

- Overall increase in FY 2004 funding over FY 2003 expenditures
- \$10 million in each fiscal year for Economic Development Contingency Fund
- Recordation fee is new funding source of Housing Trust Fund

Development, Department of

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ROLE

The Ohio Department of Development (ODOD) facilitates economic and community development in Ohio through activities that include business financial assistance, industrial training, technology development, international trade promotion, housing development, urban development, and travel and tourism promotions.

Agency In Brief					
Number of Employees*	Total Appropriations-All Funds		GRF Appropriations		Appropriation Bill(s)
	2004	2005	2004	2005	
470	\$824.6 million	\$841.6 million	\$100.3 million	\$107.2 million	Am. Sub. H.B. 87 Am. Sub. H.B. 95

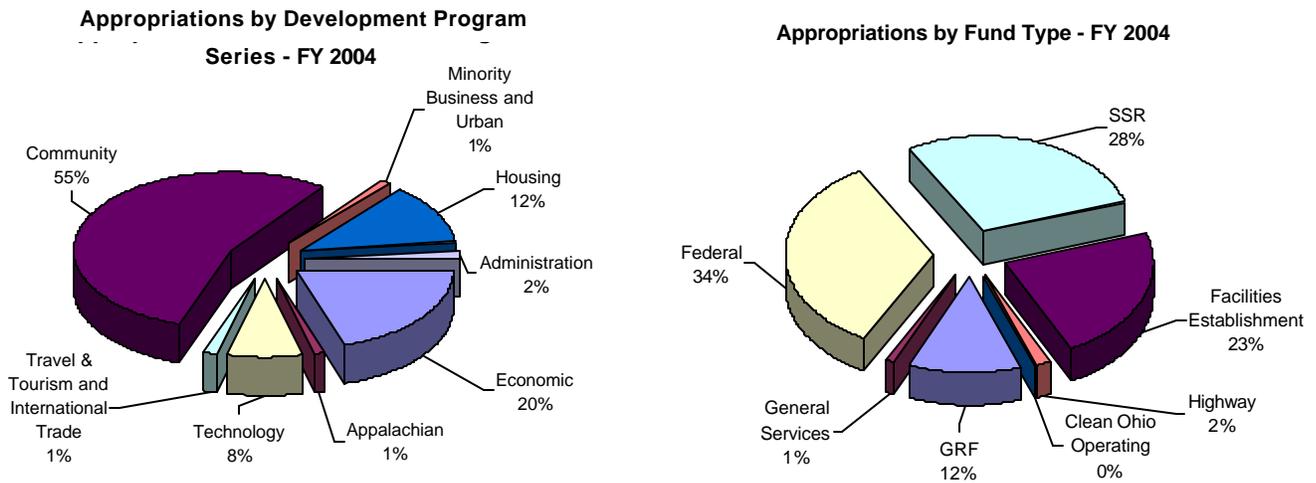
*Employee head count obtained from the Department of Development that includes 464 full-time employees and 6 part-time employees as of June 28, 2003.

OVERVIEW

Development's increasing appropriations continue the trend of the last three biennial budgets. The Department's total budget in FY 2004 grew to \$824,600,539 and to \$841,636,148 in FY 2005, which includes \$12.7 million of appropriations in each fiscal year for the Roadwork Development grant program funded in the Transportation Budget, Am. Sub. H.B. 87. Total funding for FY 2004 is \$141 million, or 20.6% above FY 2003 actual expenditures of \$683.5 million. Funding for FY 2005 is \$17.0 million, or 2.1% above FY 2004 appropriation levels.

Notable changes in FY 2004 funding levels from FY 2003 spending levels for each of Development's funds are as follows: the General Revenue Fund (-20.8%), General Services Fund (+13.1%), Federal Special Revenue Fund (+12.4%), State Special Revenue Fund (+6.4%), Coal Research and Development Fund (-100.0%), the Facilities Establishment Fund (+207.6%), and Clean Ohio Operating Fund (+100.0%).

The following charts show the breakdown of appropriations by both program series and fund type.



In general for FY 2004, GRF line items exhibit decreases in funding from FY 2003 spending levels. A few line items to note include a \$309,000 decrease for the Small Business Development Program, a \$1.3 million decrease for Urban/Rural Initiative grants, and a decrease of \$5 million due to the elimination of GRF funding for the Utility Bill Credits program. In addition, the transfer of the Coal Development Office from ODOD to the Air Quality Development Authority resulted in:

- a decrease of nearly \$600,000 in administration funds in each fiscal year;
- a decrease of \$7.8 million in debt service appropriations in FY 2004; and
- a decrease of \$9.8 million in debt service appropriations in FY 2005.

Furthermore, the Housing Trust Fund will now be funded through a Housing Trust Fund Fee collected by county recorders and deposited in the SSR Low and Moderate Housing Trust Fund. This change caused the elimination of four housing line items:

- 195-406, Transitional/Permanent Housing;
- 195-431, Community Development Corporation Grants;
- 195-440, Emergency Shelter Housing Grants; and
- 195-441, Low and Moderate Income Housing.

Notable increases in appropriations include a \$530,000 increase for the Business Development Grant program, a \$1.6 million increase in the Travel and Tourism, a \$2.5 million appropriation for the new Shovel Ready Sites program, and a new appropriation of \$10.0 million for the Economic Development Contingency Fund.

