



**Office of Budget
and Management**

Ohio's State Budget and Economy

September 17, 2025

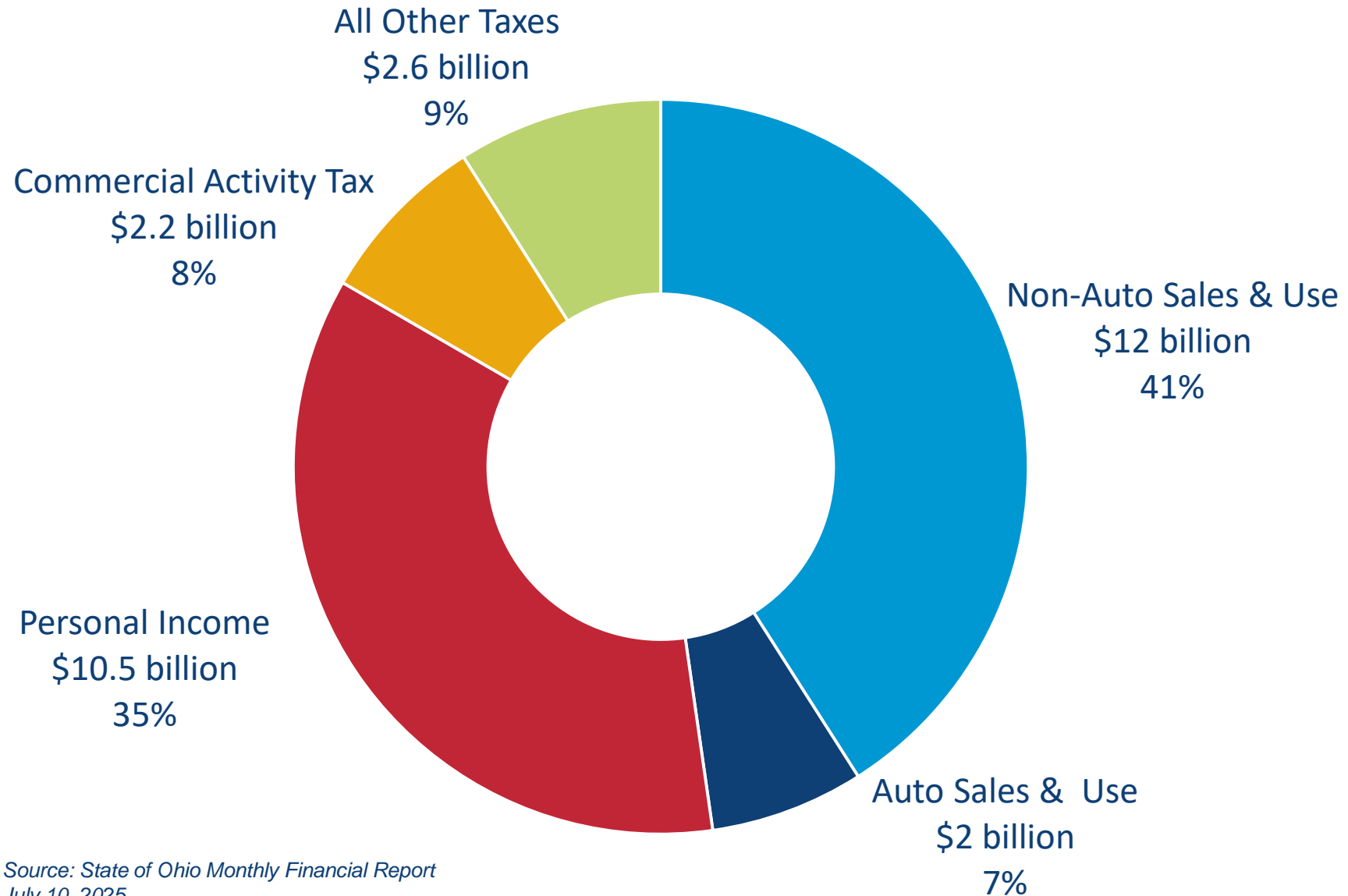
Ohio's Momentous Progress

The State has demonstrated a trend of sustained financial performance, meaningfully exceeding historic trends.

