

# **Environmental Protection Agency**

**Senate Finance and Financial Institutions Committee**

*Ann Braam, Budget Analyst  
Legislative Service Commission*

*May 10, 2005*

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# LSC Redbook

## for the

# Environmental Protection Agency

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## TABLE OF CONTENTS

Overview.....	1
<i>Executive Funding Recommendation</i> .....	2
<i>Recent Accomplishments and Initiatives</i> .....	3
<i>FYs 2006-2007 Budget Focus and Challenges</i> .....	3
<i>Staffing Levels</i> .....	6
Master Table: Executive's Recommendations for FY 2006 and FY 2007 .....	8
Analysis of Executive Proposal.....	9
<i>Air Pollution Control</i> .....	9
<i>Emergency and Remedial Response</i> .....	17
<i>Hazardous Waste Management</i> .....	24
<i>Solid and Infectious Waste Management</i> .....	27
<i>Drinking and Ground Waters</i> .....	32
<i>Surface Water</i> .....	42
<i>Environmental Education</i> .....	53
<i>Pollution Prevention and Compliance Assistance</i> .....	55
<i>Environmental and Financial Assistance</i> .....	57
<i>Program Management</i> .....	61
Requests Not Funded.....	63
Attachments:	
Catalog of Budget Line Items	
LSC Budget Spreadsheet By Line Item: Executive to House Passed	
Compare Document: Permanent and Temporary Law	

*May 10, 2005*

# Environmental Protection Agency

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- Phase out of GRF funding in the coming biennium
- New solid waste disposal fee to replace foregone GRF
- Additional funding in the divisions of Air Pollution Control and Surface Water to address new requirements
- A continuation of FY 2005 service levels in other areas

## OVERVIEW

The mission of the Ohio Environmental Protection Agency (Ohio EPA) is to protect human health and the environment by establishing and enforcing standards for air quality, water, wastewater treatment, and solid and hazardous waste disposal and by providing comprehensive environmental education. This mission is carried out by means of the following activities: inspections and sampling; permitting; environmental education and technical assistance provided to industry, community, and the general public; assistance in compliance and pollution prevention; and enforcement actions against violators. Loan assistance is also provided for environmental infrastructure, such as sewage treatment plants.

Ohio EPA is a regulatory agency of approximately 1,364 funded positions. The Director is appointed by the Governor and sits on the Governor's cabinet. The agency's current annual operating budget is approximately \$175 million. Ohio EPA is organized into several program series designed to develop and implement distinct environmental programs. Staff are located in five district offices throughout the state, and in the central office located in Columbus. Generally, district staff is responsible for writing initial permits, conducting on-site inspections, monitoring, collecting samples, enforcing compliance with permit provisions, and other direct contact with the regulated community.

The overriding goal of Ohio EPA is to protect the environment and public health by ensuring compliance with environmental laws and demonstrating leadership in environmental stewardship. Specific goals include:

- Ensuring clean air, water, and land resources;
- Attaining and maintaining National Ambient Air Quality Standards;
- Reducing the emission of air toxins;
- Characterizing and protecting ground water, and evaluating potential threats to source waters for all of Ohio's public water systems;
- Protecting, enhancing, and restoring surface waters of the state;
- Increasing the number of streams achieving swimmable and fishable standards;
- Preventing, responding to, removing, and cleaning up hazardous waste releases, hazardous substances, and pollutants;
- Investigating and providing remediation to federal cleanup sites;

- Ensuring that major facilities have developed and implemented pollution prevention plans and that enforcement settlements contain pollution prevention supplemental environmental projects;
- Encouraging waste reduction and recycling statewide;
- Ensuring permitted and licensed facilities are in substantial compliance;
- Providing access to technical and financial assistance for implementable solutions to environmental needs; and
- Providing sound science, effective management, and comprehensive environmental education and working to enhance public awareness and understanding of issues affecting environmental quality.

**Executive Funding Recommendation**

The executive funding recommendation for the upcoming biennium is \$181,847,877 in FY 2006, approximately 4% above estimated FY 2005 expenditures, and \$185,211,609 in FY 2007, 2% above FY 2006 appropriations. With the exception of the divisions of Air Pollution Control and Surface Water, the executive recommendation is essentially a continuation budget.

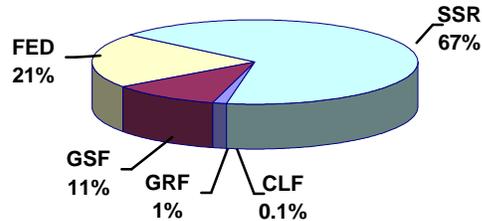
Included in the executive recommendation are: (1) A new Environmental Protection Fee on solid waste disposed in Ohio's landfills, which would replace all GRF that currently funds seven diverse environmental programs by FY 2007, and (2) A new Surface Water Protection Fee that will allow the Section 401 Certification/Wetlands Permitting program to become more self-sufficient. Much of the new Environmental Protection Fee revenue will be used to continue environmental programs at current service levels. Some of the revenue will provide additional funding for initiatives within the Division of Air Pollution Control to comply with new federal Clean Air Act requirements. The following table shows funding recommendations by program series and fiscal year.