Fiscal year 2004 appropriation authority for the General Services Fund Group of \$8.8 million reflects an increase of 13.1% above the 2003 expenditure of \$7.7 million. International Trade and General Reimbursements received increases of 44.8% and 88.6%, respectively.

Federal assistance funding for FY 2004, received through the Federal Special Revenue Fund Group, shows growth of 12.4% for FY 2004, and minimal growth of 0.1% during FY 2005. Appropriations total over \$279 million for both FYs 2004 and 2005. Nearly all line items experienced an increase in appropriations, including a \$5.9 million, or 229.0% increase in Oil Overcharge funds and a \$13.9 million, or 53.3% increase in HOME Program funds over FY 2003 spending levels; however, three line items underwent a decrease in funding, including the elimination of the TANF Housing Program (-100.0%), the Home Energy Assistance Program (-2.4%), and the Federal Projects line item (-9.3%). Traditionally, additional federal funds are received for the Home Energy Assistance Program later in the fiscal year. At the time of this writing, the Department has been awarded two increases in appropriation authority totaling \$6.9 million by the Controlling Board to FED line item 195-605, Federal Projects for FY 2004; the additional funds, received in the form of two federal grants, break down into \$2.4 million for Brownfield Revitalization and \$4.5 million for the Manufacturing Extension Program. This raises the FY 2004 appropriation in the Federal Projects line item to \$22.2 million.

The increase in the State Special Revenue Fund reflects substantial movement in only a few line items. The Universal Service Fund decreased 11.8%, or \$22.7 million, in appropriations; however, this decrease is not an accurate reflection of a future decline in activities of the fund. During the last biennium, the fund received appropriations of \$160.0 million in each fiscal year, and the Department sought and received an increase in appropriation authority for the fund of \$35.5 million due to an increase in the number of low-income households needing utility payment assistance. In addition to the increase in appropriation authority, the Department borrowed \$10.0 million in cash from the Energy Efficiency Revolving Loan Fund (Fund 4M5) for activities of the Universal Service Fund (Fund 5M4) to cover a shortfall in cash. Because of an excess amount of cash and a decrease in activities of the Energy Efficiency Revolving Loan Fund, the transfer was possible. Within the Energy Efficiency Revolving Loan Fund, the \$12.0 million appropriation reflects an unchanging appropriation for the fund over the past biennium; however the appropriation is approximately a 1,280.0% increase over FY 2003 spending levels. The Low and Moderate Income Housing Trust Fund saw appropriations increase to \$40.0 million in each fiscal year, an increase of \$21.7 million over FY 2003 spending levels. Although it disbursed funds in FY 2003, the Scrap Tire and Loan Program was transferred to the Environmental Protection Agency in FY 2002.

The Coal Research and Development Fund was transferred to the Air Quality Development Authority as part of the transfer of the Clean Ohio Office. In FY 2003, \$8.5 million was spent from the general obligation Coal Research and Development Fund (Fund 046) on coal development projects. Debt service for this fund was previously paid through GRF appropriation item 195-906, Coal Research and Development General Obligation Debt Service.

The Facilities Establishment Fund Group received a 207.6% increase of \$127.5 million in funding for FY 2004 and a 5.3% increase of \$10.0 million for FY 2005; these numbers include appropriations made in both the main operating budget, Am. Sub. H.B. 95, and a bill relating to the Third Frontier, Am. Sub. H.B. 1. All programs, except the Port Authority Bond Reserves, which was eliminated, saw significant increases in funding over FY 2003 expenditures; it is important to note the appropriation levels remain fairly constant from biennium to biennium as indicated in the following table. For example, although the Rural Development Initiative appears to have received a 900.0% increase in its funding over FY 2003 expenditures of \$500,000, it actually received a 0.0% increase over FY 2003 appropriation levels.

Appropriation and Expenditure Data for Facilities Establishment Fund Group					
Program	FY 2003 Appropriation	FY 2003 Expenditures	FY 2004 Appropriation	% Change between FY 2003 Expenditures and Appropriations	% Change between FY 2003-2004 Appropriations
Rural Development Initiative	\$5,000,000	\$500,000	\$5,000,000	+900.0%	0.0%
Capital Access Loan	\$3,000,000	\$425,542	\$3,000,000	+605.0%	0.0%
Rural Industrial Park Loan	\$5,000,000	\$1,200,000	\$5,000,000	+316.7%	0.0%
Urban Redevelopment Loans	\$10,000,000	\$3,210,540	\$10,475,000	+226.3%	+4.8%
Family Farm Loan Guarantee	\$2,246,375	\$639,554	\$1,500,000	+134.5%	-33.2%
Facilities Establishment	\$58,119,226	\$53,433,611	\$63,391,149	+19.7%	+9.1%

Furthermore, both the Innovation Ohio and Research and Development programs receive their first installment of appropriations of \$50.0 million and \$55.0 million in FYs 2004 and 2005, respectively.

The Clean Ohio Operating Fund (Fund 003) received appropriations of \$150,000 in each fiscal year through appropriation item 195-663, Clean Ohio Operating. Appropriations in this appropriation item consist of interest earnings on the Clean Ohio Revitalization obligations. Although \$150,000 was appropriated in Am. Sub. H.B. 3 of the 124th General Assembly for Clean Ohio operating expenses, no money was disbursed from this appropriation.

