

Department of Transportation

(Main Operating Bill Portion)

Senate Finance and Financial Institutions Committee

Jonathan Lee, Budget Analyst

Legislative Service Commission

April 30, 2003

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Institutions

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Attachments:

Compare Document: Permanent and Temporary Law, As Introduced to As Passed by the House

LSC Budget Spreadsheet, Executive to House Passed Comparison

April 30, 2003

Note: The estimated General Revenue Fund (GRF) spending for FY 2003 used in this LSC Redbook reflects the 2.5% reduction made as a result of the Governor's January 22, 2003 budget cut order. The executive reduction was applied across-the-board to FY 2003 GRF appropriations, subject to certain exceptions. Subsequent to such reductions (and not reflected in the Redbook), state agencies were permitted to reallocate the amount that each of their GRF appropriation line items was reduced, while still absorbing the 2.5% budget cut within the total amount of their GRF appropriations.

Department of Transportation

(Main Operating Bill portion)

- Total appropriations in the main operating bill are \$63,771,793, whereas total appropriations in the transportation bill are \$4.59 billion
- Merger of Ohio Rail Development Commission into ODOT

OVERVIEW

The Ohio Department of Transportation (ODOT) is the agency charged with planning, building, and maintaining the state's transportation system. Most of the agency's resources are devoted to the state's system of highways, but it also has responsibilities in the areas of rail, aviation, public transportation, and water transportation. Less than 2% of the Department's budget comes from the General Revenue Fund (GRF); the rest of the budget derives from federal sources, bond revenue, and the motor vehicle fuel tax. This redbook provides an analysis of only the GRF portion, certain state special revenues, and federal special revenues of the ODOT budget. The majority of the Department's budget is contained in Am. Sub. H.B. 87 of the 125th General Assembly, the transportation budget bill. The redbook for Am. Sub. H.B. 87 contains additional details about the Department and its budget.

The executive proposal recommends a budget of \$31,816,256 in fiscal year (FY) 2004, and \$31,955,537 in FY 2005, for a total of \$63,771,793 for the biennium. The FY 2004 figure represents a 4.5% decrease compared with FY 2003, and the FY 2005 figure represents a 0.4% increase compared with FY 2004. From recommended funding levels, nearly 68% of appropriations are for public transportation, 24% for rail transportation, and 8% for aviation.

ANALYSIS OF EXECUTIVE PROPOSAL

There are three program series within the Ohio Department of Transportation in the main operating budget bill.

- **Public transportation**
- **Aviation**
- **Rail transportation**

Public Transportation

Program Description: Provides assistance to 62 transit systems serving portions of 58 counties. About 90% of the funds are used for capital assistance and operating assistance programs. The balance is for elderly and disabled fare assistance, technical assistance, and transit planning and coordination. Nineteen full-time employees carry out the objectives of this program series.

Ridership Levels: Overall, total ridership levels for urban and rural transit systems had been increasing from 1993 to 1998 at an average of 2% per year; however since 1998, total ridership has been declining 1.8% per year.¹ This decline is due to low ridership on urban transit systems, whereas rural transit systems which have actually experienced increases in ridership from 1995 to 2002 at an average rate of 3.2%.

Funding Source: GRF

Line Item Summary: The following table displays the two of five line items funding this program series in the main operating bill and the Governor's recommended funding levels. The other three line items² are in the transportation bill, and total \$65,460,000 for the biennium. The Office of Budget and Management notes that the executive proposal recommends line item restructuring for the public transportation series, specifically, consolidating two state-supported public transportation grant line items. This change involves consolidating line item 775-458 into 775-451. This consolidation will not affect the services of the Ohio Elderly and Disabled Transit Fare Assistance Program.

Fund	ALI	Title	FY 2004	FY 2005
GRF	775-451	Public Transportation - State	\$21,905,494	\$21,905,494
GRF	775-458	Elderly & Disabled Fair Assistance	\$0	\$0
Total funding: Public Transportation			\$21,905,494	\$21,905,494

Implications of the Governor's recommendation: The Governor recommended a biennium budget of \$43,810,988, whereas ODOT requested \$52,058,307, representing a decrease of \$8,247,319. These decreases may affect the operation of 47 of the 58 rural and urban transit systems. Transit systems are already experiencing reduced services, increased fares, employee layoffs and wage freezes. In addition, many systems have deferred capital purchases of vehicles. Rising insurance premiums and increased fuel prices are also a growing problem. With these recommendations, most systems will experience more budget cuts in CY 2003.

¹ Source: Ohio Department of Transportation, State of the Transportation System 2003.

² 775-452, Public Transportation-Federal; 775-459, Elderly & Disabled Special Equipment; and 775-454, Public Transportation-Other

Aviation

Program Description: This program serves 170 public use airports by providing funding assistance for infrastructure improvements; updates to airport capital improvement plans, specific airport studies, aircraft flight operations, and airport lease payments. Six employees carry out the objectives of this program series.