**Proposed FYs 2006-2007 Budget by Program Series**

<b>Program Series</b>	<b>FY 2006</b>	<b>% of Total Budget</b>	<b>FY 2007</b>	<b>% of Total Budget</b>	<b>Biennium Total</b>
Air Pollution Control	\$37,557,106	20.65%	\$37,694,541	20.35%	\$75,249,647
Emergency and Remedial Response	\$22,951,679	12.62%	\$23,017,114	12.43%	\$45,968,793
Hazardous Waste Management	\$15,724,697	8.65%	\$16,165,939	8.73%	\$31,890,636
Solid and Infectious Waste Management	\$20,199,930	11.11%	\$20,623,144	11.13%	\$40,823,074
Drinking and Ground Waters	\$20,161,799	11.09%	\$20,628,971	11.14%	\$40,790,770
Surface Water	\$37,635,686	20.70%	\$38,757,913	20.93%	\$76,393,599
Environmental Education	\$1,500,000	0.82%	\$1,500,000	0.81%	\$3,000,000
Pollution Prevention and Compliance Assistance	\$1,367,575	0.75%	\$1,371,582	0.74%	\$2,739,157
Environmental and Financial Assistance	\$5,116,646	2.81%	\$5,257,754	2.84%	\$10,374,400
Program Management	\$19,632,759	10.80%	\$20,194,651	10.90%	\$39,827,410
<b>TOTAL</b>	<b>\$181,847,877</b>	<b>100%</b>	<b>\$185,211,609</b>	<b>100%</b>	<b>\$367,059,486</b>

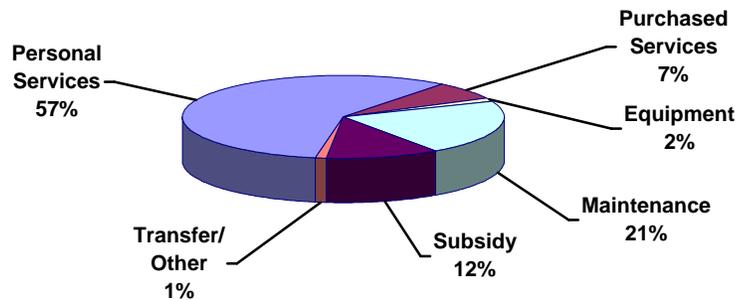
In the executive recommendation, State Special Revenue (SSR) funding continues to make up the largest portion of the budget, at a total of \$244.8 million over the biennium. In FYs 2004-2005, GRF is estimated to account for 12% (\$40 million) of the total budget. With the GRF reduction in FY 2006 and total phase-out by FY 2007 in the proposed budget, it accounts for just 1% (\$5 million) of the total proposed FYs 2006-2007 budget. Please see the section below concerning the creation of the Environmental Protection Fund (Fund 5BC) for further discussion of this issue.

**Total FYs 2006-2007 Recommended Budget by Fund Group**



Personnel expenses make up the largest portion of expenditures in the proposed budget at 57%. Maintenance costs account for 21% of the total recommended budget, while funding that Ohio EPA provides to other entities (included in the "subsidy" category), such as local governments, makes up the third largest portion of the proposed budget at 12%. The accompanying charts depict the total recommended budget by funding source and object of expense.

**Total FYs 2006-2007 Recommended Budget by Object of Expenditure**



**Recent Accomplishments and Initiatives**

**Permitting/Ongoing Projects.** In the current biennium, Ohio became the first state in U.S. EPA Region 5 to issue all (more than 700) Title V permits to the largest sources of air pollution. In addition, Ohio EPA's Permit Processing Efficiency Committee has simplified the permit application process for small sources of air pollution. In the area of addressing surface waters, Ohio EPA accounts for 60% of all Total Maximum Daily Load (TMDL) projects accomplished in U.S. EPA Region 5.

**Cost Savings.** The agency has reduced expenses in the current biennium by hiring computer programmers instead of using contractors and consolidating its vehicle fleet at a savings of nearly \$800,000. Ohio EPA also proposes consolidating its library with the State Library of Ohio. Finally, Ohio EPA recently announced plans to move nearly 100 employees from the Central District Office into Ohio EPA's central office in downtown Columbus. This move is expected to reduce expenses by \$500,000 annually.

