

Lake Erie Commission

House Agriculture and Development Subcommittee

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Legislative Service Commission*

March 13, 2003

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LSC Redbook for the Lake Erie Commission

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March 13, 2003

Lake Erie Commission

- No GRF funding
- Funding in FYs 2004 and 2005 is equal to estimated expenditures in FY 2003

OVERVIEW

The Lake Erie Commission (LEC) is responsible for coordinating state policies and programs that are related to Lake Erie and its surrounding areas. The Lake Erie Commission's role is to preserve Lake Erie's natural resources, protect the quality of its waters and ecosystem, and promote development of the North Coast. The Commission comprises the directors of the Ohio Environmental Protection Agency and the departments of Agriculture, Development, Health, Natural Resources, and Transportation.

Commission staff work from the Lake Erie Office in Toledo, and together with the Commission, focuses on awarding research and implementation grants, providing public education programs, and representing the state of Ohio on many regional and international Great Lakes management organizations.

The Commission maintains two accounts. The Lake Erie Protection Fund (Fund 4C0) receives thousands of individual donations, primarily through the Lake Erie license plate program. This Fund is used solely to award research grants and contracts through a competitive proposal process.

The Lake Erie Resources Fund (Fund 5D8) receives Ohio's share of the earnings from the Great Lakes Protection Fund, an interstate trust fund established in 1990 to protect and restore the Great Lakes. States contiguous to the Great Lakes deposit money to the fund for projects and programs related to the Great Lakes. One-third of the annual earnings are transferred to the states. Moneys in Fund 5D8 are used to support the operations of the Commission and its Office. The LEC and the Lake Erie Office receive no General Revenue Funds.

The Lake Erie Office staff consists of five full-time employees and one part-time employee: (1) Executive Director, (2) Executive Secretary, (3) Environmental Specialist, (4) Fiscal Specialist, (5) Public Information Specialist, and (6) part-time secretary/webmaster. Currently, the positions of Fiscal Specialist and Public Information Specialist are vacant. The Fiscal Specialist will be filled soon.

The executive budget recommends funding at \$1,759,979 in each of FYs 2004 and 2005. Funding is equal to estimated expenditures for FY 2003.

ANALYSIS OF EXECUTIVE PROPOSAL

Lake Erie Commission

Purpose: The Lake Erie Commission (LEC) is responsible for coordinating state policies and programs that are related to Lake Erie and its surrounding watershed. The Commission's role is to preserve Lake Erie's natural resources, protect the quality of its waters and ecosystem, and promote the development of the North Coast.

The following table shows the line items that are used to fund the Lake Erie Commission, as well as the Governor's recommended funding levels.

Fund	ALI	Title	FY 2004	FY 2005
4C0	780-601	Lake Erie Protection Fund	\$1,070,975	\$1,070,975
5D8	780-602	Lake Erie Resources Fund	\$689,004	\$689,004
Total funding: Lake Erie Commission			\$1,759,979	\$1,759,979

Lake Erie Commission and the Lake Erie Office

The Lake Erie Commission works to protect Lake Erie's natural resources, restore degraded elements of the Lake Erie ecosystem, and promote economic development of Ohio's North Coast. The Commission also oversees the management of the Lake Erie Protection Fund, which was established to protect and enhance Lake Erie through research, restoration, and education. Members of the Commission include the directors of the Ohio Environmental Protection Agency and departments of Agriculture, Development, Health, Natural Resources, and Transportation.

Commission staff in the Lake Erie Office advises the Governor and the Commission on the development, coordination, and implementation of Lake Erie programs; represents Ohio in regional, national, and international forums relating to the Great Lakes; assists in the Coastal Zone Management program; facilitates compliance with the Great Lakes Water Quality Agreement and Great Lakes Toxic Substances Control Agreement; and manages the distribution of funds from the Lake Erie Protection Fund. The *Lake Erie Protection and Restoration Plan*, a strategic action plan for the comprehensive and long-term enhancement of Lake Erie and its watershed, guides staff efforts in all of these initiatives.

Lake Erie Grants

Commission staff selects grant recipients through a competitive process. The Commission has a small grant cycle for research projects, and a large grant cycle for implementation projects. Once applications are received, they are reviewed by both outside researchers and state agency officials to determine the viability and applicability of each proposal. The LEC Grants Committee, which comprises one designee from each of the cabinet-level agencies that serve on the Commission, conducts a final review prior to approval by the Commission. Proposals are reviewed and judged according to technical quality, relevance to the Commission's stated goals, and the degree to which the proposal will result in real improvements to the Lake Erie watershed. Examples of typical projects include: restoration of wetlands or habitat; ecology research, monitoring of manufacturing and/or chemical plants, and the implementation of Best Management Practices (BMPs). Grants are awarded to private organizations, nonprofit organizations, academic groups, and state/local government agencies. Grants are applicable for up to three years, and a 10% match is required.