Airport Conditions: Overall, ODOT reports that Ohio's airport pavement systems have been in a steady rate of decline over the past ten years. The current condition of general aviation pavements remains below satisfactory levels, largely for taxiways followed by aprons and runways. The Department estimates a satisfactory rehabilitation of the infrastructure would require an estimated \$8 million per year for 20 years.

Funding Source: Motor Vehicle Fuel tax and other related highway revenues (777-475), federal funds (777-472). The Aviation program has seen a decrease in state motor fuel taxes and GRF moneys. General Revenue Fund money for aviation increased from 1998 to 2000, though decreased in 2001 and 2002. For the FY 2004-2005 biennium, aviation funding is 4% less than the FY 2002-2003 biennium. Also, aviation grants have risen from 1998 to 2000, however in 2002 they have declined below 1998 levels.

Line Item Summary: The following table displays the Executive's recommended funding levels for *two of four* line items in this program series in the main operating bill. The other two line items³ are in the transportation bill, and total \$9,013,700 for the biennium. See the Catalog of Budget Line Items (COBLI) for additional information.

Fund	ALI	Title	FY 2004	FY 2005
GRF	777-471	Airport Improvements-State	\$1,908,495	\$1,908,495
GRF	777-473	Rickenbacker Lease Payments-State	\$591,600	\$591,500
Total funding: Aviation			\$2,500,095	\$2,499,995

Implications of the Governor's recommendations: The Executive's recommendations fully funded requested levels for line item 777-473; however, the Executive recommended \$3,816,990 for line item 777-471, representing a decrease of \$1,209,978 below requested levels. These recommendations will result in ODOT stopping the provision of half of the nonfederal share that locals need to match \$23 million in federal airport improvement program funds annually. This will affect 90 general aviation and reliever airports. Also, 66 of the 97 public owned general aviation airports have deficient pavements that should be replaced. Currently, ODOT is funding about 18 nonfederal projects per year. The Executive's recommendations will reduce the number of projects ODOT is able to fund by half to nine projects per year.

³ 002 777-475 Aviation Administration - State, and 002 777-472 Airport Improvements - Federal.

Rail Transportation

Program Description: Assists in railroad planning; railroad loan and grant assistance; and administration of federal highway safety funds. There are 19 full-time employees that carry out the objectives of this program series.

The Ohio Rail Development Commission: The Ohio Rail Development Commission (ORDC) was created in 1994 as an independent state agency within the Department of Transportation. The ORDC has a staff of 19 who administer programs in rail project development, rail planning, passenger rail, and rail safety improvements. Through grants and loans, the ORDC assists local governments, port authorities, and the private sector in purchasing and rehabilitating existing rail lines and developing new rail lines. Since 2001, the ORDC has approved \$3.8 million in loans and \$5.7 million in grants (for 59 rail projects). In 2002, ORDC's safety section initiated the construction of 97 light and gate projects (16 of which were managed by the PUCO), 33 surface reconstruction projects, eight grade crossing closures, and one pedestrian crossing.

The GRF, federal moneys, principal and interest payments on loans, and revenue from easements are the funding sources for the Commission. The functions of the Commission are supported by GRF appropriation items 776-465, Ohio Rail Development Commission, appropriation item 776-662, Rail Transportation – Federal (Fund 3B9), and appropriation item 776-664, Rail Transportation – Other (Fund 4N4). Of these line items, appropriation item 776-465 receives the most funding and supports the project funding for rail development projects and operating expenses of the ORDC. In FY 2004, ORDC's recommended operating expenses of \$3,856,889 are 5.5% less than FY 2003 estimates, and in FY 2004, ORDC's recommended operating expenses of \$3,786,056 are 1.8% less than FY 2004 recommendations.

Funding Source: GRF (776-465) & (776-466); corporate franchise tax (776-663); principal and interest payments on loans, revenues from easements, and other lease payments (776-664); and federal revenue (776-662).

Line Item Summary: The following table displays the line item funding for this program series in the main operating bill, and the Governor's recommended funding levels. This line item also has one other line item, 776-462 Grade Crossing-Federal, which is located in the transportation bill (Am. Sub. H.B. 87 of the 125th General Assembly), with recommended appropriations of \$30 million for the biennium. Also, note that ALI 776-465 was previously named Ohio Rail Development Commission (ORDC), but is now named Rail Transportation due to the future merger of ORDC into ODOT.

Fund	ALI	Title	FY 2004	FY 2005
GRF	776-465	Rail Transportation	\$3,856,889	\$3,786,056
GRF	776-466	Railroad Crossing/Grade Separation	\$814,278	\$832,492
4N4	776-663	Panhandle Lease Reserve Payments	\$770,000	\$770,000
4N4	776-664	Rail Transportation-Other	\$1,919,500	\$2,111,500
39B	776-662	Rail Transportation-Federal	\$50,000	\$50,000
Total funding: Public Transportation			\$7,410,667	\$7,550,048

Implications of the Governor's recommendation: The Governor's recommendations decrease appropriations from requested levels by \$719,021 in line item 776-465, and \$293,208 in line item 776-466. The Executive fully funded requested levels for line item 776-664, 776-662, and 776-663. These recommendations may impact engineering and right-of-way activities, and decrease the number of grants and loans the ORDC may provide. Also, line item 776-662 is estimated to receive \$500,000 in

FY 2003, whereas only \$50,000 in funding was recommended in FY 2004. The Office of Budget and Management notes that this appropriation was reduced to a level that better approximates the expected level of federal grants.