BUDGET ISSUES

TECHNOLOGY DEVELOPMENT

Funding for the Department's technology programs saw some significant changes for the new biennium. The Coal Development Office was transferred from the ODOD to the Air Quality Development Authority, the Technology Action line item was given a new name and an infusion of additional appropriation authority, and Am. Sub. H.B. 1 created new programs and appropriations for the Third Frontier Project.

Coal Development Office

Am. Sub. H.B. 95 transferred the Coal Development Office and its FYs 2004 and 2005 appropriations from ODOD to the Air Quality Development Authority. The bill also included a provision that after the Office is transferred to the Authority, the Office's employees are in the unclassified service and serve at the pleasure of the Authority. Two GRF appropriation items, 195-408, Coal Research Development, and 195-906, Coal Research and Development General Obligation Debt Service, and one bond-funded appropriation item 195-632, Coal Research and Development Fund (within the Coal Research/Development Fund - Fund 046) were also transferred; this amounts to nearly \$600,000 in GRF administration funds in each fiscal year, \$7.87 million in FY 2004 and \$9.8 million in FY 2005 in debt service appropriations and \$13.2 million in bond funds for coal development projects that were attributed to the Department's budget in past years.

Thomas Edison Program

The Thomas Edison Program strives to provide technology-based opportunities that (1) increase the competitive position of Ohio's critical manufacturing sectors through advanced business practices (e.g., e-business and lean manufacturing technologies), (2) accelerate the growth of emerging industries (e.g., biotechnology, IT, advanced materials, power and propulsion, and instruments, controls, and sensors), and (3) nurture the success of high-technology, high-growth start-up companies. It is funded through GRF appropriation item 195-401, Thomas Edison Program, at \$16.6 million in FY 2004 and \$16.3 million in FY 2005.

Through support of various technology development entities, such as the seven Edison Technology Centers, seven Edison Technology Incubators, one federal technology transfer center — the Great Lakes Industrial Technology Center (GLITeC)/Battelle Memorial Institute, and CAMP, Inc. and TechSolve, Inc. both part of the Manufacturing Extension Program, assistance is provided to all types of companies: whether large or small, mature or early-stage. A major portion of the Edison resources support efforts directed towards small- to medium-sized mature companies in Ohio's manufacturing industries that utilize advanced materials, factory automation, life sciences, food processing technologies, materials joining, high-speed machining, and information technology. Over the FY 2004-2005 biennium, the program will focus on product and process innovation, product commercialization, incubation and acceleration of high technology, high-growth companies in Ohio. Operating expenses from the Thomas Edison line item are limited to \$2.0 million in FY 2004 and \$2.3 million in FY 2005.

Third Frontier

The Third Frontier Project is Ohio's economic development initiative to invest \$1.6 billion over a ten-year period in its research and development (R&D) technologies, workforce, and future. The initiative is composed of multiple parts: (1) funding of \$500 million over a ten-year period to the existing programs, (2) \$50 million per year for ten years for the Wright Brothers Capital Fund to provide competitive grants for capital assets (funded through the biennial capital budget), (3) a proposed \$500 million bond issue for applied research and technology commercialization, (4) \$100 million fixed-asset Innovation Ohio Loan Program for targeted industry sectors in Ohio, (5) other initiatives of the project, and (6) programs not included in the Third Frontier Project related to it within the Department of Development (e.g., the Thomas Edison Program discussed in the previous section).

Continued Funding of Existing Programs. The first component of the Third Frontier Project is the continued funding of existing programs. The following programs are those that receive funding in the main operating budget.

Third Frontier Action Fund

A key program of the Third Frontier is funded through GRF appropriation item 195-422, Third Frontier Action, previously called the Technology Action Fund. This program provides competitive grants that support entrepreneurial activity in various technology sectors across the state and will create economic growth and jobs in technology-related sectors. This line item was flat funded from previous years at \$16.8 million per fiscal year. The previous capital budget, H.B. 675, created the Third Frontier Commission and the Third Frontier Advisory Board (see below). Temporary language in the budget bill gave the Third Frontier Commission that authority to award funding to technology projects. In past budget bills, temporary language gave that authority to the Technology Action Board. Of the \$16.8 million appropriated in each fiscal year, up to 6.0% in each fiscal year can be used for administrative expenses and an additional \$1.5 million over the biennium for proposal evaluation,

research and analyses, and marketing efforts deemed necessary to receive and disseminate information about science and technology-related opportunities in the state.

Science and Technology Collaboration

The Science and Technology Collaboration is an initiative intended to coordinate the state's existing technology programs to better align the state's economic development programs, maximize their impact, and leverage other funding sources. Discussions of this initiative began in FY 2002 with the Ohio Plan Study Committee, which was created in the previous budget bill, Am. Sub. H.B. 94 of the 124th General Assembly. The initiative was designed to promote collaborative efforts among state government, higher education, business, and industry to identify research and growth opportunities in science and technology in Ohio.

Temporary language in this biennial budget bill again requires the Department of Development to work in close collaboration with the Board of Regents in relation to the various programs within the agencies toward a coherent state strategy in science and technology; in addition, the Third Frontier Commission will play a coordinating role in the annual review. All appropriate programs must provide annual reports to the Commission discussing existing, planned, or possible collaborations between programs and recipients of grant funding related to technology, development, commercialization, and supporting Ohio's economic development. The annual review by the Third Frontier Commission shall stand as a comprehensive review of the entire state science and technology program portfolio rather than a review of individual programs.