- Ohio's fiscal and economic performance in recent years was a marked improvement compared to performance during past business cycles.
- Ohio has demonstrated a sustained/steady economic expansion, and the State is much better positioned economically to withstand cyclical downturns.
- Ohio's Rainy-Day Fund is at an all-time high of \$3.9 billion to protect against future economic downturns.
- Recent one-time state and federal funds received were used for one-time purposes that strengthen our communities.
- Total outstanding GRF debt fell by \$2.9 billion (30%) between FY 2021 and November 2024.
- To date, the State has utilized \$2.8 billion in cash to fund capital projects and saved taxpayers more than \$1.3 billion in future interest compared to issuing bonds.
- Our economy is the #8 most diverse and one of only three states whose Industrial Diversity has improved yearly since 2012.



FY 2025 Tax Revenues

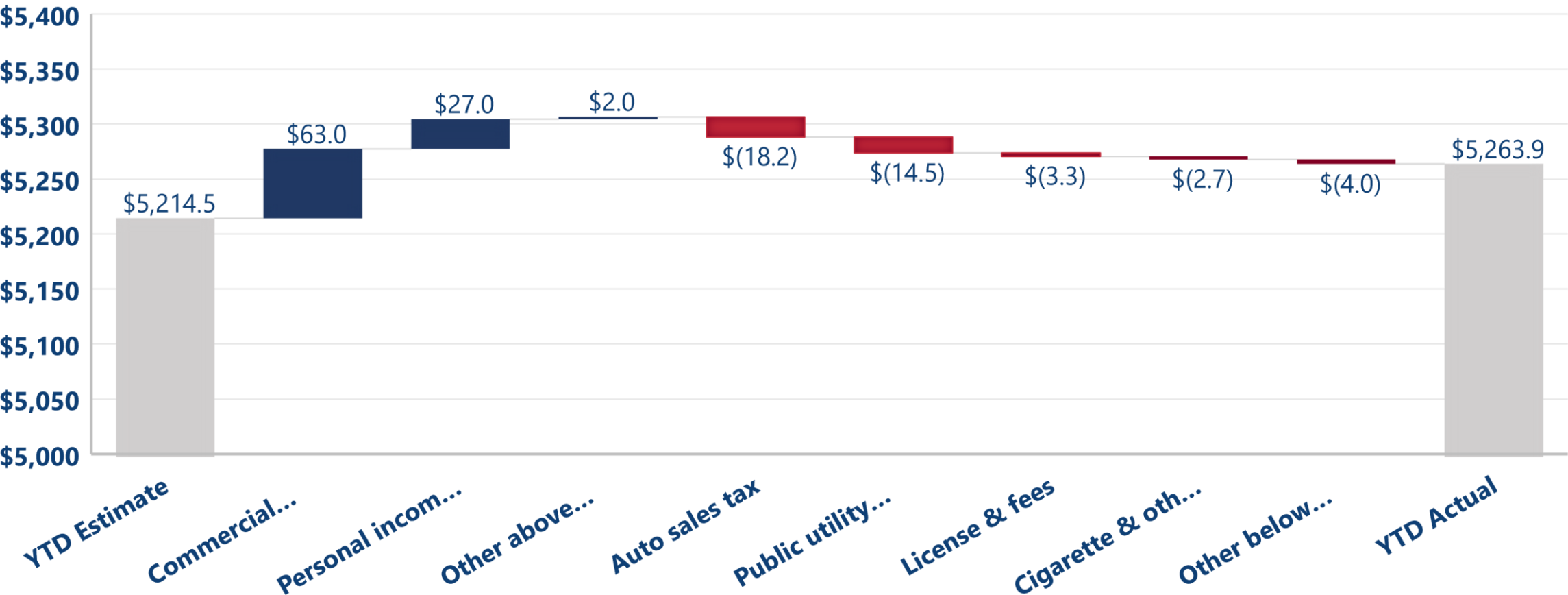


Source: State of Ohio Monthly Financial Report
July 10, 2025

FY 2026 Actuals vs. Estimate through August

(YTD from Non-Federal Sources: \$ in millions)

Actuals vs Estimate: FY 2026 YTD GRF Non-Federal Sources
(\$ in millions)