The Executive recommended that the ORDC be merged back into the Ohio Department of Transportation. This merger is expected to result in operational efficiencies, such as rent savings, possible personnel, supply, and equipment savings, and possible program consolidation and program savings. At this point, there are no planned staff reductions, yet there are plans to move ORDC offices to ODOT's central office location. No rail services or initiatives are expected to be reduced with the merger.

ADDITIONAL FACTS AND FIGURES

Public Transportation

The Office of Transit's daily activities include grant administration and contract processing. The office issued \$43 million in contracts during FY 2002. The following table displays the breakdown of each grant program.

Grant Program	Funding Source	Funding Amount FY & FFY 2002	Total Contract Amount Issued in FY 2002	Contracts Issued
Ohio Public Transportation Grant Program	Federal / GRF / Local	\$27,700,000	\$15,565,140	27
Ohio Elderly & Disabled Transit Fare Assistance	GRF	\$3,300,000	\$3,369,659	56
Joint Planning Program	Federal	\$9,534,765	\$9,534,765	16
FTA Statewide Planning & Research Program	Federal	\$433,309	\$657,028	6
FTA Specialized Transportation Program	Federal	\$3,600,000	\$3,669,212	100 (projected)
FTA Rural Transportation Program	Federal	\$9,500,000	\$9,546,495	38
Ohio Coordination Program	GRF	\$1,300,000 (FY 03)	\$1,092,896	15
TOTAL		\$55,368,074	\$43,435,195	258

PERMANENT AND TEMPORARY LAW

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

Permanent Law Provisions

Elimination of the Ohio Rail Development Commission

This change eliminates the Ohio Rail Development Commission (ORDC) as an independent agency of the state and transfers all authority and duties of the Rail Development Commission to the Department of Transportation as its successor, including the authority to issue bonding and the granting of franchises for rail systems. This merger is expected to result in operational efficiencies. At this point, there are no planned staff reductions, and there are plans to move ORDC offices to ODOT's central office location. No rail services or initiatives will be reduced with this provision.

Temporary Law Provisions

Elderly and disabled fare assistance

Specifies that \$4,012,780 in FY 2004 and \$5,015,975 in FY 2005 from line item 775-451, Public Transportation, may be used to make grants to public transit systems, local governments, and private non-profits, for the purpose of reducing the transit and paratransit fares of elderly or handicapped persons. This provision is in-line with the Executive's proposal to consolidate GRF line item 775-458, Elderly and Disabled Fare Assistance into 775-451, Public Transportation-State. This consolidation will allow several grant programs to be funded by one line item. No services will be reduced with this provision.

Aviation lease payments

Would permit appropriation line item 777-473, Rickenbacker Lease Payments-State, to be used to meet scheduled payments for the Rickenbacker Port Authority. Any appropriations that are not required for the purpose intended are to be transferred to line item 777-471, Airport Improvements-State. This provision may increase spending on airport improvements, without exceeding overall appropriations levels.

Railroad crossing and grade separation

Would specify the purpose of appropriation item 776-466, Railroad Crossing and Grade Separation. This provision will have no fiscal impact.

REQUESTS NOT FUNDED

The following charts show supplemental requests by the Department of Transportation that are unfunded or partially funded in the Governor’s recommended budget. This information was gathered from ODOT’s budget request and documentation provided by the Office of Budget and Management. Denial of funding does not always indicate that the Department will be unable to perform some or all of the duties associated with the request.

Public Transportation – Ohio Public Transportation Grant Program (OPTGP)						
Fund Line Item	FY 2004 Requested	FY 2004 Recommended	Difference	FY 2005 Requested	FY 2005 Recommended	Difference
GRF 775-451	\$5,358,611	\$5,192,605	(\$166,006)	\$7,886,468	\$4,200,380	(\$3,686,088)

The Executive recommended \$9,392,985 in total funding for this supplemental request, representing a decrease of \$3,852,094 from requested levels. Recommended levels may not allow transit systems to restore service and replace vehicles.

Public Transportation – Ohio Coordination Program						
Fund Line Item	FY 2004 Requested	FY 2004 Recommended	Difference	FY 2005 Requested	FY 2005 Recommended	Difference
GRF 775-451	\$300,000	\$0	(\$300,000)	\$300,000	\$0	(\$300,000)

The Executive recommended zero dollars for this supplemental request. Currently, 16 transportation coordination projects distribute resources among 262 human service agencies to provide transportation services. With zero dollars in funding, the number of projects will remain at 16, whereas an additional \$600,000 over the biennium would enable ODOT to fund four to six additional projects.