**FYs 2006-2007 Budget Focus and Challenges**

**The Environmental Protection Fund (Fund 5BC)**

Probably the biggest issue for the agency is the proposed elimination of GRF funding in FY 2007. This would be accomplished by a new fee, referred to as the Environmental Protection Fee, on the disposal of

solid waste to replace GRF. The fee is in addition to the current \$2.00 per ton fee that is deposited into Ohio EPA's Solid Waste Fund (Fund 4K3), Hazardous Waste Facility Management Fund (Fund 503), and Hazardous Waste Cleanup Fund (Fund 505). The proposed Environmental Protection Fee is \$2.75 per ton on solid waste disposed in Ohio's landfills. Of this fee, \$1.00 will go toward funding the Ohio Department of Natural Resources' Division of Recycling and Litter Prevention. The remaining \$1.75 will be deposited into the newly created Environmental Protection Fund (Fund 5BC) and used to fund Ohio EPA operations, replacing all GRF by FY 2007 and providing additional funding for the Division of Air Pollution Control's initiatives aimed at meeting new federal Clean Air Act requirements.

The new fee is expected to generate \$25.2 million per year for Ohio EPA programs and is expected to cover about \$20 million in costs currently covered by the GRF. Ohio EPA estimates that the proposed fee will be needed to support 181 positions, including 33% of the Surface Water staff, 19% of the Air Pollution Control staff, and 18% of the Drinking and Ground Waters staff. The following table compares the Environmental Protection Fund to GRF funding by line item in FYs 2005 through 2007, with FYs 2006 and 2007 being proposed amounts.

<b>Table 1. GRF-5BC Funding Comparison – Line Item Crosswalk</b>							
<b>GRF</b>	<b>FY 2005</b>	<b>FY 2006</b>	<b>Environmental Protection Fund (5BC)</b>	<b>FY 2006</b>	<b>FY 2007</b>	<b>Total FY 2006 (both funds)</b>	<b>Total FY 2007 (5BC only)</b>
715-403, Clean Ohio	\$741,646	\$185,413	715-617, Clean Ohio	\$556,233	\$741,646	\$741,646	\$741,646
715-501, Local Air Pollution Control	\$1,026,369	\$256,594	715-622, Local Air Pollution Control	\$769,775	\$1,026,369	\$1,026,369	\$1,026,369
717-321, Surface Water	\$8,797,413	\$2,224,683	715-624, Surface Water	\$6,572,730	\$8,797,413	\$8,797,413	\$8,797,413
718-321, Groundwater	\$1,093,741	\$273,437	715-667, Groundwater	\$820,302	\$1,093,741	\$1,093,739	\$1,093,741
719-321, Air Pollution Control	\$2,390,664	\$622,988	715-672, Air Pollution Control	\$3,923,187	\$5,199,290	\$4,546,175	\$5,199,290
721-321, Drinking Water	\$2,550,250	\$637,566	715-673, Drinking Water	\$1,912,684	\$2,550,250	\$2,550,250	\$2,550,250
723-321, Hazardous Waste	\$100,847	\$25,212	715-675, Hazardous Waste	\$75,635	\$100,847	\$100,847	\$100,847
724-321, Pollution Prevention	\$700,302	\$175,076	715-676, Assistance and Prevention	\$525,226	\$700,302	\$700,302	\$700,302
725-321, Laboratory	\$1,216,333	\$304,086	715-677, Laboratory	\$912,247	\$1,216,333	\$1,216,333	\$1,216,333
726-321, Corrective Actions	\$1,179,775	\$294,945	715-678, Correction Actions	\$884,830	\$1,179,775	\$1,179,775	\$1,179,775
<b>Totals</b>	<b>\$19,797,340</b>	<b>\$5,000,000</b>		<b>\$16,952,849</b>	<b>\$22,605,966</b>	<b>\$21,952,849</b>	<b>\$22,605,966</b>

**Fund 5BC Start-Up Capitalization**

The proposed budget requires cash transfers on July 1, 2005, or as soon as possible thereafter, from various Ohio EPA funds into the Environmental Protection Fund (Fund 5BC) to provide revenue until the Environmental Protection Fee, which is proposed to take effect on October 1, 2005, can generate revenue. Cash in the following amounts will be transferred from and repaid to the following funds:

- The Central Support Indirect Fund (Fund 219). \$1 million shall be transferred from this fund, and no money will be repaid to it. Historically, this fund has been used to assist other divisions.
- The Hazardous Waste Facility Management Fund (Fund 503). \$6 million shall be transferred from this fund, and \$3.5 million shall be repaid to it by June 30, 2007.
- The Solid Waste Fund (Fund 4K3). \$3 million shall be transferred from this fund, and \$2 million shall be repaid to it by June 30, 2007.
- The Hazardous Waste Cleanup Fund (Fund 505). \$1 million shall be transferred from this fund, and all money shall be repaid to it by June 30, 2007.

Ohio EPA indicates that the above funds historically have had strong revenue streams and are therefore better able to provide start-up revenue for the Environmental Protection Fund (Fund 5BC). There are no expected significant fiscal impacts on the programs supported by these funds as a result of these transfers.