Over the FY 2002-2003 biennium, approximately 40 grants will have been awarded totaling \$1.8 million.

Over the next biennium, the Commission expects to award approximately 80 grants worth another \$2.0 million. Projects involving research and implementation in the priority areas of water quality, pollution sources, habitat, biology, coastal recreation, boating, fishing, beaches, tourism, and shipping.

Lake Erie Protection and Restoration Plan

A priority during the next biennium will be to implement the objectives of the Commission's strategic plan, the *Lake Erie Protection and Restoration Plan*. This report was released in September 2000 and includes 84 actions that promote the environmental, recreational, and economic resources of Lake Erie and its watershed. Specific actions that will be pursued during the upcoming biennium include:

- The Balanced Growth Initiative and Governor's Balanced Growth Awards to develop strategies that balance protection of the Lake Erie watershed with continued economic growth;
- The Lake Erie Lighthouse Designation to recognize entities practicing balanced growth principles;
- Publishing and distributing the *Lake Erie Model Zoning Ordinance and Building Code*;
- The Lake Erie Watershed Monitoring Network to collaborate with federal, local, and private organizations to establish water monitoring stations and sampling schedule; and
- Publishing the *Lake Erie Quality Index* (Spring 2004) as a "report card" containing indicators and metrics to measure the quality of Lake Erie's environmental, recreational, and economic resources.

Lake Erie License Plates

A continuing challenge for the Commission is to generate enough revenue to maintain its grants program. Revenue from the Lake Erie license plate program has decreased from a high of \$995,640 in FY 2000 to \$672,790 in FY 2002, due mainly to increased competition within the specialty license plates market.

To help support the grant program, the Commission is requesting a transfer of excess moneys from the Lake Erie Resources Fund (Fund 5D8) to the Lake Erie Protection Fund (Fund 4C0). See Permanent and Temporary Law for more information related to this transfer.

In FY 1999, the Lake Erie Office commissioned a comprehensive marketing research evaluation of its revenue-generating programs. In keeping with these findings, the Commission intends to pursue new license plate initiatives aimed at reversing the decreasing sales trend.

Funding Source: The Lake Erie Protection Fund (Fund 4C0) and the Lake Erie Resources Fund (Fund 5D8)

Line Items: 780-601, 780-602

Implication of the Executive Recommendation: The executive budget recommends funding at \$1,759,979 in each of FYs 2004 and 2005. Funding is equal to estimated expenditures for FY 2003. The executive recommendation will allow the Commission to maintain its operations and work toward satisfying the objectives of the *Lake Erie Protection and Restoration Plan*. A total of \$20,000 will be available for necessary computer and equipment upgrades. In addition, funding will be available for creating and publishing the second *State of the Lake Report: Lake Erie Quality Index*. When this report was first published in May of 1998, it cost approximately \$40,000.

ADDITIONAL FACTS AND FIGURES

Lake Erie Commission Staffing Levels						
Program Series/Division	2000	2001	2002	2003	Estimated	
					2004	2005
Executive Director	1	1	1	1	1	1
Executive Secretary	1	1	1	1	1	1
Environmental Specialist	0	1	0	1	1	1
College Intern	0.5	0.5	0.5	0	0.5	0.5
Secretary/Webmaster	0.5	0.5	0.5	0.5	0.5	0.5
Public Information Specialist	1	1	1	0	1	1
Fiscal Specialist	1	1	1	1*	1	1
Total	5	6	5	4.5	6	6

*To be hired by the end of FY 2003

Coastweeks

The Lake Erie Commission sponsors an annual public outreach program, Coastweeks, to promote the preservation and protection of Lake Erie. This program takes place along the Lake Erie shore and features volunteer cleanup activities and exhibits of materials related to Lake Erie conservation and development. The program is the largest, month-long volunteer effort in Ohio to clean up the Lake Erie shoreline and its watersheds. In 2002, over 500 volunteers cleaned 40 miles of beaches and tributaries and hauled away 10,235 pounds of trash.

Coastweeks 2002			
Cleanup Project	Number of Volunteers	Miles Cleaned	Weight of Debris Collected
Edgewater State Park	13	0.125	200 lbs
Cleveland Lakefront/Euclid Beach	10	0.5	305 lbs
Arcola Creek	14	0.75	120 lbs
Headlands Beach	46	2.5	200 lbs
Mentor Lagoons	42	1	1,000 lbs
Ottawa National Wildlife Refuge	9	1	130 lbs
Clean Your Streams	212	16	4,300 lbs
Maumee River	3	0.5	15 lbs
Cedar Point National Refuge	14	0.5	545 lbs
Maumee Bay State Park	11	9.5	85 lbs
Darby Beach	6	1	35 lbs
Magee Marsh	12	2	300 lbs
Sandusky River	123	4	3,000 lbs
GRAND TOTALS	515	39.4 miles	10,235 pounds

PERMANENT AND TEMPORARY LAW

This section describes permanent and temporary law provisions contained in the executive budget that will affect the Commission's activities and spending decisions during the next biennium.