Aviation – Airport Improvements						
Fund Line Item	FY 2004 Requested	FY 2004 Recommended	Difference	FY 2005 Requested	FY 2005 Recommended	Difference
GRF 777-471	\$744,393	\$0	(\$744,393)	\$1,076,933	\$0	(\$1,076,393)

The Executive recommended zero dollars for this supplemental request. With zero dollars in funding, ODOT will be unable to match approximately \$10 million in federal dollars, airport safety improvements will be reduced, and airport pavement conditions will continue to decline.

Rail Transportation – Rail Crossings						
Fund Line Item	FY 2004 Requested	FY 2004 Recommended	Difference	FY 2005 Requested	FY 2005 Recommended	Difference
GRF 776-466	\$210,871	\$102,261	(\$108,610)	\$305,073	\$120,475	(\$184,598)

The Executive recommended \$222,736 in total funding for this supplemental request, representing a decrease of \$293,208 from requested levels. This line item supports the Governor’s \$200 million, ten year, Rail Safety Initiative Program. Recommended funding levels may impact engineering and right-of-way activities.

General Revenue Fund

GRF 770-501 Public Transportation Grants

2000	2001	2002	2003 Estimate	2004 House Passed	2005 House Passed
\$45,868	\$64,345	\$0	\$0	\$0	\$0
	40.3%		N/A	N/A	N/A

Source: GRF

Legal Basis: Discontinued line item - ORC 5501.07

Purpose: Matched federal funds for urban mass transportation grants.

GRF 774-445 Youngstown Intermodal Project

2000	2001	2002	2003 Estimate	2004 House Passed	2005 House Passed
\$0	\$91,300	\$0	\$0	\$0	\$0
	N/A		N/A	N/A	N/A

Source: GRF

Legal Basis: Discontinued line item (originally established by Am. Sub. H.B. 210 of the 122nd G.A.)

Purpose: Capital grants for specific intermodal projects.

GRF 774-447 Intermodal Capital Grants

2000	2001	2002	2003 Estimate	2004 House Passed	2005 House Passed
\$670,084	\$0	\$0	\$0	\$0	\$0
		N/A	N/A	N/A	N/A

Source: GRF

Legal Basis: Discontinued line item (originally established by Am. Sub. H.B. 210 of the 122nd G.A.)

Purpose: Capital grants for specific intermodal projects.

GRF 775-451 Public Transportation-State

2000	2001	2002	2003 Estimate	2004 House Passed	2005 House Passed
\$26,358,878	\$21,178,984	\$29,887,079	\$18,625,595	\$15,525,595	\$15,525,595
	-19.7%	41.1%	-37.7%	-16.6%	0.0%

Source: GRF

Legal Basis: ORC 5501.07 (established by Am. Sub. H.B. 107 of the 121st G.A.)

Purpose: Funds the Office of Transit's operating expenses and is used to match federal funds for the Ohio Public Transportation Grant Program's (OPTGP's) formula grant program and the Ohio Coordination Program.

Transportation, Department of - Catalog of Budget Line Items

GRF 775-453 Waterfront Line Lease Payments-State

2000	2001	2002	2003 Estimate	2004 House Passed	2005 House Passed
\$1,771,140	\$1,775,847	\$1,775,513	\$0	\$0	\$0
	0.3%	0.0%	-100.0%	N/A	N/A

Source: GRF

Legal Basis: Section 110 of Am. Sub. H.B. 94 of the 124th G.A. (originally established by Am. Sub. H.B. 790 of the 120th G.A.)

Purpose: The Department has legislative authority to enter into a lease, lease-purchase, or other agreement with the City of Cleveland or the Greater Cleveland Regional Transit Authority, or both. The \$10 million agreement is for lease and interest payments relating to the Waterfront light rail extension servicing downtown Cleveland and adjacent areas. This line item supports the debt service on the \$10 million over a seven-year period. FY 2002 was the seventh and last year of the commitment.

GRF 775-456 Public Transportation/Discretionary Capital

2000	2001	2002	2003 Estimate	2004 House Passed	2005 House Passed
\$742,970	\$4,527,035	\$1,514,865	\$0	\$0	\$0
	509.3%	-66.5%	-100.0%	N/A	N/A

Source: GRF

Legal Basis: Discontinued line item (originally established by Am. Sub. H.B. 215 of the 122nd G.A.)

Purpose: Funded the discretionary capital portion of the Ohio Public Transportation Grant Program and provided support for major capital projects and other local transit system subsidies.

GRF 775-458 Elderly & Disabled Fare Assistance

2000	2001	2002	2003 Estimate	2004 House Passed	2005 House Passed
\$3,284,284	\$3,349,962	\$3,315,504	\$3,279,900	\$0	\$0
	2.0%	-1.0%	-1.1%	-100.0%	N/A

Source: GRF

Legal Basis: Section 110 of Am. Sub. H.B. 94 of the 124th G.A. (originally established by Am. Sub. H.B. 107 of the 121st G.A.)