**The Surface Water Protection Fee**

The executive budget proposes an increased fee on 401 water quality certifications for any dredging or filling of waters in this state. Currently, approximately 87% of 401 water quality certification program costs is covered by the GRF (\$900,000). In contrast, application fees currently paid by project applicants generated \$5,600 in FY 2004, less than 1% of the total program costs. At present, applicants for a 401 water quality certification do not pay review fees. Based on estimated workloads, the proposed fees would generate approximately \$800,000 per year, or about 78% of the program costs. Moneys would be deposited in the Surface Water Protection Fund (Fund 4K4). The following table compares current fees to proposed fees.

<b>Fee Type</b>	<b>Existing</b>	<b>Proposed</b>
Application Fee	\$15 to \$200, depending on the size of the project	\$200
Wetland Review Fee	None	\$500 per acre of wetland to be impacted
Stream Review Fee	None	\$10 per linear foot of stream to be impacted
Lake Review Fee	None	\$3 per cubic yard of dredged or fill material to be moved

The fee would be waived for state agencies; capped at \$5,000 for townships, cities, and counties; and capped at \$25,000 for other applicants. The fees would not apply to projects authorized by general or nationwide permits issued by the U.S. Army Corps of Engineers.

Ohio EPA indicates that the fee increase would provide sufficient revenue to allow the 401 certification program to rely less heavily on other funds. The other funds, in turn, can be used to a greater extent to support other areas within the Surface Water program series.

**E-check**

The E-check contract expires December 31, 2005. Ohio EPA has recently announced that the E-check program will likely be discontinued in the Dayton and Cincinnati areas after this date. Ohio EPA continues to study alternatives to E-check to reduce ozone levels in these areas. However, due to the Cleveland area's federal designation of "moderate non-attainment" in meeting federal ozone standards, Ohio EPA is federally mandated to continue the program in that area. Ohio EPA hopes to save money by using the existing E-check contractor. In addition, the agency plans to push for expanding the new car exemption (currently two years) to at least a four-year exemption. Continuation of the E-check program would need legislative approval by July 1, 2005 in order to allow time to negotiate a new contract and transition any modifications to the program. Please see the Mobile Sources Control (Program 01.05) section in the Analysis of Executive Proposal for further discussion of this program.

**Staffing Levels**

The following table shows staffing levels (total FTEs) for Ohio EPA from FYs 2002-2005, with estimates based on the executive budget for FYs 2006-2007. Totals include full-time, part-time, and intern FTEs.

<b>Ohio Environmental Protection Agency Staffing Levels, by Fiscal Year</b>						
<b>Program Series/Division</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>Estimated</b>	
					<b>2006</b>	<b>2007</b>
Air Pollution Control	224.5	226.5 (a)	202.5	202.5	210.8	207
Emergency and Remedial Response	189	194	195.1	191.1	191.1	191.1
Hazardous Waste Management	157.5	158.5	158.8	158.8	158.8	158.8
Hazardous Waste Facility Board	7	7 (b)	0	0	0	0
Solid and Infectious Waste Management	122	122	123.5	121.5	121.5	121.5
Drinking and Ground Waters	193	186	183	182	182	182
Surface Water	233.9	233.9	232.2	242.2	245.2	248.2
Environmental Services	41.6	39.6	36.1	36.1	36.1	36.1
Environmental Education	4	4	4	4	4	4
Pollution Prevention	6	5	5	5	5	5
Environmental and Financial Assistance	43	47 (c)	47	47	47	47
Program Support	177	177	177.3	173.8	173.8	173.8
<b>Totals</b>	<b>1403.5</b>	<b>1400.5</b>	<b>1364.5</b>	<b>1364.5</b>	<b>1375.3</b>	<b>1374.5</b>

(a) The Right-to-Know program became part of Air Pollution Control in FY 2003. In FY 2002 the Right-to-Know program housed five FTEs; because these programs were separate at that point, those FTEs are not represented in the FY 2002 total for Air Pollution Control, but are represented in the overall staffing total for FY 2002.  
 (b) The Hazardous Waste Facility Board was eliminated in Am. Sub. H.B. 95 of the 125th General Assembly.  
 (c) Four positions were transferred from Drinking and Ground Waters to Environmental and Financial Services in FY 2003.

Another note of clarification is required. Until FY 2005, the Pollution Prevention program funded five FTEs. Additional positions in this program were funded by the divisions of Air Pollution Control

(approximately 3 FTEs), Hazardous Waste Management (approximately 5.5 FTEs), and Solid and Infectious Waste Management (approximately 3 FTEs).

Beginning in FY 2005, Pollution Prevention became the Office of Compliance Assistance and Pollution Prevention (OCAPP). The creation of OCAPP merged all funded positions, including those that were previously funded by Air Pollution Control, Hazardous Waste Management, and Solid and Infectious Waste Management, into a staff of 17 positions funded entirely by the OCAPP program. To ease comparison between years for purposes of this table, this consolidation is not reflected in FYs 2005-2007. However, the overall staffing total remains the same.