Third Frontier Commission and Advisory Board

The most recent capital budget, H.B. 675 of the 124th General Assembly, created both the Third Frontier Commission and the Third Frontier Advisory Board. The Commission coordinates the many initiatives of the Third Frontier Project, while the Board counsels and advises the Commission on issues such as strategic planning for Commission programs, budget and funding priorities, RFP criteria, coordination of programs, progress measures and methodologies, and studies relating to the goals of the Third Frontier Project. The Commission, composed of the Director of Development, Chancellor of the Board of Regents, and the Governor's Science and Technology Advisor, assumed the responsibilities of the Biomedical Research and Technology Transfer Commission (BRTTC) and the Technology Action Board on July 1, 2003, and has the authority to make grants under the programs by using their appropriated funds. The Third Frontier Advisory Board is comprised of 16 members (nine business representatives, five university or nonprofit research institutions, one member from the House of Representatives, and one member from the Senate).

New Programs. The following program received its first installment of appropriations relating to its activities.

Third Frontier Research and Commercialization

The third component of the Third Frontier Project is a \$500 million bond issue to support research and technology commercialization, which breaks down into \$50 million each year for ten years. These activities would be non-capital in nature and would complement the capital activities of the Wright Brothers Capital Fund. An appropriation of \$7.4 million was made in FY 2005 in GRF appropriation item 195-905, Third Frontier Research and Commercialization, to pay for debt service of bonds issued under the Research and Commercialization Program of the Third Frontier Project. These bonds will appear on the November 2003 ballot, for approval by Ohio voters.

Other elements of the Third Frontier Project are discussed under Am. Sub. H.B. 1.

Am. Sub. H.B. 1

Am. Sub. H.B. 1 of the 125th General Assembly provided changes to existing Department programs and included funding for new programs relating to the Governor's Third Frontier Project. Except for the Innovation Ohio Loan Program, the components in Am. Sub. H.B. 1 are part of the fifth category of other initiatives that belong to the Third Frontier Project.

Innovation Ohio Loan Fund. The fourth component of the Third Frontier Initiative is the Innovation Ohio Fund. This \$100 million proposal is for fixed-asset loans in targeted industry sectors across Ohio. The purpose of the initiative is to build upon Ohio's strengths, allowing for high growth in these sectors and for high-wage companies to remain competitive in the industry. Program funding will be generated from economic development bonds that will be backed by liquor profits. Liquor profits currently support economic development bonds that fund the Department of Development's Facilities Establishment Fund, which includes programs such as the 166 Direct Loan Program; in FY 2002, \$16.1 million was used toward debt service for these issues. Am. Sub. H.B. 1 created an appropriation of \$50 million in FY 2003 for the Innovation Ohio Loan Program; however, due to the enactment of the bill at the end of FY 2003, the appropriations simply lapsed and were not tapped. The FY 2004 and FY 2005 appropriations of \$50.0 million and \$55.0 million, respectively, were made in the budget bill.

Research and Development Loan Fund. Created under the umbrella of the Facilities Establishment Fund and funded by liquor profits, the Research and Development (R&D) Loan Fund received appropriations of \$50.0 million in FY 2004 and \$55.0 million in FY 2005 in this bill. These appropriations appear in LSC's final appropriations spreadsheet, as they were made as stand-alone main operating appropriations in addition to those made in the budget bill. The appropriations will be used to award Research and Development Loans, loans to projects involving the discovery of information that is technological in nature and used to develop new or improved products or processes. Any loan provided through the R&D Loan Fund cannot exceed 75% of the total eligible costs of the project and must be approved by the Controlling Board.

Research and Commercialization Grant Program. In addition, the bill created the Ohio Research Commercialization Grant Program to provide commercialization grants, awarded by the Third Frontier Commission, to businesses that receive federal research and development funding.

Tax Credits. Several tax credits were also increased in the bill. The bill increases the amount of investments by one person, for which a technology tax credit can be claimed from \$150,000 to \$250,000, raising the tax credit per person to \$62,500, up from \$37,500. Also, the maximum amount of investments that an investor can make in one business increases from \$150,000 to \$250,000. The bill expands the eligibility of the technology investment tax credit by increasing the maximum revenue of eligible firms or their net book value and the maximum investments eligible for the technology investment tax credit for each firm. In addition, the bill increases the ceiling of technology investment tax credits that may be issued from \$10 million to \$20 million. Also, the bill creates a new nonrefundable and transferable credit against the corporation franchise and income taxes for qualified payments made on loans issued by the Director of Development. The amount of the credit cannot exceed \$150,000 per year and per taxpayer. Furthermore, the bill increases the amount and size of tax credits relating to Encouraging Diversity, Growth and Equity (EDGE) certified businesses. The Department's EDGE Program, which was launched by the Governor via Executive Order in December 2002, provides assistance to small businesses by promoting, nurturing, and encouraging diversity, growth, and equity in Ohio's marketplace. The Department of Administrative Services certifies eligible businesses.

