$241,208,000	\$731,044,000	\$6,765,052,000	\$18,489,368,000	--	--	\$18,489,368,000	0.120%	3.100%	11,242,827	0.451%	3.551%	\$18,787,299,831	-\$297,931,831	
1997	\$26,965,353,000	\$8,992,850,000	\$9,659,607,000	\$285,131,000	\$860,038,000	\$6,439,103,000	\$20,047,838,000	--	--	\$20,047,838,000	8.429%	2.418%	11,277,357	0.358%	2.776%	\$19,444,855,325	\$602,982,675	
1998	\$27,994,895,000	\$8,690,875,000	\$10,642,432,000	\$262,471,000	\$1,019,213,000	\$7,004,014,000	\$21,660,754,000	--	--	\$21,660,754,000	8.045%	1.659%	11,311,536	0.307%	1.966%	\$20,125,425,262	\$1,535,328,738	
1999	\$29,097,951,000	\$9,072,426,000	\$11,398,777,000	\$236,416,000	\$737,332,000	\$7,546,283,000	\$22,898,189,313	\$6,081,687		\$22,898,189,313	5.713%	2.134%	11,335,454	0.303%	2.437%	\$20,829,815,146	\$2,068,374,167	
2000	\$31,698,486,000	\$9,842,271,000	\$12,361,537,000	\$231,484,000	\$746,053,000	\$8,181,468,000	\$24,542,154,929	\$516,592,071		\$24,542,154,929	7.179%	3.442%	11,363,803	0.211%	3.653%	\$21,558,858,676	\$2,983,296,253	
2001*	\$33,285,872,000	NA	NA	\$231,484,000	NA	NA	\$25,771,168,616	\$254,331,804		\$25,771,168,616	5.008%	2.674%	11,387,860	0.250%	2.924%	\$22,313,418,730	\$3,457,749,886	
2002	\$38,421,322,000	\$12,327,824,000	\$14,623,065,000	\$326,544,000	\$784,459,000	\$10,783,988,000	\$28,647,490,518	\$174,081,482		\$28,647,490,518	11.161%	1.215%	11,410,396	0.212%	1.427%	\$23,094,388,385	\$5,553,102,133	
											6.066%			avg.		3.516%	TOTAL	\$16,426,261,789

Ohio Local Government Expenditures -- Calculations on aggregate⁷

Fiscal Year	Local Government Direct Expenditures	Intergovernmental Revenue FROM Federal Government	Intergovernmental Revenue FROM State Government	Intergovernmental Revenue TO State Government	(-) Insurance Trust Expenditures ²	Local government Expenditures Subject to TEL	Rate of Change ⁴	CPI (All Urban Consumers, Midwest) rate of increase, prior CY	Ohio Population, July 1	Rate of change for prior year	CPI change + prior year Population change	TEL allowable rate applied for annual budgeting	Budget limit under TEL beginning FY 1994 ⁵	Difference
1991														
1992	\$23,561,028,000	\$938,576,000	\$7,493,246,000	\$201,023,000	\$53,156,000	\$15,383,385,000	--	2.795%	10,847,115	0.909%	3.704%			
1993	\$24,508,386,000	\$762,498,000	\$7,714,650,000	\$209,599,000	\$57,393,000	\$16,298,230,000	--	2.866%	10,945,762	0.764%	3.630%			
1994	\$25,626,093,000	\$973,817,000	\$7,930,063,000	\$286,256,000	\$63,312,000	\$17,071,781,000	4.746%	2.857%	11,152,454	0.650%	3.507%	\$16,889,845,375	\$181,935,625	
1995	\$27,532,585,000	\$1,033,338,000	\$8,379,152,000	\$226,648,000	\$65,286,000	\$18,412,029,000	7.851%	3.056%	11,202,751	0.462%	3.518%	\$17,482,223,483	\$929,805,517	
1996	\$29,573,721,000	\$1,197,651,000	\$9,132,588,000	\$241,208,000	\$69,153,000	\$19,553,843,000	6.201%	3.100%	11,242,827	0.451%	3.551%	\$18,097,212,506	\$1,456,630,494	
1997	\$29,895,765,000	\$929,131,000	\$9,659,607,000	\$285,131,000	NA	\$19,592,158,000	0.196%	2.418%	11,277,357	0.358%	2.776%	\$18,739,794,821	\$852,363,179	
1998	\$32,171,844,000	\$1,091,988,000	\$10,642,432,000	\$262,471,000	\$75,347,000	\$20,775,242,000	6.039%	1.659%	11,311,536	0.307%	1.966%	\$19,395,687,640	\$1,379,554,360	
1999	\$34,372,276,000	\$1,110,780,000	\$11,398,777,000	\$236,416,000	\$61,473,000	\$22,160,608,000	6.668%	2.134%	11,335,454	0.303%	2.437%	\$20,074,536,708	\$2,086,071,292	
2000	\$36,718,665,000	\$1,090,786,000	\$12,361,537,000	\$231,484,000	\$68,704,000	\$23,566,530,000	6.344%	3.442%	11,363,803	0.211%	3.653%	\$20,777,145,492	\$2,789,384,508	
2001*	NA	NA	NA	\$231,484,000	NA	\$25,134,977,000	6.655%	2.674%	11,387,860	0.250%	2.924%	\$21,536,210,556	\$3,598,766,444	
2002	\$42,426,915,000	\$1,535,372,000	\$14,623,065,000	\$326,544,000	\$108,402,000	\$26,703,424,000	6.655%	1.215%	11,410,396	0.212%	1.427%	\$22,289,977,926	\$4,413,446,074	
							5.706%			avg.		3.540%	TOTAL	\$17,687,957,493

DATA Sources:
Expenditure and Revenue Data: U.S. Census Bureau, State and Local Government Finances. NA = not available. *State and local government expenditures subject to TEL have been interpolated for 2001.
Expenditures from Tobacco Settlement: Ohio Office of Budget and Management
Consumer Price Index: Bureau of Labor Statistics, U.S. Department of Labor
Population: Ohio Department of Development

Notes:

- (1) Because data on expenditures by source are not available, as a proxy for expenditures from intergovernmental sources of revenue, revenues are substituted for actual expenditures.
- (2) State government expenditures from interest earnings and from the Workers' Compensation, Employment Retirement, Unemployment Compensation, and other custodial insurance trust funds are assumed to be exempted from the TEL amendment.
- (3) Tobacco settlement funds are assumed to be exempt from the TEL amendment.
- (4) The rate of change for local government expenditures subject to TEL is annualized for FY 2001 and FY 2002. The FY 2001 rate of growth for state government expenditures subject to TEL is the same as the rate of growth calculated on state government direct expenditures.
- (5) For the second year of biennial state budget the rate of increase is assumed to be 3.5%, since data on inflation and population growth would be unknown when the budget is prepared.
- (6) First year of operation would be calculated against the prior year's actual. Subsequent years expenditures would be limited according to terms of amendment.
- (7) The TEL Amendment applies a limitation to each political subdivision, not to the aggregate of all political subdivisions.