## **MASTER TABLE: EXECUTIVE'S RECOMMENDATIONS FOR FY 2006 AND FY 2007**

The following table provides a comprehensive presentation of the Executive's recommendations for each of the agency's line items and the programs each line item supports. Please note that some line items may provide funding for multiple program series and/or programs. See the Analysis of Executive Proposal section for more information on specific program funding.

**Environmental Protection Agency  
Executive Recommendation FY 2006-2007**

Executive Recommendations for FY 2006 and FY 2007, By Line Item and Program				
Fund	ALI	Title	FY 2006	FY 2007
<b>General Revenue Fund</b>				
<b>GRF</b>	<b>715-403</b>	<b>Clean Ohio</b>	<b>\$ 185,413</b>	<b>\$ -</b>
		<u>Program Series 2: Emergency and Remedial Response</u>	\$ 185,413	\$ -
		Program 2.03: Clean Ohio	\$ 185,413	\$ -
	<b>715-501</b>	<b>Local Air Pollution Control</b>	<b>\$ 256,594</b>	<b>\$ -</b>
		<u>Program Series 1: Air Pollution Control</u>	\$ 256,594	\$ -
		Program 1.01: National Ambient Air Quality Standards	\$ 61,583	\$ -
		Program 1.02: Air Emission Authorization and Evaluation	\$ 174,483	\$ -
		Program 1.04: Air Toxics	\$ 20,528	\$ -
	<b>717-321</b>	<b>Surface Water</b>	<b>\$ 2,224,683</b>	<b>\$ -</b>
		<u>Program Series 6: Surface Water</u>	\$ 2,224,683	\$ -
		Program 6.01: Water Quality	\$ 722,800	\$ -
		Program 6.02: Nonpoint Source Pollution Control	\$ 155,089	\$ -
		Program 6.03: Storm Water Pollution Prevention	\$ 62,177	\$ -
		Program 6.04: National Pollutant Discharge Elimination System	\$ 567,748	\$ -
		Program 6.05: 401 Certification/Wetlands Permitting	\$ 129,087	\$ -
		Program 6.06: Lake Erie Resoration and Resource Management	\$ 34,545	\$ -
		Program 6.07: Wastewater Construction Plan Approvals	\$ 553,237	\$ -
	<b>718-321</b>	<b>Groundwater</b>	<b>\$ 273,437</b>	<b>\$ -</b>
		<u>Program Series 5: Drinking and Ground Waters</u>	\$ 273,437	\$ -
		Program 5.05: Groundwater Characterization and Protection	\$ 263,686	\$ -
		Program 5.06: Underground Injection Control	\$ 9,751	\$ -
	<b>719-321</b>	<b>Air Pollution Control</b>	<b>\$ 622,988</b>	<b>\$ -</b>
		<u>Program Series 1: Air Pollution Control</u>	\$ 622,988	\$ -
		Program 1.01: National Ambient Air Quality Standards	\$ 150,829	\$ -
		Program 1.02: Air Emission Authorization and Evaluation	\$ 370,554	\$ -
		Program 1.03: Right To Know	\$ 65,744	\$ -
		Program 1.04: Air Toxics	\$ 35,861	\$ -
	<b>721-321</b>	<b>Drinking Water</b>	<b>\$ 637,566</b>	<b>\$ -</b>
		<u>Program Series 5: Drinking and Ground Waters</u>	\$ 637,566	\$ -
		Program 5.01: Public Drinking Water Supply Supervision	\$ 555,170	\$ -
		Program 5.02: Public Drinking Water System Plan Review	\$ 40,002	\$ -
		Program 5.03: Drinking and Wastewater Operator Certification	\$ 11,268	\$ -
		Program 5.04: Public Drinking Water Laboratory Certification	\$ 31,126	\$ -