Source: State of Ohio Monthly Financial Report
September 10, 2025



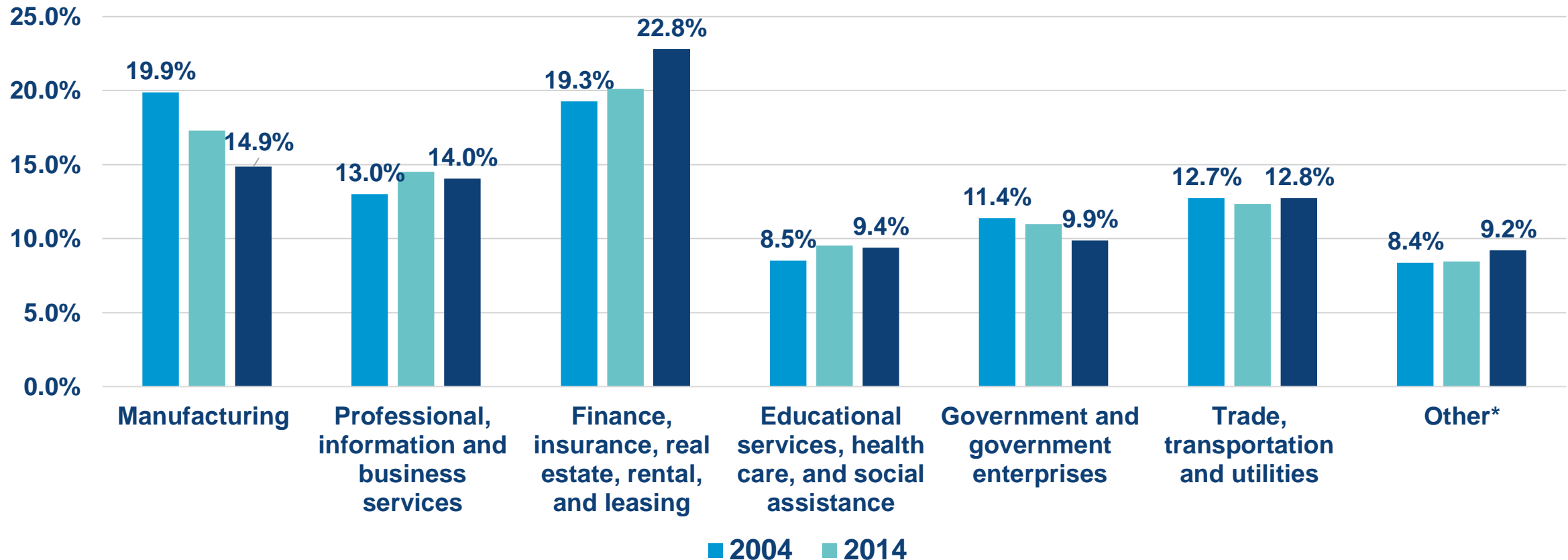
Ohio gained another
5,400 jobs in July 2025.



Ohio's Top Sectors as a Percentage of GDP Over 20 Years

Ohio GDP is driven by a diverse state economy.