Purpose: Finances the Ohio Elderly and Disabled Transit Fare Assistance Program, which provides reduced local transit fares for the elderly and persons with disabilities. This program compensates public transportation systems for a portion of the revenue lost in reducing their general fares for the eligible populations. In order to participate, a transit system's fares for these populations cannot exceed one-half of the fare charged to the general public. This line item is expected to be consolidated into line item 775-451 in the FY 04-05 biennium.

Transportation, Department of - Catalog of Budget Line Items

GRF 776-465 Ohio Rail Development Commission

2000	2001	2002	2003 Estimate	2004 House Passed	2005 House Passed
\$3,939,042	\$3,647,721	\$5,561,743	\$4,081,594	\$3,116,889	\$2,936,056
	-7.4%	52.5%	-26.6%	-23.6%	-5.8%

Source: GRF

Legal Basis: Section 110 of Am. Sub. H.B. 94 of the 124th G.A. (originally established by Am. Sub. H.B. 117 of the 121st G.A.)

Purpose: Supports the operating functions of the Ohio Rail Development Commission (ORDC) which ensures that the rail network continues to be a viable support structure for Ohio's economy. This line item supports the following programs administered by the Commission: Rail Freight/Economic Development Program; Panhandle Rail/State Owned Lines Program; Passenger Rail Program; Rail Crossing Safety Program; Rail/Highway Projects Program. The earmark of 50 percent of the Corporate Franchise Tax that was previously designated to the Commission has been eliminated. This shift in funding is essential for continuing the operations of the ORDC as well as providing financial stability and inflationary funding increases. The ORDC is expected to be merged with ODOT in the FY 04-05 biennium.

GRF 776-466 Railroad Crossing/Grade Separation

2000	2001	2002	2003 Estimate	2004 House Passed	2005 House Passed
\$0	\$0	\$326,020	\$816,319	\$0	\$0
	N/A	N/A	150.4%	-100.0%	N/A

Source: GRF

Legal Basis: Section 110 of Am. Sub. H.B. 94 of the 124th G.A. (originally established by Am. Sub. H.B. 640 of the 123rd G.A.)

Purpose: Funds the Rail Crossing Safety Initiative and the Grade Separation Program which provide funds for rail crossing improvements to communities most affected by rail traffic.

GRF 777-471 Airport Improvements-State

2000	2001	2002	2003 Estimate	2004 House Passed	2005 House Passed
\$3,730,187	\$4,623,580	\$2,678,065	\$2,881,709	\$1,338,495	\$1,338,495
	24.0%	-42.1%	7.6%	-53.6%	0.0%

Source: GRF

Legal Basis: ORC 4561.08, 4561.09 and 5501 (established by Am. Sub. H.B. 117 of the 121st G.A.). Elimination of the Corporate Franchise Tax Transfer (ORC Section 4981.09).

Purpose: Supports the County Airport Improvement program. Funding provides assistance to publicly owned airports for maintenance and capital improvements at 90 percent. Crack sealing projects are funded at 50 percent of project cost. Section 110 of Am. Sub. H.B. 94 of the 124th G.A. earmarked \$500,000 for FY 2002 for the Lorain County Airport.

Transportation, Department of - Catalog of Budget Line Items

GRF 777-473 Rickenbacker Lease Payments-State

2000	2001	2002	2003 Estimate	2004 House Passed	2005 House Passed
\$581,373	\$540,230	\$548,131	\$600,000	\$591,600	\$591,500
	-7.1%	1.5%	9.5%	-1.4%	0.0%

Source: GRF

Legal Basis: Section 110 of Am. Sub. H.B. 94 of the 124th G.A. (originally established by Am. Sub. S.B. 310 of the 121st G.A.)

Purpose: This line item is used to make lease payments to support improvements at Rickenbacker Airport for the benefit of Southern Air Transport.

Federal Special Revenue Fund Group

3B9 776-662 Rail Transportation-Federal

2000	2001	2002	2003 Estimate	2004 House Passed	2005 House Passed
\$125,000	\$0	\$0	\$500,000	\$50,000	\$50,000
		N/A	N/A	-90.0%	0.0%

Source: FED: CFDA 20.308, Local Rail Freight Assistance (National Rail Service Continuation Grants)

Legal Basis: Section 4 of Sub. H.B. 73 of the 124th G.A. (originally established by Am. Sub. H.B. 107 of the 121st G.A.)

Purpose: This line item provides grants to assist in acquiring a railroad line or other rail properties for existing or future rail freight service. Grants may also be used for rehabilitation and improvement on lines certified by the railroad carrying five million gross ton miles per mile or less during the prior year but more than 20 carloads per mile, and for state rail planning, rail facility construction and substitute service projects.