**Environmental Protection Agency  
Executive Recommendation FY 2006-2007**

<b>Executive Recommendations for FY 2006 and FY 2007, By Line Item and Program</b>				
<b>Fund</b>	<b>ALI</b>	<b>Title</b>	<b>FY 2006</b>	<b>FY 2007</b>
	<b>723-321</b>	<b>Hazardous Waste</b>	<b>\$ 25,212</b>	<b>\$ -</b>
		<u>Program Series 3: Hazardous Waste Management</u>	\$ 25,212	\$ -
		Program 3.02: Cessation of Regulated Operations	\$ 25,212	\$ -
	<b>724-321</b>	<b>Pollution Prevention</b>	<b>\$ 175,076</b>	<b>\$ -</b>
		<u>Program Series 8: Pollution Prevention and Compliance Assistance</u>	\$ 175,076	\$ -
		Program 8.01: Pollution Prevention	\$ 175,076	\$ -
	<b>725-321</b>	<b>Laboratory</b>	<b>\$ 304,086</b>	<b>\$ -</b>
		<u>Program Series 6: Surface Water</u>	\$ 304,086	\$ -
		Program 6.08: Analytical Laboratory Services	\$ 259,859	\$ -
		Program 6.09: Laboratory Certification and Assistance	\$ 44,227	\$ -
	<b>726-321</b>	<b>Corrective Actions</b>	<b>\$ 294,945</b>	<b>\$ -</b>
		<u>Program Series 2: Emergency and Remedial Response</u>	\$ 294,945	\$ -
		Program 2.01: Emergency Response	\$ 82,710	\$ -
		Program 2.02: Voluntary Action	\$ 212,235	\$ -
<b>General Revenue Fund Subtotal</b>			<b>\$ 5,000,000</b>	<b>\$ -</b>
<b>General Services Fund Group</b>				
<b>199</b>	<b>715-602</b>	<b>Laboratory Services</b>	<b>\$ 1,078,348</b>	<b>\$ 1,083,574</b>
		<u>Program Series 6: Surface Water</u>	\$ 1,078,348	\$ 1,083,574
		Program 6.08: Analytical Laboratory Services	\$ 398,500	\$ 398,500
		Program 6.09: Laboratory Certification and Assistance	\$ 679,848	\$ 685,074
<b>219</b>	<b>715-604</b>	<b>Central Support Indirect</b>	<b>\$ 15,804,913</b>	<b>\$ 16,345,805</b>
		<u>Program Series 10: Program Management</u>	\$ 15,804,913	\$ 16,345,805
		Program 10.01: Program Management	\$ 15,804,913	\$ 16,345,805
<b>4A1</b>	<b>715-640</b>	<b>Operating Expenses</b>	<b>\$ 3,369,731</b>	<b>\$ 3,369,731</b>
		<u>Program Series 10: Program Management</u>	\$ 3,369,731	\$ 3,369,731
		Program 10.01: Program Management	\$ 3,369,731	\$ 3,369,731
<b>General Services Fund Subtotal</b>			<b>\$ 20,252,992</b>	<b>\$ 20,799,110</b>

**Environmental Protection Agency  
Executive Recommendation FY 2006-2007**

<b>Executive Recommendations for FY 2006 and FY 2007, By Line Item and Program</b>				
<b>Fund</b>	<b>ALI</b>	<b>Title</b>	<b>FY 2006</b>	<b>FY 2007</b>
<b>Federal Special Revenue Fund Group</b>				
<b>3F2</b>	<b>715-630</b>	<b>Revolving Loan Fund-Operating</b>	<b>\$ 152,021</b>	<b>\$ 293,129</b>
		<u>Program Series 9: Environmental and Financial Assistance</u>	\$ 152,021	\$ 293,129
		Program 9.01: Water Pollution Control Loan Fund	\$ 152,021	\$ 293,129
<b>3F3</b>	<b>715-632</b>	<b>Federally Supported Cleanup and Response</b>	<b>\$ 2,792,648</b>	<b>\$ 2,777,648</b>
		<u>Program Series 2: Emergency and Remedial Response</u>	\$ 2,792,648	\$ 2,777,648
		Program 2.02: Voluntary Action	\$ 1,258,156	\$ 1,258,156
		Program 2.04: Remedial Response	\$ 1,334,492	\$ 1,319,492
		Program 2.06: Special Investigations	\$ 200,000	\$ 200,000
<b>3F4</b>	<b>715-633</b>	<b>Water Quality Management</b>	<b>\$ 710,000</b>	<b>\$ 710,000</b>
		<u>Program Series 6: Surface Water</u>	\$ 710,000	\$ 710,000
		Program 6.01: Water Quality	\$ 710,000	\$ 710,000
<b>3F5</b>	<b>715-641</b>	<b>Nonpoint Source Pollution Management</b>	<b>\$ 7,815,000</b>	<b>\$ 7,810,000</b>
		<u>Program Series 6: Surface Water</u>	\$ 7,815,000	\$ 7,810,000
		Program 6.01: Water Quality	\$ 719,999	\$ 880,000
		Program 6.02: Nonpoint Source Pollution Control	\$ 7,095,001	\$ 6,930,000
<b>3J1</b>	<b>715-620</b>	<b>Urban Stormwater</b>	<b>\$ 706,000</b>	<b>\$ 710,000</b>
		<u>Program Series 6: Surface Water</u>	\$ 706,000	\$ 710,000
		Program 6.03: Storm Water Pollution Prevention	\$ 6,000	\$ 15,000
		Program 6.04: National Pollutant Discharge Elimination System	\$ 700,000	\$ 695,000
<b>3K2</b>	<b>715-628</b>	<b>Clean Water Act 106</b>	<b>\$ 4,723,845</b>	<b>\$ 5,023,846</b>
		<u>Program Series 5: Drinking and Ground Waters</u>	\$ 642,253	\$ 642,253
		Program 5.05: Groundwater Characterization and Protection	\$ 642,253	\$ 642,253
		<u>Program Series 6: Surface Water</u>	\$ 4,081,592	\$ 4,381,593
		Program 6.01: Water Quality	\$ 1,830,000	\$ 1,830,000
		Program 6.03: Storm Water Pollution Prevention	\$ -	\$ 135,000
		Program 6.04: National Pollutant Discharge Elimination System	\$ 1,840,000	\$ 2,005,001
		Program 6.08: Analytical Laboratory Services	\$ 411,592	\$ 411,592
<b>3K4</b>	<b>715-634</b>	<b>DOD Monitoring and Oversight</b>	<b>\$ 1,450,333</b>	<b>\$ 1,450,333</b>
		<u>Program Series 2: Emergency and Remedial Response</u>	\$ 1,450,333	\$ 1,450,333
		Program 2.05: Federal Facilities Oversight	\$ 1,450,333	\$ 1,450,333

