

# Ohio lawmakers divided over whether Trump funding freeze will derail state budget negotiations

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COLUMBUS, Ohio-- President Donald Trump's executive order to freeze most federal grants and loans has thrown Ohio and other states into sudden uncertainty about whether major state-level programs and services could be interrupted or even permanently reduced in size.

Confused state officials scrambled Tuesday to discern how the order impacted state government, which gets about 30% of its general fund dollars from federal sources.

Shortly before the order was set to take effect late Tuesday afternoon, a federal judge paused the freeze until Monday, [according to the Associated Press](#).

The [order](#), issued by the federal Office of Management and Budget, listed several major exceptions--including Social Security, Medicare, Medicaid, college financial aid and food stamps.

But Democratic lawmakers fear this pause, however temporary, could interrupt funding for free/reduced school lunches, childcare, and covering part of poorer Ohioans' heating bills.

"Most people don't realize that a huge chunk of state budgets come down through these programs," House Minority Leader Allison Russo, an Upper Arlington Democrat, said.

Congress has already allocated a lot of this money "so there is also the legal question of whether the president can un-obligate these dollars," Russo added. But she said it would be foolish to assume Ohio will get everything it was promised

## **Budget Upheaval**

Gov. Mike DeWine is expected to unveil his budget proposal in the next week or so, after which lawmakers will hammer out a final budget bill that the governor must sign by July 1.

And lawmakers are divided on whether this freeze will get in the way of their negotiations.

State Rep. Brian Stewart, a Pickaway County Republican, is chairman of the House Finance Committee and will help lead budget negotiations later this year.

He said that while it's too early to tell exactly how the Trump administration order will affect state finances, Stewart said it won't affect "core programs" like Medicaid and SNAP benefits.

"A closer review of federal spending is long overdue," Stewart said. "And if part of getting that done is for 72 hours in the week of January 28 you just push pause for a bit, I think that's certainly not the end of the world."

When asked what Stewart meant by 72 hours, given the freeze is in place for a longer period, he replied that the Trump administration plans to give more guidance.

"Today, on day one, it does not appear to me like this is going to have an enormous impact on how we do our budget," he said.

Kirtland Republican state Sen. Jerry Cirino, who chairs the Senate's Finance Committee, is taking a wait and see approach.

"I'd still like to gather more information before speaking about how it might impact our process," he said.

The White House told federal agencies to review whether their spending conforms with a flurry of executive orders, aimed at transgender rights to diversity, equity and inclusion efforts.

Federal agencies were told to report their findings by Feb. 10, but Russo doesn't think that timeline is realistic.

"An agency going through and reviewing this is not a small task," Russo said. And lawsuits challenging the order's constitutionality could delay final funding determinations even further.

"States have to pass balanced budgets, and in order to do that, we have to have some predictability for what dollars are coming in," Russo said. "It is extremely difficult to plan for spending when you don't know the state of those programs."

Dan Tierney, a spokesman for Gov. Mike DeWine's office, declined immediate comment Tuesday on how this impacts DeWine's upcoming budget proposal, saying the White House's order only applies to federal agencies.

Spokespeople with the state's Department of Health, Department of Education and Workforce, and Office of Management and Budget provided The Plain Dealer/cleveland.com with nearly identical responses stating that they each had "no immediate comment."

"There's nothing in that executive order that would give any state agency any substance to provide you a meaningful comment," Tierney said, adding that the order itself was "not very broad."

But State Rep. Bride Rose Sweeney of Westlake, the highest-ranking Democrat on the House Finance Committee, had a different take.

After talking with state officials, her understanding was that the order freezes hundreds of millions of dollars in as-yet-unspent federal coronavirus aid--including part of \$100 million provided to the state for expanding broadband access.

Sweeney said funding would also be frozen for:

- Free/reduced price school meals
- Money for kids with disabilities in schools
- Child care
- The Low Income Home Energy Assistance Program, a federal program that helps poorer Ohioans with their heating and cooling costs.

Sweeney cautioned that she and other officials are still trying to figure out exactly what programs are affected. But she said the ramifications are "pretty terrifying," given that 30% of the state's budget is paid for via federal grants.

"If we are not able to make these obligations, we either are completely gutting services and upending whole communities, whole programs – children will not be able to eat," Sweeney said. "We're in serious, serious jeopardy of not being able to fund basic services and continuing to pass that buck on to our local communities."