



Sub. H.B. 385*

124th General Assembly

(As Reported by H. Finance and Appropriations)

Reps. Blasdel, Carey, Grendell, Faber, Gilb, Schmidt, Widowfield, Barrett, Evans

BILL SUMMARY

- ? Specifies that Controlling Board approval is not required for the release of Clean Ohio Conservation Fund grant money.
- ? Provides that no money from the Clean Ohio Conservation Fund can be used for recreational trails.
- ? Requires that for any easement purchased with matching grant money from the Clean Ohio Agricultural Easement Fund, the Director of Agriculture be named as a grantee on the instrument conveying the easement.
- ? Authorizes the Director of Agriculture to share agricultural easement monitoring and enforcement responsibilities with the local government or charitable organization that received a matching grant to purchase the easement.
- ? Creates in the state treasury a revolving loan fund to receive payments of principal and interest on loans made from the Clean Ohio Revitalization Fund.

* *This analysis was prepared before the report of the House Finance and Appropriations Committee appeared in the House Journal. Note that the list of co-sponsors and legislative history may be incomplete.*

CONTENT AND OPERATION

Background: Clean Ohio Conservation Fund grants

Am. Sub. H.B. 3 of the 124th General Assembly created the Clean Ohio Conservation Fund, which is used to make grants for projects that provide open space or protect and enhance riparian corridors and watersheds. Revenue for the fund is provided through the issuance of general obligation bonds under Section 20 of Article VIII of the Ohio Constitution. The grant program is administered by the Ohio Public Works Commission, and grant recipients are chosen by natural resources assistance councils in each of the state's 19 public works integrating committee districts.

Controlling Board approval not required

(R.C. 126.141)

Generally under current law, Controlling Board approval is required before money appropriated by the General Assembly can be released for a capital project. (R.C. 126.14, not in the bill.) The bill specifies that this approval is not required for the release of money from the Clean Ohio Conservation Fund for grants made for projects selected through the natural resources assistance council process. The Public Works Commission controls the release of those funds by submitting a request for the release to the Director of Budget and Management.

No funding for recreational trails

(R.C. 164.27)

The bill provides that no money from the Clean Ohio Conservation Fund can be used for recreational trails. Am. Sub. H.B. 3 established a different fund, the Clean Ohio Trails Fund, to be used for that purpose. Under the Clean Ohio Trails Fund program, the Director of Natural Resources makes matching grants to local governments and nonprofit organizations to acquire land for and to construct recreational trails.

Background: Clean Ohio Agricultural Easement Fund

Am. Sub. H.B. 3 provided that a portion of the revenue from general obligation bonds issued under Section 20 of Article VIII of the Ohio Constitution be allocated to the Clean Ohio Agricultural Easement Fund. The fund is used to purchase easement rights to land under terms that require that the land will be used predominantly for agricultural purposes. The Director of Agriculture can make

matching grants from the fund to municipal corporations, counties, townships, and nonprofit charitable organizations to purchase agricultural easements.

State a coholder of matching grant easements

(R.C. 901.22)

The bill provides that for any easement purchased with matching grant money from the Clean Ohio Agricultural Easement Fund, the Director of Agriculture must be named as a grantee on the instrument conveying the easement. The municipal corporation, county, township, or charitable organization that receives the grant also must be named as a grantee.

Sharing of enforcement responsibilities

(R.C. 5301.691)

Under existing law, a local government or charitable organization that receives matching grant money from the Clean Ohio Agricultural Easement Fund to purchase an agricultural easement is required to visit the land annually to monitor that it is not being developed in violation of the terms of the easement. Department of Agriculture rules prescribe corrective enforcement actions the local government or charitable organization must take to enforce the terms of the easement if such development is occurring.

The bill provides that the Director of Agriculture can agree to share the monitoring and enforcement responsibilities with the local government or charitable organization.

Background: Clean Ohio Revitalization Fund

Section 20 of Article VIII of the Ohio Constitution also authorizes the state to issue bonds that are not general obligations, for the purpose of paying costs of brownfield cleanup or remediation projects and certain other public health projects. Debt service on the bonds is paid with nontax revenue, including a portion of the state's profits from liquor sales. Am. Sub. H.B. 3 created the Clean Ohio Revitalization Fund, into which proceeds of the bonds are deposited. Under the Clean Ohio Revitalization Fund program, a grant or loan for a project can be made to a municipal corporation, county, township, port authority, or conservancy district, or to a park district or private organization (nonprofit or for-profit) that has entered into a project agreement with a municipal corporation, county, township, port authority, or conservancy district.

Creation of Clean Ohio Revitalization Revolving Loan Fund

(R.C. 122.657 and 122.658)

Existing law provides that payments of principal and interest on loans made from the Clean Ohio Revitalization Fund are deposited back in the fund. The bill requires instead that such loan repayments are to be deposited in the Clean Ohio Revitalization Revolving Loan Fund, which it creates in the state treasury. Money that accrues in the revolving loan fund is to be used to make new loans for the same purposes and subject to the same policies, requirements, criteria, and application procedures as loans made from the Clean Ohio Revitalization Fund.

Principal and interest payments on loans made from the revolving loan fund are to be deposited in the revolving loan fund, as are its investment earnings.

HISTORY

ACTION	DATE	JOURNAL ENTRY
Introduced	10-02-01	p. 866
Reported, H. Finance and Appropriations	---	---

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