**Environmental Protection Agency  
Executive Recommendation FY 2006-2007**

<b>Executive Recommendations for FY 2006 and FY 2007, By Line Item and Program</b>				
<b>Fund</b>	<b>ALI</b>	<b>Title</b>	<b>FY 2006</b>	<b>FY 2007</b>
<b>3K6</b>	<b>715-639</b>	<b>Remedial Action Plan</b>	<b>\$ 320,000</b>	<b>\$ 319,000</b>
		<u>Program Series 6: Surface Water</u>	\$ 320,000	\$ 319,000
		Program 6.06: Lake Erie Resoration and Resource Management	\$ 320,000	\$ 319,000
<b>3N4</b>	<b>715-657</b>	<b>DOE Monitoring and Oversight</b>	<b>\$ 3,181,736</b>	<b>\$ 3,231,963</b>
		<u>Program Series 2: Emergency and Remedial Response</u>	\$ 3,181,736	\$ 3,231,963
		Program 2.05: Federal Facilities Oversight	\$ 3,181,736	\$ 3,231,963
<b>3V7</b>	<b>715-606</b>	<b>Agency-wide Grants</b>	<b>\$ 458,115</b>	<b>\$ 479,115</b>
		<u>Program Series 10: Program Management</u>	\$ 458,115	\$ 479,115
		Program 10.01: Program Management	\$ 458,115	\$ 479,115
<b>352</b>	<b>715-611</b>	<b>Wastewater Pollution</b>	<b>\$ 525,000</b>	<b>\$ 530,000</b>
		<u>Program Series 6: Surface Water</u>	\$ 525,000	\$ 530,000
		Program 6.05: 401 Certification/Wetlands Permitting	\$ 525,000	\$ 530,000
<b>353</b>	<b>715-612</b>	<b>Public Water Supply</b>	<b>\$ 3,384,959</b>	<b>\$ 3,388,619</b>
		<u>Program Series 5: Drinking and Ground Waters</u>	\$ 3,384,959	\$ 3,388,619
		Program 5.01: Public Drinking Water Supply Supervision	\$ 2,625,854	\$ 2,625,854
		Program 5.03: Drinking and Wastewater Operator Certification	\$ 759,105	\$ 762,765
<b>354</b>	<b>715-614</b>	<b>Hazardous Waste Management-Federal</b>	<b>\$ 4,203,891</b>	<b>\$ 4,203,891</b>
		<u>Program Series 3: Hazardous Waste Management</u>	\$ 4,203,891	\$ 4,203,891
		Program 3.01: Hazardous Waste Management	\$ 4,203,891	\$ 4,203,891
<b>357</b>	<b>715-619</b>	<b>Air Pollution Control-Federal</b>	<b>\$ 6,966,337</b>	<b>\$ 7,243,950</b>
		<u>Program Series 1: Air Pollution Control</u>	\$ 6,966,337	\$ 7,243,950
		Program 1.01: National Ambient Air Quality Standards	\$ 2,647,209	\$ 2,752,701
		Program 1.02: Air Emission Authorization and Evaluation	\$ 3,831,485	\$ 3,984,172
		Program 1.04: Air Toxics	\$ 487,643	\$ 507,077
<b>362</b>	<b>715-605</b>	<b>Underground Injection Control-Federal</b>	<b>\$ 111,874</b>	<b>\$ 111,874</b>
		<u>Program Series 5: Drinking and Ground Waters</u>	\$ 111,874	\$ 111,874
		Program 5.06: Underground Injection Control	\$ 111,874	\$ 111,874
<b>Federal Special Revenue Fund Subtotal</b>			<b>\$ 37,501,759</b>	<b>\$ 38,283,368</b>