Ohio's Industry Sectors as a Percent Total of GDP in 2004, 2014, and 2024

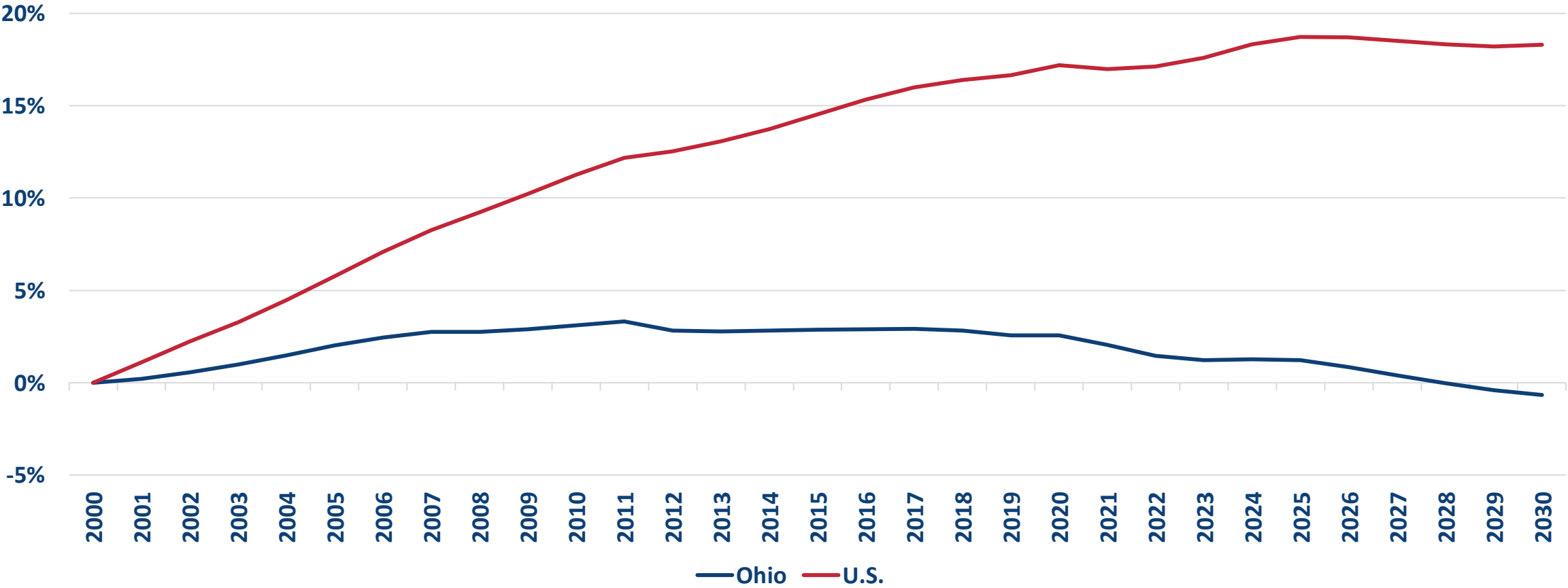


*Other includes construction, arts, entertainment, recreation, accommodation and food services, and natural resources and mining.

Source: Bureau of Economic Analysis

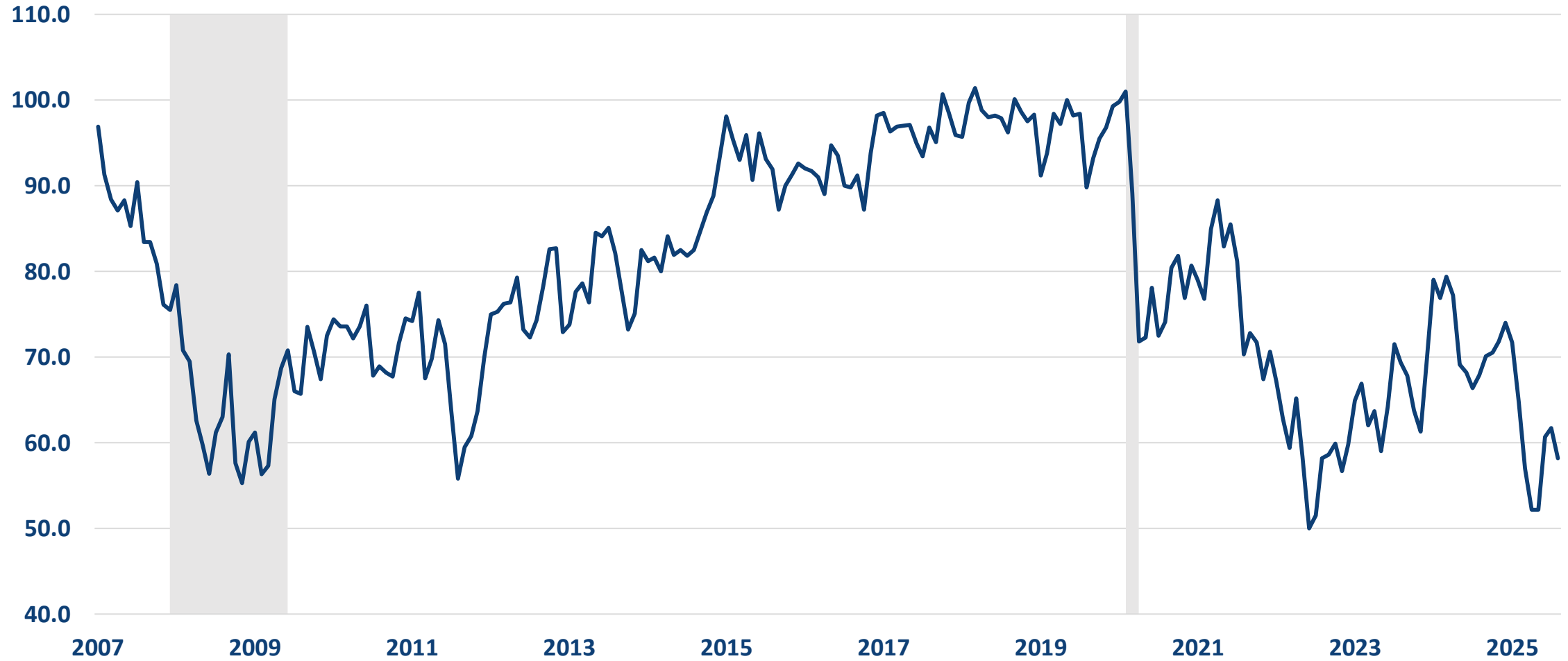
Ohio's Working Age Population Growth

Cumulative Growth Rate of Ohio and U.S. Prime Working Age (Age 25-64) Population:
2000-2030