Liquor Profits. Finally, the bill increases the ceiling on the amount of liquor profits that can be used for economic development programs. The bill increases the ceiling on the aggregate principal amount of obligations that may be issued to fund economic development programs from \$300 million to \$500 million, excluding those financing obligations for which bond service charges are not paid from liquor profits. The bill also adds the R&D Loan Fund to the list of funds whose obligations are supported by liquor profits; the list of other programs includes the Facilities Establishment Fund, Loan Guarantee Fund, Innovation Ohio Loan Guarantee Fund, and Innovation Ohio Loan Fund. The \$25 million limit for the aggregate amount of liquor profits that may be used to back the obligations issued for economic development is raised to \$45 million by the bill. Finally, the limit on the aggregate amount of loan guarantees made under the Loan Guarantee Fund and the Innovation Ohio Loan Guarantee Fund and the unpaid principal of loans made from the Facilities Establishment Fund and the Innovation Ohio Loan Fund is raised to \$800 million, up from \$700 million; loans made under the R&D Loan Fund are placed under this ceiling.

ECONOMIC DEVELOPMENT

The Economic Development Division assists and promotes the creation, expansion, and attraction of employment-generating enterprises in Ohio. The Division carries out this purpose by providing information, grants, loans, training, counseling, and technical assistance.

Economic Development Contingency

General Revenue Fund appropriation item 195-515, Economic Development Contingency, received appropriation authority of \$10 million in each fiscal year. Originally enacted as a GRF transfer of \$25 million over the FY 2002-2003 biennium in Am. Sub. H.B. 299 of the 124th General Assembly, this line item provides grants for large capital investment projects with the creation or retention of a significant number of jobs. Additionally, the projects must have interstate competition.

Shovel Ready Sites

A new program created by this budget bill, the Shovel Ready Sites program will provide funding for pilot projects with three port authorities, two from urban counties (with populations of 200,000-600,000) and one from a rural county. The moneys will be used to leverage federal funds, local funds, or both, to provide grants for the preparation of sites for immediate construction for infrastructure in the state. General Revenue Fund appropriation item 195-516, Shovel Ready Sites, received appropriations of \$2.5 million in each fiscal year.

HOUSING

Housing Trust Fund

Previously funded through GRF appropriations, the Housing Trust Fund received a new funding source in Am. Sub. H.B. 95. Effective August 1, 2003, housing trust fund fees, equal in amount to the recordation fees charged and collected by county recorders, will provide the revenue for the Low and Moderate Income Housing Trust Fund. State Special Revenue Fund appropriation item 195-646, Low and Moderate Income Housing Trust, was appropriated \$40 million in each fiscal year for various housing programs. With the change in the funding source of the Housing Trust Fund came the elimination of funding of GRF line item 195-441, Low and Moderate Income Housing that was previously transferred in its entirety to the SSR appropriation item, 195-646, Low and Moderate Income Housing Trust; also eliminated were three other GRF line items, 195-406, Transitional/Permanent Housing; 195-431,

Community Development Corporation Grants; and 195-440, Emergency Shelter Housing Grants. Instead, their funding is also to be provided by the Housing Trust Fund.

Funding Changes to Housing Trust Fund			
Program	FY 2003 Spending	FY 2004 Appropriations	Percent Change
Transitional/Permanent Housing (GRF 195-406)	\$3,929,511	\$0	-100.0%
Community Development Corporations (GRF 195-431)	\$2,160,187	\$0	-100.0%
Emergency Shelter Grants (GRF 195-440)	\$2,373,235	\$0	-100.0%
Low & Moderate Income Housing Trust (SSR 195-638)*	\$18,348,622	\$40,000,000	+81.0%
Total	\$26,811,555	\$40,000,000	+49.2%

*Because the entirety of GRF appropriation line item 195-441, Low and Moderate Income Housing, is transferred to the SSR appropriation line item 195-638, Low and Moderate Income Trust, for expenditure on HTF programs, it is not reflected in the chart above. Including the GRF line item in the chart would cause a double counting of dollars in an expenditure sense, since the GRF dollars are accounted for in the SSR expenditure figure.



FY 2004 - 2005 Final Appropriation Amounts

All Fund Group

Line Item Detail by Agency

FY 2001: FY 2002: FY 2003: FY 2004 % Change FY 2005 % Change
Appropriations: Appropriations: Appropriations: Appropriations: 2003 to 2004: Appropriations: 2004 to 2005:

Report For: Main Operating Appropriations Bill

Version: Enacted

DEV Development, Department of

Agency	Line Item	Description	FY 2001	FY 2002	FY 2003	FY 2004	% Change	FY 2005	% Change
						Appropriations:	2003 to 2004:	Appropriations:	2004 to 2005:
GRF	195-100	Personal Service	\$ 2,503,241	\$ 2,426,520	\$2,350,207	\$ 0	-100.00%	\$ 0	N/A
GRF	195-200	Maintenance	\$ 560,335	\$ 555,675	\$462,998	\$ 0	-100.00%	\$ 0	N/A
GRF	195-300	Equipment	\$ 65,526	\$ 66,448	\$73,633	\$ 0	-100.00%	\$ 0	N/A
GRF	195-321	Operating Expenses	---	---	\$0	\$ 2,695,236	N/A	\$ 3,020,115	12.05%
GRF	195-401	Thomas Edison Program	\$ 25,022,180	\$ 18,514,946	\$16,308,887	\$ 16,634,934	2.00%	\$ 16,334,934	-1.80%
GRF	195-404	Small Business Development	\$ 2,539,499	\$ 2,294,712	\$2,049,714	\$ 1,740,722	-15.07%	\$ 1,740,722	0.00%
GRF	195-405	Minority Business Development Divisio	\$ 2,373,482	\$ 2,218,355	\$1,859,143	\$ 1,620,755	-12.82%	\$ 1,669,378	3.00%
GRF	195-406	Transitional & Permanent Housing	\$ 2,545,853	\$ 2,922,213	\$3,929,511	\$ 0	-100.00%	\$ 0	N/A
GRF	195-407	Travel and Tourism	\$ 6,916,480	\$ 4,405,656	\$4,490,755	\$ 6,049,345	34.71%	\$ 7,049,345	16.53%
GRF	195-408	Coal Research Development	\$ 582,376	\$ 573,802	\$488,776	\$ 0	-100.00%	\$ 0	N/A
GRF	195-409	Energy Credit Administration	\$ 660,512	\$ 4,094	\$0	\$ 0	N/A	\$ 0	N/A
GRF	195-410	Defense Conversion Assistance	\$ 896,375	\$ 128,958	\$0	\$ 1,500,000	N/A	\$ 0	-100.00%
GRF	195-412	Business Development Grants	\$ 17,139,161	\$ 6,622,400	\$8,375,716	\$ 8,905,530	6.33%	\$ 8,905,530	0.00%
GRF	195-414	First Frontier Match	\$ 437,165	\$ 493,639	\$334,229	\$ 389,987	16.68%	\$ 389,987	0.00%
GRF	195-415	Economic Development Division & Reg	\$ 6,101,074	\$ 6,563,313	\$5,527,392	\$ 5,594,975	1.22%	\$ 5,594,975	0.00%
GRF	195-416	Governor's Office of Appalachia	\$ 1,775,403	\$ 2,491,594	\$4,617,536	\$ 4,372,324	-5.31%	\$ 4,372,324	0.00%
GRF	195-417	Urban/Rural Initiative	\$ 2,019,950	\$ 1,315,244	\$1,838,911	\$ 589,390	-67.95%	\$ 589,390	0.00%
GRF	195-418	School-to-Work Training Initiative	\$ 39,663	---	\$0	\$ 0	N/A	\$ 0	N/A
GRF	195-421	Environmental Clean-up	\$ 1,446,060	\$ 72,515	\$0	\$ 0	N/A	\$ 0	N/A
GRF	195-422	Third Frontier Action Fund	\$ 6,124,503	\$ 12,590,896	\$16,902,454	\$ 16,790,000	-0.67%	\$ 16,790,000	0.00%
GRF	195-426	Clean Ohio Administration	---	\$ 285,669	\$387,827	\$ 518,730	33.75%	\$ 518,730	0.00%
GRF	195-428	Project 100	\$ 3,000,000	---	\$0	\$ 0	N/A	\$ 0	N/A
GRF	195-431	Community Development Corporation	\$ 2,835,509	\$ 1,908,236	\$2,160,187	\$ 0	-100.00%	\$ 0	N/A
GRF	195-432	International Trade	\$ 5,145,447	\$ 5,357,015	\$4,109,397	\$ 4,492,713	9.33%	\$ 4,492,713	0.00%
GRF	195-434	Investment in Training Grants	\$ 14,809,270	\$ 14,473,692	\$13,288,007	\$ 12,227,500	-7.98%	\$ 12,227,500	0.00%
GRF	195-436	Labor/Management Cooperation	\$ 1,042,071	\$ 1,043,606	\$1,098,542	\$ 811,869	-26.10%	\$ 811,869	0.00%
GRF	195-440	Emergency Shelter Housing Grants	\$ 2,665,555	\$ 2,384,772	\$2,373,235	\$ 0	-100.00%	\$ 0	N/A
GRF	195-441	Low and Moderate Income Housing	\$ 7,527,200	\$ 17,535,257	\$15,317,900	\$ 0	-100.00%	\$ 0	N/A
GRF	195-497	CDBG Operating Match Total	\$ 1,175,364	\$ 1,147,020	\$1,136,422	\$ 1,107,400	-2.55%	\$ 1,107,400	0.00%