State Special Revenue Fund Group

4N4 776-663 Panhandle Lease Reserve Payments

2000	2001	2002	2003 Estimate	2004 House Passed	2005 House Passed
\$0	\$0	\$0	\$770,000	\$770,000	\$770,000
	N/A	N/A	N/A	0.0%	0.0%

Source: SSR: Corporate franchise tax paid by railroads

Legal Basis: Section 4 of Sub. H.B. 73 of the 124th G.A. (originally established by Am. Sub. S.B. 351 of the 119th G.A.)

Purpose: This line is used to hold funds in reserve to meet monthly lease payments to Caprail I, Inc. for the lease of the Panhandle rail line in case of default. If an annual minimum of \$706,000 is not maintained, default clauses are activated. Once all payments are made for the year, the full annual amount is transferred to line item 776-661, Rail Transportation-State. Thus, as long as there is no default, this line item expenditure history will be zero.

Transportation, Department of - Catalog of Budget Line Items

4N4 776-664 Rail Transportation-Other

2000	2001	2002	2003 Estimate	2004 House Passed	2005 House Passed
\$0	\$28,000	\$341,501	\$1,745,000	\$1,919,500	\$2,111,500
	N/A	1119.6%	411.0%	10.0%	10.0%

Source: SSR: Principal and interest payments on loans, revenues from easements, and other lease payments

Legal Basis: Section 4 of Sub. H.B. 73 of the 124th G.A. (originally established by Am. Sub. H.B. 100 of the 115th G.A.)

Purpose: This line item helps finance rail freight assistance, planning and acquisition programs. Specifically, funds in this line item are used to rehabilitate rail lines, construct interchanges or connections, provide substitute service facilities, and maintain rail properties purchased by the state.

5E7 775-657 Transit Capital Funds

2000	2001	2002	2003 Estimate	2004 House Passed	2005 House Passed
\$523,987	\$3,045,541	\$9,199,953	\$0	\$0	\$0
	481.2%	202.1%	-100.0%	N/A	N/A

Source: SSR: GRF

Legal Basis: Discontinued line item (originally established by Am. Sub. H.B. 283 of the 123rd G.A.; GRF transfers authorized by Section 125(A)(3))

Purpose: This line item supplemented the discretionary capital portion of the Ohio Public Transportation Grant Program which provides local matching dollars for federal grants for public transportation.

5W7 771-610 Public Transportation Grant Programs

2000	2001	2002	2003 Estimate	2004 House Passed	2005 House Passed
\$0	\$0	\$0	\$0	\$3,100,000	\$3,100,000
	N/A	N/A	N/A	N/A	0.0%

Source: SSR: \$60 of the \$425 OMVI (operating a motor vehicle while under the influence) driver's license reinstatement fee

Legal Basis: Proposed under Section 4503.234 (and future version of 4503.234) and 4511.191 (and future version of 4511.191) in H.B. 95 of the 125th G.A.

Purpose: This line item is used to match available federal public transportation funds and supports related public transportation operating expenses.

5W8 773-605 Roadside Rest Area Improvement

2000	2001	2002	2003 Estimate	2004 House Passed	2005 House Passed
\$0	\$0	\$0	\$0	\$250,000	\$250,000
	N/A	N/A	N/A	N/A	0.0%

Source: SSR: Money from the sale of advertising space at rest areas

Legal Basis: Proposed under Section 5515.07 & 5515.08 in H.B. 95 of the 125th G.A.

Purpose: This line item is used for rest area improvements.

Transportation, Department of - Catalog of Budget Line Items

5W9 777-615 County Airport Maintenance Assistance

2000	2001	2002	2003 Estimate	2004 House Passed	2005 House Passed
\$0	\$0	\$0	\$0	\$570,000	\$570,000
	N/A	N/A	N/A	N/A	0.0%

Source: SSR: \$100 per aircraft general aviation license tax

Legal Basis: Proposed under Section 4561.18 & 4561.21 in H.B. 95 of the 125th G.A.

Purpose: Supports the County Airport Improvement Program. Funding provides assistance to publicly owned airports for maintenance, capital improvements, and runway crack sealing projects.

As Introduced

Subject: OMVI Driver's License Reinstatement Fee Distribution

No provision.

As Passed by the House

R.C. *4503.234, (and future version of 4503.234)
and 4511.191 (and future version of 4511.191)*