Permanent Law Provisions

There are no permanent law provisions with fiscal effects on this agency.

Temporary Law Provisions

Transfer of excess funds from the Lake Erie Resources Fund to the Lake Erie Protection Fund

This language would allow the Lake Erie Commission to transfer excess funds from the Lake Erie Resources Fund (Fund 5D8) to the Lake Erie Protection Fund (Fund 4C0). The Lake Erie Protection Fund is used for research and program grants that support the protection and restoration of Lake Erie. The Fund has experienced a decrease in revenues from its license plate sales over the past years. In order to help support ongoing and future grants, the transfer from the Lake Erie Resources Fund, the Commission's operating fund, is requested.

REQUESTS NOT FUNDED

The executive budget recommendation fully funds the budget request submitted for the Lake Erie Commission. Total recommended appropriations are \$1,759,979 in each of FYs 2004 and 2005.

State Special Revenue Fund Group

4C0 780-601 Lake Erie Protection

2000	2001	2002	2003 Estimate	2004 Executive Proposal	2005 Executive Proposal
\$889,835	\$998,298	\$987,520	\$1,070,975	\$1,070,975	\$1,070,975
	12.2%	-1.1%	8.5%	0.0%	0.0%

Source: SSR: Revenues generated from the issuance of Lake Erie license plates; other donations, gifts, and bequests

Legal Basis: ORC 1506.23

Purpose: Moneys in this fund may be used to: (1) accelerate the pace of research into the economic, environmental, and human health effects of contamination of Lake Erie and its tributaries; (2) fund cooperative research and data collection regarding Lake Erie water quality and toxic contamination; (3) develop improved methods of measuring water quality and establishing a firm scientific base for implementing a basin-wide system of water quality management for Lake Erie and its tributaries; (4) support research to improve the scientific knowledge on which protection policies are based and devising new and innovative cleanup techniques for toxic contaminants; (5) supplement state commitments to policies and programs pertaining to Lake Erie water quality and resource protection in a stable and predictable manner; (6) encourage cooperation with and among leaders from state legislatures, state agencies, political subdivisions, business and industry, labor, institutions of higher education, environmental organizations, and conservation groups within the Lake Erie basin; (7) and award grants for the development and implementation of projects and programs that are designed to protect Lake Erie by reducing toxic contamination of or improving water quality in Lake Erie. Projects involving research and implementation in the priority areas of pollution prevention, habitat restoration, and exotic species prevention typically receive grant awards from the Lake Erie Protection Fund.

5D8 780-602 Lake Erie Resources

2000	2001	2002	2003 Estimate	2004 Executive Proposal	2005 Executive Proposal
\$479,414	\$462,347	\$452,039	\$689,004	\$689,004	\$689,004
	-3.6%	-2.2%	52.4%	0.0%	0.0%

Source: SSR: Ohio's share of the earnings from the Great Lake Protection Fund (an interstate trust fund); other donations, gifts, and bequests

Legal Basis: ORC 1506.24

Purpose: The Great Lakes Protection Fund (this fund's main revenue source) is a regional trust fund established by the Great Lakes states to advance the principles, goals, and objectives of the Great Lakes Toxic Substances Control Agreement and the Great Lakes Water Quality Agreement. Ohio receives a portion of the earnings from this fund, which is used to support the operating expenses of the Lake Erie Commission and the Lake Erie Office.

LSC Budget Spreadsheet by Line Item, FY 2004 - FY 2005

<i>Fund</i>	<i>ALI</i>	<i>ALI Title</i>	<i>2002</i>	<i>Estimated 2003</i>	<i>Executive 2004</i>	<i>% Change 2003 to 2004</i>	<i>Executive 2005</i>	<i>% Change 2004 to 2005</i>
<i>LEC Lake Erie Commission</i>								
4C0	780-601	Lake Erie Protection	\$ 987,520	\$1,070,975	\$ 1,070,975	0.0%	\$ 1,070,975	0.0%
5D8	780-602	Lake Erie Resources	\$ 452,039	\$689,004	\$ 689,004	0.0%	\$ 689,004	0.0%
State Special Revenue Fund Group Total			\$ 1,439,559	\$ 1,759,979	\$ 1,759,979	0.0%	\$ 1,759,979	0.0%
Total All Budget Fund Groups			\$ 1,439,559	\$ 1,759,979	\$ 1,759,979	0.0%	\$ 1,759,979	0.0%