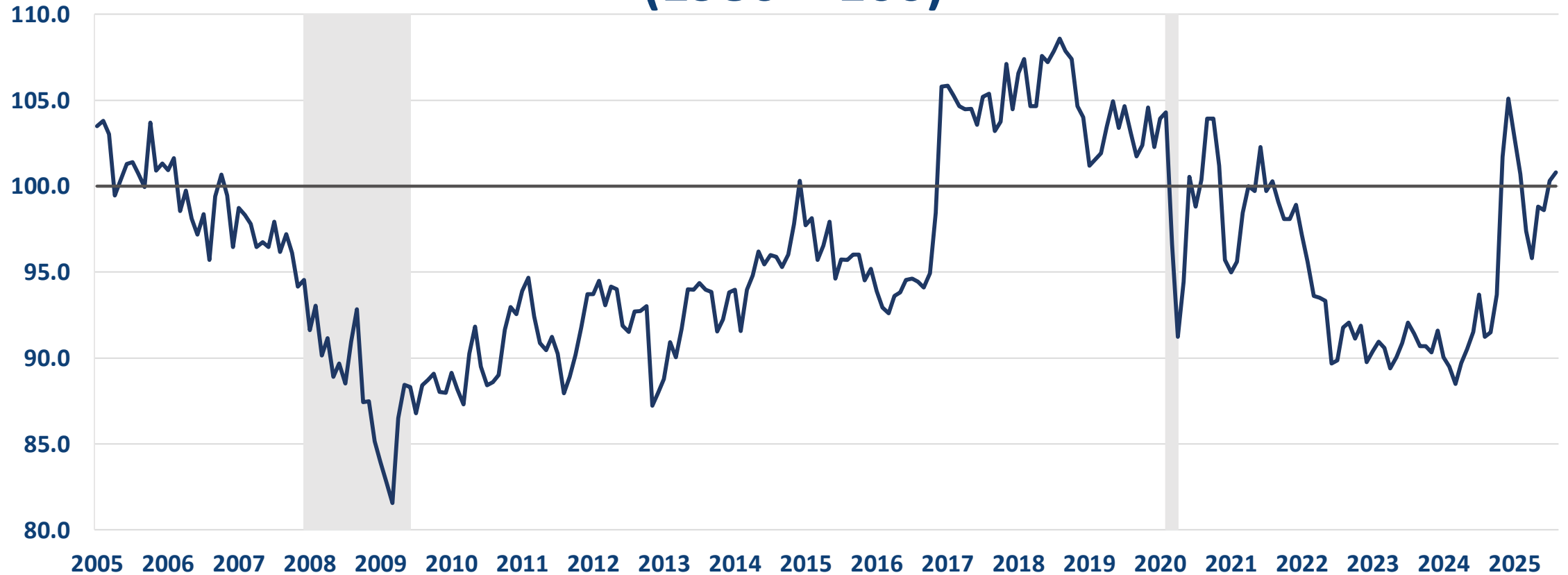
Source: Moody's Analytics August 2025 Baseline Scenario