Of the current \$425 OMVI (operating a motor vehicle while under the influence) driver's license reinstatement fee, removes the partial distribution of \$75 to the Attorney General for the Drug Abuse Resistance Education Programs Fund (Fund 4L6) in the state special revenue fund group, eliminates the Fund, and redirects the \$75 as follows: (1) \$60 to ODOT for the newly created Public Transportation Grant Programs Fund (Fund 5W7) in the state special revenue fund group to be used to match available federal public transportation funds and for related operating expenses, and (2) \$15 to the Department of Public Safety to the newly created Public Safety Investigative Unit Fund (Fund 5X1) in the state special revenue fund group to be used for food stamp and liquor enforcement duties of the Investigative Unit. Also specifies that the Reparations Fund (Fund 402) in the state special revenue fund group receive any portion of the proceeds of the sale of a forfeited vehicle that had been directed to the Drug Abuse Resistance Education Programs Fund (Fund 4L6). Appropriates \$3,100,000 in FY 2004 and \$3,100,000 in FY 2005 to the newly created appropriation item 771-413, Public Transportation Grant Programs (Fund 5W7). Fiscal effect: Potential revenue loss up to 6% (or approximately \$240,000 per year depending on the number of OMVI convictions) to the Attorney General due to the elimination of the Drug Abuse Resistance Education Programs Fund (Fund 4L6). Potential revenue loss to local law enforcement agencies eligible to receive grant moneys to implement D.A.R.E educational programs, resulting in a subsequent draw on other local government moneys to pay

As Introduced**As Passed by the House**

the 50 percent of affiliated law enforcement officers' salaries which the D.A.R.E. grant moneys fund. It is uncertain if law enforcement officers currently engaged in D.A.R.E efforts will assume other responsibilities in their departments; law enforcement agencies may experience administrative costs to restructure program plans. Overall, fiscal impacts may vary among local law enforcement agencies who implement the D.A.R.E program. Potential revenue gain to the Department of Transportation for state matching dollars for federal public transportation funds, and for payment of the Department's related operating expenses. Local public transit systems may experience additional revenues for transit programs. The number of transit systems that may receive these additional moneys is unknown.

As Introduced

Subject: General Aviation License Tax

No provision.

As Passed by the House

R.C. 4561.18, 4561.21

Increases the general aviation license tax to \$100 per aircraft. Current law establishes the tax as a range of \$6 (for a plane with a rated seating capacity of one or two persons) to \$15 plus \$5 for each person of seating capacity in excess of 5 persons. Creates the County Airport Maintenance Assistance Fund (Fund 5W9) in the state special revenue fund group, and requires all such license taxes to be deposited into the Fund 5W9 instead of the GRF.

Fiscal effect: Based on approximately 5,713 aircraft registrations in calendar year 2002, the Department of Transportation may experience a revenue gain of approximately \$403,395 per year above FY 2002 collection levels of \$167,905. The revenue from the increase in license tax will now be deposited into the newly created Fund 5W9, resulting in a subsequent loss to GRF appropriation item 777-471, Airport Improvements-State, which currently receives aircraft license tax revenue to support the County Airport Improvement Program, by provides funding for maintenance, capital improvements, and runway crack sealing projects. No program functions are expected to decrease with the transfer in funds receiving the aircraft license tax revenue. Local publicly owned airports are likely to experience increased support for airport infrastructure projects. The specific airports that may receive these additional revenues is unknown at this time. The bill appropriates \$570,000 in FY 2004 and \$570,000 in FY 2005 to appropriation item 777-476, County Airport Maintenance Assistance, Fund (5W9) in the state special revenue fund group.

As Introduced

Subject: Elimination of the Ohio Rail Development Commission

R.C. 4981.01, 4981.361, 126.11, 163.06, 307.202,
505.69, 717.01, 4117.10, 5501.03, 5507.01 to
5507.361, 5519.01, 5705.19

Eliminates the Ohio Rail Development Commission (ORDC) as an independent agency of the state and transfers all authority and duties of the Rail Development Commission to the Department of Transportation as its successor, including the authority to issue bonds and the granting of franchises for rail systems.

Fiscal effect: This merger is expected to result in operational efficiencies, such as rent savings, possible personnel, supply, and equipment savings, and possible program consolidation and program savings. At this point, there are no planned staff reductions, yet there are plans to move ORDC offices to ODOT's central office location. No rail services or initiatives are expected to be reduced with this provision.

As Passed by the House

R.C. 4981.01, 4981.361, 126.11, 163.06, 307.202,
505.69, 717.01, 4117.10, 5501.03, 5507.01 to
5507.361, 5519.01, 5705.19

No provision.

As Introduced

Subject: ODOT Sell Advertising at Rest Areas, Revenue to Fund Rest Area Improvements

No provision.

As Passed by the House

R.C. 5515.07, 5515.08

Permits ODOT to sell advertising space at rest areas and requires ODOT to utilize all resulting revenues to pay for rest areas improvements. Money ODOT receives from selling advertising space at rest areas will be deposited into the newly created Roadside Rest Improvement Fund (Fund 5W8) in the state special revenue fund group.
Fiscal effect: Potential revenue gain to ODOT for selling advertising space at rest areas. Revenues are to be expended for rest area improvements. The bill appropriates \$250,000 in each fiscal year to newly created appropriation item 774-432, Roadside Rest Area Improvement, (Fund 5W8) in the state special revenue fund group.