FY 2004 - 2005 Final Appropriation Amounts

All Fund Group

<i>Line Item Detail by Agency</i>			<i>FY 2001:</i>	<i>FY 2002:</i>	<i>FY 2003:</i>	<i>FY 2004 Appropriations:</i>	<i>% Change 2003 to 2004:</i>	<i>FY 2005 Appropriations:</i>	<i>% Change 2004 to 2005:</i>
DEV Development, Department of									
GRF	195-498	State Match Energy	\$ 115,531	\$ 112,995	\$131,595	\$ 100,000	-24.01%	\$ 100,000	0.00%
GRF	195-501	Appalachian Local Development Distric	\$ 461,053	\$ 450,369	\$446,792	\$ 380,080	-14.93%	\$ 380,080	0.00%
GRF	195-502	Appalachian Regional Commission Du	\$ 194,400	\$ 216,613	\$216,613	\$ 238,274	10.00%	\$ 246,803	3.58%
GRF	195-505	Utility Bill Credits	\$ 7,493,625	\$ 6,805,365	\$5,024,670	\$ 0	-100.00%	\$ 0	N/A
GRF	195-507	Travel and Tourism Grants	\$ 1,599,000	\$ 1,205,525	\$1,030,516	\$ 1,025,000	-0.54%	\$ 1,025,000	0.00%
GRF	195-513	Empowerment Zones/Enterprise Com	\$ 1,187,379	\$ 374,313	\$415,385	\$ 0	-100.00%	\$ 0	N/A
GRF	195-515	Economic Development Contingency	---	---	\$0	\$ 10,000,000	N/A	\$ 10,000,000	0.00%
GRF	195-516	Shovel Ready Sites	---	---		\$ 2,500,000	N/A	\$ 2,500,000	0.00%
GRF	195-905	Third Frontier Research & Commerciali	---	---	\$0	\$ 0	N/A	\$ 7,360,000	N/A
GRF	195-906	Coal Research/Development General	---	\$ 7,722,912	\$9,946,131	\$ 0	-100.00%	\$ 0	N/A
General Revenue Fund Total			\$ 129,000,242	\$ 125,284,340	\$ 126,693,081	\$ 100,284,764	-20.84%	\$ 107,226,795	6.92%
135	195-605	Supportive Services	\$ 7,889,914	\$ 7,720,446	\$7,030,962	\$ 7,417,068	5.49%	\$ 7,539,686	1.65%
136	195-621	International Trade	---	---	\$17,213	\$ 24,915	44.75%	\$ 24,915	0.00%
685	195-636	General Reimbursements	\$ 1,020,618	\$ 827,616	\$697,671	\$ 1,316,012	88.63%	\$ 1,232,530	-6.34%
5F7	195-658	Local Government Y2K Loan Program	\$ 4,777,256	---	\$0	\$ 0	N/A	\$ 0	N/A
General Services Fund Group Total			\$ 13,687,787	\$ 8,548,061	\$ 7,745,846	\$ 8,757,995	13.07%	\$ 8,797,131	0.45%
3V1	195-601	HOME Program	---	\$ 28,000,621	\$26,096,926	\$ 40,000,000	53.27%	\$ 40,000,000	0.00%
308	195-602	Appalachian Regional Commission	\$ 188,484	\$ 298,822	\$242,362	\$ 350,200	44.49%	\$ 350,200	0.00%
308	195-603	Housing & Urban Development	\$ 22,214,970	\$ 3,588,280	\$4,261,421	\$ 5,000,000	17.33%	\$ 5,000,000	0.00%
308	195-605	Federal Projects	\$ 9,141,939	\$ 10,052,222	\$16,877,244	\$ 15,300,248	-9.34%	\$ 15,300,248	0.00%
308	195-609	Small Business Administration	\$ 4,420,332	\$ 3,511,222	\$3,684,493	\$ 4,196,381	13.89%	\$ 4,296,381	2.38%
335	195-610	Oil Overcharge	\$ 5,359,894	\$ 1,664,616	\$2,583,640	\$ 8,500,000	228.99%	\$ 8,500,000	0.00%
3K9	195-611	Home Energy Assistance Block Grant	\$ 72,826,093	\$ 81,242,929	\$87,110,010	\$ 85,036,000	-2.38%	\$ 85,036,000	0.00%
3L0	195-612	Community Services Block Grant	\$ 20,122,906	\$ 25,451,595	\$25,185,963	\$ 25,235,000	0.19%	\$ 25,235,000	0.00%
3K8	195-613	Community Development Block Grant	\$ 58,760,990	\$ 60,918,095	\$55,114,171	\$ 65,000,000	17.94%	\$ 65,000,000	0.00%
3K9	195-614	HEAP Weatherization	\$ 10,327,673	\$ 18,703,104	\$15,517,099	\$ 16,219,479	4.53%	\$ 16,219,479	0.00%
308	195-618	Energy Federal Grants	\$ 2,431,202	\$ 3,389,199	\$2,762,738	\$ 3,397,659	22.98%	\$ 3,397,659	0.00%
3X3	195-619	TANF Housing Program	---	\$ 1,547,587	\$5,015,081	\$ 0	-100.00%	\$ 0	N/A
380	195-622	Housing Development Operating	\$ 4,102,266	\$ 4,598,727	\$4,176,658	\$ 5,606,080	34.22%	\$ 5,667,627	1.10%
3AE	195-643	Workforce Development Initiatives	---	---		\$ 5,600,000	N/A	\$ 5,800,000	3.57%