Consumer Sentiment Index



Source: University of Michigan through FRED

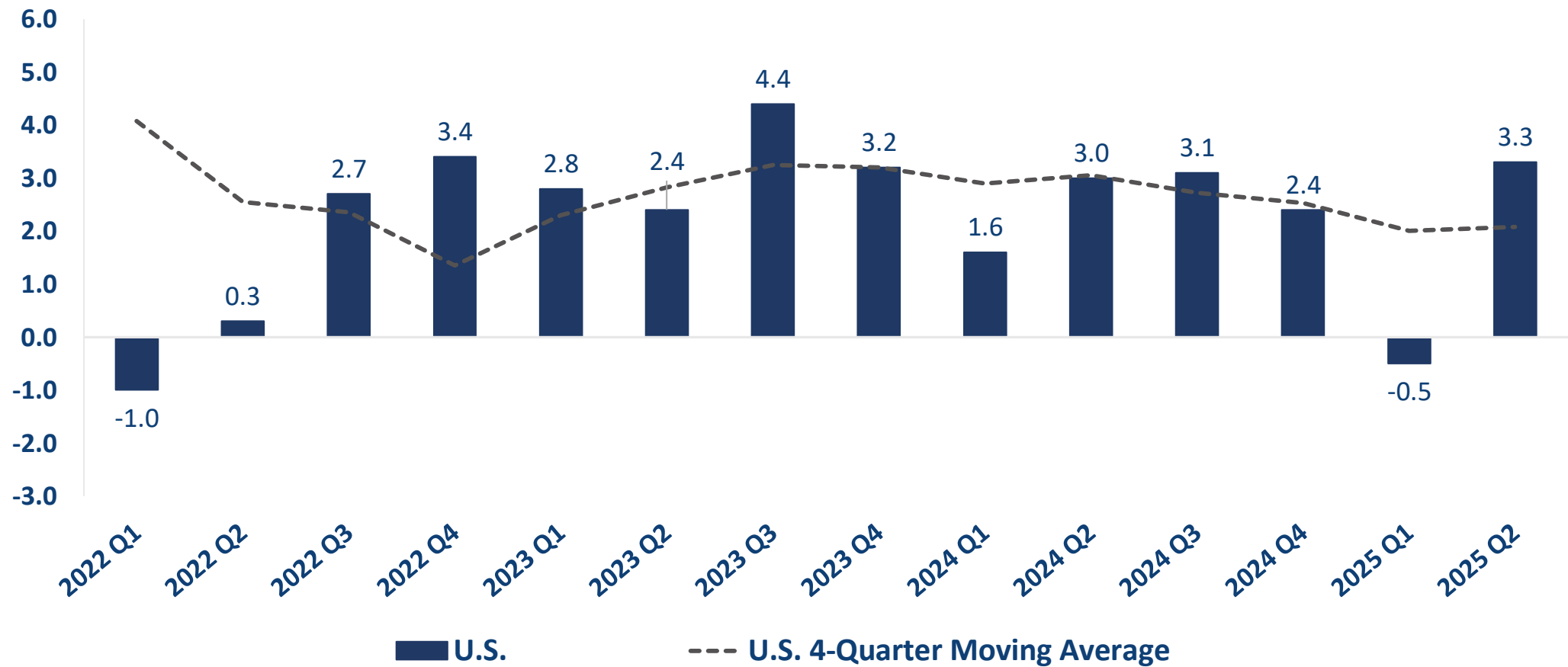
Small Business Optimism Index (1986 = 100)



Source: NFIB

US GDP Increased in the Second Quarter of 2025

Percent Change in Real GDP From Prior Quarter
(seasonally adjusted annual rates)



Source: Bureau of Economic Analysis



HIO

Budget Priorities

Future Focused on Ohio's Workforce

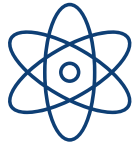


More of Ohio's high school graduates will stay in Ohio to continue their education through the support of the Governor's Merit Scholarship, which awards the top 5 percent of their high school graduating class with \$5,000 per academic year.



Guarantee admission to any state institution of higher education to the top 10 percent of students in their high school graduating class or the main campus for the top 5 percent.

Future Focused on Ohio's Workforce



\$7 million for a quantum computing initiative that will help train the next generation of students in using advanced computers to solve problems faster.



\$10 million will continue to fund Ohio's Industry Sector Partnership Grant program, which supports businesses, educational institutions, and training providers in growing the workforce in on-demand sectors.

Future Focused on Communities



H2Ohio - Healthy natural waterways and clean, accessible drinking water contribute to a good quality of life and a strong economy.

This initiative will continue to support farmers who are helping to mitigate the severity of Lake Erie algal blooms by implementing best practices that reduce phosphorus runoff from farms.

Future Focused on Communities

Ohio's Budget provides valuable support to improve the safety and security of local neighborhoods, strengthen critical local infrastructure, enhance quality of life, and invigorate local communities.



- \$71 million for Multi-Agency Radio Communications Systems
- \$65 million for law enforcement training
- \$18 million for Ohio School Safety Centers
- Supports and stabilizes funding for Ohio State Highway Patrol



**Office of Budget
and Management**

*Scan to sign up for the Monthly Financial Report and
the OBM newsletter: Ohio Connects.*

FOLLOW US

ON OUR SOCIAL NETWORKS



@Ohio_OBM