As Introduced**Subject: Railroad Crossing and Grade Separation****Section: 104**

Specifies that GRF appropriation item 776-466, Railroad Crossing and Grade Separation, shall be used to fund the Rail Crossing Safety Initiative, which provides improvements to communities most affected by rail and traffic.

Subject: Elderly and Disabled Fare Assistance**Section: 104**

Specifies that \$4,012,780 in FY 2004 and \$5,015,975 in FY 2005 from GRF appropriation item 775-451, Public Transportation, may be used to make grants to public transit systems, local governments, and private non-profits, for the purpose of reducing transit and paratransit fares of elderly or handicapped persons. This provision is in-line with the Executive's proposal to consolidate GRF appropriation item 775-458, Elderly and Disabled Fare Assistance into GRF appropriation item 775-451, Public Transportation-State.

Fiscal effect: None. This appropriation item consolidation will allow several grant programs to be funded by a single appropriation item. No services will be reduced will this provision.

As Passed by the House**Section: 104**

No provision.

Section: 104

No change.

As Introduced

Subject: Aviation Lease Payments

Section: 104

Permits GRF appropriation item 777-473, Rickenbacker Lease Payments-State, to be used to meet scheduled payments for the Rickenbacker Port Authority. Any appropriations that are not required for the purpose intended are to be transferred to GRF appropriation item 777-471, Airport Improvements-State.

Fiscal effect: May increase spending on airports without exceeding overall appropriation levels.

As Passed by the House

Section: 104

No change.

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

<i>Fund ALI ALI Title</i>	<i>Estimated 2003</i>	<i>As Introduced 2004</i>	<i>House Sub Bill 2004</i>	<i>% Change Est. 2003 to House 2004</i>	<i>As Introduced 2005</i>	<i>House Sub Bill 2005</i>	<i>% Change House 2004 to House 2005</i>
DOT Transportation, Department of							
GRF 775-451 Public Transportation-State	\$18,625,595	\$ 21,905,494	\$ 15,525,595	-16.6%	\$ 21,905,494	\$ 15,525,595	0.0%
GRF 775-453 Waterfront Line Lease Payments-State	\$0	\$ 0	\$ 0	N/A	\$ 0	\$ 0	N/A
GRF 775-456 Public Transportation/Discretionary Capital	\$0	\$ 0	\$ 0	N/A	\$ 0	\$ 0	N/A
GRF 775-458 Elderly & Disabled Fare Assistance	\$3,279,900	\$ 0	\$ 0	-100.0%	\$ 0	\$ 0	N/A
GRF 776-465 Ohio Rail Development Commission	\$4,081,594	\$ 3,856,889	\$ 3,116,889	-23.6%	\$ 3,786,056	\$ 2,936,056	-5.8%
GRF 776-466 Railroad Crossing/Grade Separation	\$816,319	\$ 814,278	\$ 0	-100.0%	\$ 832,492	\$ 0	N/A
GRF 777-471 Airport Improvements-State	\$2,881,709	\$ 1,908,495	\$ 1,338,495	-53.6%	\$ 1,908,495	\$ 1,338,495	0.0%
GRF 777-473 Rickenbacker Lease Payments-State	\$600,000	\$ 591,600	\$ 591,600	-1.4%	\$ 591,500	\$ 591,500	0.0%
General Revenue Fund Total	\$ 30,285,117	\$ 29,076,756	\$ 20,572,579	-32.1%	\$ 29,024,037	\$ 20,391,646	-0.9%
3B9 776-662 Rail Transportation-Federal	\$500,000	\$ 50,000	\$ 50,000	-90.0%	\$ 50,000	\$ 50,000	0.0%
Federal Special Revenue Fund Group Total	\$ 500,000	\$ 50,000	\$ 50,000	-90.0%	\$ 50,000	\$ 50,000	0.0%
4N4 776-663 Panhandle Lease Reserve Payments	\$770,000	\$ 770,000	\$ 770,000	0.0%	\$ 770,000	\$ 770,000	0.0%
4N4 776-664 Rail Transportation-Other	\$1,745,000	\$ 1,919,500	\$ 1,919,500	10.0%	\$ 2,111,500	\$ 2,111,500	10.0%
5E7 775-657 Transit Capital Funds	\$0	\$ 0	\$ 0	N/A	\$ 0	\$ 0	N/A
5W7 771-610 Public Transportation Grant Programs		---	\$ 3,100,000	N/A	---	\$ 3,100,000	0.0%
5W8 773-605 Roadside Rest Area Improvement		---	\$ 250,000	N/A	---	\$ 250,000	0.0%
5W9 777-615 County Airport Maintenance Assistance		---	\$ 570,000	N/A	---	\$ 570,000	0.0%
State Special Revenue Fund Group Total	\$ 2,515,000	\$ 2,689,500	\$ 6,609,500	162.8%	\$ 2,881,500	\$ 6,801,500	2.9%
Total All Budget Fund Groups	\$ 33,300,117	\$ 31,816,256	\$ 27,232,079	-18.2%	\$ 31,955,537	\$ 27,243,146	0.0%