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Line Item Detail by Agency

Line Item Detail by Agency			FY 2001:	FY 2002:	FY 2003:	FY 2004 Appropriations:	% Change 2003 to 2004:	FY 2005 Appropriations:	% Change 2004 to 2005:
DEV Development, Department of									
Federal Special Revenue Fund Group Total			\$ 209,896,749	\$ 242,967,017	\$ 248,627,806	\$ 279,441,047	12.39%	\$ 279,802,594	0.13%
444	195-607	Water & Sewer Commission Loans	\$ 148,096	\$ 174,029	\$212,440	\$ 523,775	146.55%	\$ 523,775	0.00%
445	195-617	Housing Finance Operating	\$ 4,035,387	\$ 3,891,521	\$3,580,520	\$ 5,040,843	40.79%	\$ 4,983,738	-1.13%
450	195-624	Minority Business Bonding Program Ad	---	---	\$0	\$ 13,563	N/A	\$ 13,563	0.00%
451	195-625	Economic Development Financing Ope	\$ 1,477,448	\$ 2,173,181	\$1,949,853	\$ 2,358,310	20.95%	\$ 2,358,310	0.00%
4S0	195-630	Enterprise Zone Operating	\$ 293,593	\$ 202,382	\$111,979	\$ 211,900	89.23%	\$ 211,900	0.00%
611	195-631	Water & Sewer Administration	\$ 180	\$ 12,115	\$15,641	\$ 15,713	0.46%	\$ 15,713	0.00%
4S1	195-634	Job Creation Tax Credit Operating	\$ 247,898	\$ 371,627	\$335,623	\$ 375,800	11.97%	\$ 375,800	0.00%
646	195-638	Low & Moderate Income Housing Trust	\$ 17,520,038	\$ 22,420,621	\$18,348,622	\$ 40,000,000	118.00%	\$ 40,000,000	0.00%
4F2	195-639	State Special Projects	\$ 1,459,399	\$ 889,110	\$663,754	\$ 540,183	-18.62%	\$ 290,183	-46.28%
4H4	195-641	First Frontier	\$ 426,553	\$ 493,621	\$334,229	\$ 500,000	49.60%	\$ 500,000	0.00%
4W1	195-646	Minority Business Enterprise Loan	\$ 429,440	\$ 701,758	\$448,942	\$ 2,580,597	474.82%	\$ 2,580,597	0.00%
586	195-653	Scrap Tire Loans & Grants	\$ 1,726,283	\$ 418,004	\$550,438	\$ 0	-100.00%	\$ 0	N/A
617	195-654	Volume Cap Administration	\$ 132,369	\$ 168,892	\$118,937	\$ 200,000	68.16%	\$ 200,000	0.00%
5M4	195-659	Universal Service	\$ 48,012,386	\$ 221,704,133	\$192,738,056	\$ 170,000,000	-11.80%	\$ 170,000,000	0.00%
5M5	195-660	Energy Efficiency Revolving Loan	\$ 67,598	\$ 482,119	\$871,260	\$ 12,000,000	1,277.32%	\$ 12,000,000	0.00%
State Special Revenue Fund Group Total			\$ 75,976,667	\$ 254,103,113	\$ 220,280,294	\$ 234,360,684	6.39%	\$ 234,053,579	-0.13%
046	195-632	Coal Research & Development Fund	\$ 11,045,517	\$ 14,131,765	\$8,484,681	\$ 0	-100.00%	\$ 0	N/A
Coal Research/Development Fund Total			\$ 11,045,517	\$ 14,131,765	\$ 8,484,681	\$ 0	-100.00%	\$ 0	N/A
037	195-615	Facilities Establishment	\$ 48,016,948	\$ 31,371,779	\$53,433,611	\$ 63,931,149	19.65%	\$ 63,931,149	0.00%
5S8	195-627	Rural Development Initiative	---	---	\$500,000	\$ 5,000,000	900.00%	\$ 5,000,000	0.00%
5S9	195-628	Capital Access Loan Program	---	\$ 97,353	\$425,542	\$ 3,000,000	604.98%	\$ 3,000,000	0.00%
4Z6	195-647	Rural Industrial Park Loan	\$ 1,534,463	\$ 3,370,000	\$1,200,000	\$ 5,000,000	316.67%	\$ 5,000,000	0.00%
5D1	195-649	Port Authority Bond Reserves	\$ 2,000,000	\$ 1,000,000	\$2,000,000	\$ 0	-100.00%	\$ 0	N/A
5D2	195-650	Urban Redevelopment Loans	\$ 1,917,582	\$ 2,020,000	\$3,210,540	\$ 10,475,000	226.27%	\$ 10,475,000	0.00%
5H1	195-652	Family Farm Loan Guarantee	\$ 1,597,203	\$ 1,473,619	\$639,554	\$ 1,500,000	134.54%	\$ 1,500,000	0.00%
009	195-664	Innovation Ohio	---	---	---	\$ 50,000,000	N/A	\$ 55,000,000	10.00%
010	195-665	Research and Development	---	---	---	\$ 50,000,000	N/A	\$ 55,000,000	10.00%
Facilities Establishment Fund Total			\$ 55,066,196	\$ 39,332,751	\$ 61,409,247	\$ 188,906,149	207.62%	\$ 198,906,149	5.29%
003	195-663	Clean Ohio Operating	---	---	\$0	\$ 150,000	N/A	\$ 150,000	0.00%

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<i>Line Item Detail by Agency</i>	<i>FY 2001:</i>	<i>FY 2002:</i>	<i>FY 2003:</i>	<i>FY 2004 Appropriations:</i>	<i>% Change 2003 to 2004:</i>	<i>FY 2005 Appropriations:</i>	<i>% Change 2004 to 2005:</i>
<i>DEV Development, Department of</i>							
Clean Ohio Revitalization Fund Total	----	----	\$ 0	\$ 150,000	N/A	\$ 150,000	0.00%
<i>Development, Department of Total</i>	\$ 494,673,159	\$ 684,367,047	\$ 673,240,955	\$ 811,900,639	20.60%	\$ 828,936,248	2.10%