

- Coal Development Office transferred to OAQDA from Department of Development
- Appropriation for small business assistance increased

Air Quality Development Authority

Ruhaiza Ridzwan, Economist

ROLE

The Ohio Air Quality Development Authority (OAQDA) is a non-regulatory government agency that was established in 1970 in response to environmental mandates established by the federal government in the first Clean Air Act. A seven-member board governs the Authority. The Governor appoints five of the members. The remaining two members are the directors of the Ohio Department of Health and the Ohio Environmental Protection Agency. The Authority assists Ohio businesses in complying with air quality regulations by providing technical and financial assistance.

| Agency In Brief | | | | | |
|----------------------|--------------------------------|----------------|--------------------|---------------|-----------------------|
| Number of Employees* | Total Appropriations-All Funds | | GRF Appropriations | | Appropriation Bill(s) |
| | 2004 | 2005 | 2004 | 2005 | |
| 9 | \$21.7 million | \$23.6 million | \$7.8 million | \$9.8 million | Am. Sub. H. B. 95 |

*Employee head count obtained from the Department of Administrative Services (DAS) payroll reports as of June 28, 2003. This included seven board members.

OVERVIEW

Appropriations for FY 2004 are \$21,661,926. This amount is \$21,255,362 more than FY 2003 actual expenditures, a 5,228% increase. Appropriations for FY 2005 are \$23,627,587. This amount is \$1,965,661 greater than FY 2004 appropriations, a 9.1% increase.

Beginning in FY 2004, the Coal Development Office is transferred from the Department of Development to the Air Quality Development Authority. The transfer accounts for 98.7% of the \$21.3 million difference between FY 2003 expenditures and FY 2004 appropriations. Excluding the Coal Development Office transfer, OAQDA appropriations are \$674,328 for both FY 2004 and FY 2005. The appropriations are for the three line items that support the traditional functions of the OAQDA. The FY 2004 appropriations for these three line items are \$267,764 greater than the FY 2003 actual expenditures, a 65.6% increase. Most of the increase (67%) is in the Small Business Assistance line item.

BUDGET ISSUES

TRANSFER OF COAL DEVELOPMENT OFFICE

Beginning July 1, 2003, the Coal Development Office was transferred from the Department of Development to the Ohio Air Quality Development Authority. The Coal Development Office co-supports research and development for environmentally sound and economical coal-based power generation. The program is open to municipal utilities, investor-owned utilities, other coal power generators, and Ohio research institutions that study mechanisms critical to emission formation and methods of control, or for uses of coal as feedstock for other processes. The Office is also charged to foster the use of Ohio coal.

| List of Line Items for Ohio Coal Development Office Before and After the Transfers | | | | | |
|---|---------|---|---|---------|--------------------------------------|
| Department of Development | | | Ohio Air Quality Development Authority | | |
| GRF | 195-408 | Coal Research Development | GRF | 898-402 | Coal Development Office |
| GRF | 195-906 | Coal Research/Development General Obligation Debt Service | GRF | 898-901 | Coal R&D Gen Obligation Debt Service |
| 046 | 195-632 | Coal Research & Development Fund | 046 | 898-604 | Coal Research and Development Fund |

The transfer moved three line items from the Department of Development to the OAQDA. The line items are listed above. Total expenditures for the three line items in the Department of Development were \$18.9 million in FY 2003. Fiscal year 2004 appropriations for the three new line items in the OAQDA are \$21.0 million, a 10.9% increase over FY 2003 expenditures. Fiscal year 2005 appropriations are \$23.0 million, a 9.4% increase over FY 2004 appropriations. 

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> |
|---|---------|---------------------------------------|-------------------------|-------------------|-------------------|------------------------------------|-----------------------------------|------------------------------------|-----------------------------------|
| Report For: Main Operating Appropriations Bill | | | Version: Enacted | | | | | | |
| AIR Air Quality Development Authority | | | | | | | | | |
| GRF | 898-402 | Coal Development Office | ---- | ---- | | \$ 588,041 | N/A | \$ 599,802 | 2.00% |
| GRF | 898-901 | Coal R & D Gen Obligation Debt Servic | ---- | ---- | | \$ 7,231,200 | N/A | \$ 9,185,100 | 27.02% |
| General Revenue Fund Total | | | ---- | ---- | ---- | \$ 7,819,241 | N/A | \$ 9,784,902 | 25.14% |
| 046 | 898-604 | Coal Research and Development Fund | ---- | ---- | | \$ 13,168,357 | N/A | \$ 13,168,357 | 0.00% |
| Coal Research/Development Fund Total | | | ---- | ---- | ---- | \$ 13,168,357 | N/A | \$ 13,168,357 | 0.00% |
| 570 | 898-601 | Operating Expenses | \$ 203,769 | \$ 219,853 | \$184,260 | \$ 243,383 | 32.09% | \$ 243,383 | 0.00% |
| 4Z9 | 898-602 | Small Business Ombudsman | \$ 224,734 | \$ 197,653 | \$204,778 | \$ 233,482 | 14.02% | \$ 233,482 | 0.00% |
| 5A0 | 898-603 | Small Business Assistance | \$ 30,441 | \$ 66,121 | \$17,526 | \$ 197,463 | 1,026.69% | \$ 197,463 | 0.00% |
| Agency Fund Group Total | | | \$ 458,944 | \$ 483,627 | \$ 406,564 | \$ 674,328 | 65.86% | \$ 674,328 | 0.00% |
| Air Quality Development Authority Total | | | \$ 458,944 | \$ 483,627 | \$ 406,564 | \$ 21,661,926 | 5,228.05% | \$ 23,627,587 | 9.07% |