**Environmental Protection Agency  
Executive Recommendation FY 2006-2007**

<b>Executive Recommendations for FY 2006 and FY 2007, By Line Item and Program</b>				
<b>Fund</b>	<b>ALI</b>	<b>Title</b>	<b>FY 2006</b>	<b>FY 2007</b>
<b>State Special Revenue Fund Group</b>				
<b>3T3</b>	<b>715-669</b>	<b>Drinking Water SRF</b>	<b>\$ 2,411,614</b>	<b>\$ 2,482,910</b>
		<u>Program Series 5: Drinking and Ground Waters</u>	\$ 2,411,614	\$ 2,482,910
		Program 5.07: Drinking Water Source Protection	\$ 1,344,655	\$ 1,384,947
		Program 5.08: Drinking Water Assistance Fund	\$ 1,066,959	\$ 1,097,963
<b>4J0</b>	<b>715-638</b>	<b>Underground Injection Control</b>	<b>\$ 438,285</b>	<b>\$ 458,418</b>
		<u>Program Series 5: Drinking and Ground Waters</u>	\$ 438,285	\$ 458,418
		Program 5.06: Underground Injection Control	\$ 438,285	\$ 458,418
<b>4K2</b>	<b>715-648</b>	<b>Clean Air - Non Title V</b>	<b>\$ 3,234,278</b>	<b>\$ 3,178,062</b>
		<u>Program Series 1: Air Pollution Control</u>	\$ 3,234,278	\$ 3,178,062
		Program 1.01: National Ambient Air Quality Standards	\$ 168,344	\$ 132,534
		Program 1.02: Air Emission Authorization and Evaluation	\$ 2,703,827	\$ 2,688,762
		Program 1.04: Air Toxics	\$ 362,107	\$ 356,766
<b>4K3</b>	<b>715-649</b>	<b>Solid Waste</b>	<b>\$ 13,800,377</b>	<b>\$ 14,282,845</b>
		<u>Program Series 4: Solid and Infectious Waste Management</u>	\$ 13,453,133	\$ 13,940,839
		Program 4.01: Solid Waste Management	\$ 12,997,740	\$ 13,347,481
		Program 4.02: Infectious Waste Management	\$ 312,264	\$ 394,976
		Program 4.03: Construction and Demolition Debris Management	\$ 143,129	\$ 198,382
		<u>Program Series 8: Pollution Prevention and Compliance Assistance</u>	\$ 347,244	\$ 342,006
		Program 8.01: Pollution Prevention	\$ 347,244	\$ 342,006
<b>4K4</b>	<b>715-650</b>	<b>Surface Water Protection</b>	<b>\$ 11,606,000</b>	<b>\$ 12,420,000</b>
		<u>Program Series 6: Surface Water</u>	\$ 11,606,000	\$ 12,420,000
		Program 6.01: Water Quality	\$ 866,987	\$ 1,216,809
		Program 6.02: Nonpoint Source Pollution Control	\$ 105,425	\$ 133,832
		Program 6.03: Storm Water Pollution Prevention	\$ 1,381,638	\$ 1,290,586
		Program 6.04: National Pollutant Discharge Elimination System	\$ 4,561,552	\$ 4,810,274
		Program 6.05: 401 Certification/Wetlands Permitting	\$ 706,831	\$ 708,469
		Program 6.06: Lake Erie Resoration and Resource Management	\$ 41,245	\$ 51,838
		Program 6.07: Wastewater Construction Plan Approvals	\$ 2,516,322	\$ 2,748,192
		Program 6.08: Analytical Laboratory Services	\$ 1,426,000	\$ 1,460,000

**Environmental Protection Agency  
Executive Recommendation FY 2006-2007**

<b>Executive Recommendations for FY 2006 and FY 2007, By Line Item and Program</b>				
<b>Fund</b>	<b>ALI</b>	<b>Title</b>	<b>FY 2006</b>	<b>FY 2007</b>
<b>4K5</b>	<b>715-651</b>	<b>Drinking Water Protection</b>	<b>\$ 7,202,901</b>	<b>\$ 7,492,035</b>
		<u>Program Series 5: Drinking and Ground Waters</u>	\$ 7,202,901	\$ 7,492,035
		Program 5.01: Public Drinking Water Supply Supervision	\$ 4,547,109	\$ 4,758,494
		Program 5.02: Public Drinking Water System Plan Review	\$ 1,408,229	\$ 1,463,683
		Program 5.03: Drinking and Wastewater Operator Certification	\$ 422,185	\$ 435,872
		Program 5.04: Public Drinking Water Laboratory Certification	\$ 634,931	\$ 641,127
		Program 5.07: Drinking Water Source Protection	\$ 190,447	\$ 192,859
<b>4P5</b>	<b>715-654</b>	<b>Cozart Landfill</b>	<b>\$ 149,728</b>	<b>\$ 149,728</b>
		<u>Program Series 3: Hazardous Waste Management</u>	\$ 149,728	\$ 149,728
		Program 3.01: Hazardous Waste Management	\$ 149,728	\$ 149,728
<b>4R5</b>	<b>715-656</b>	<b>Scrap Tire Management</b>	<b>\$ 6,000,000</b>	<b>\$ 6,000,000</b>
		<u>Program Series 4: Solid and Infectious Waste Management</u>	\$ 6,000,000	\$ 6,000,000
		Program 4.04: Scrap Tire Management	\$ 6,000,000	\$ 6,000,000
<b>4R9</b>	<b>715-658</b>	<b>Voluntary Action Program</b>	<b>\$ 1,008,765</b>	<b>\$ 1,032,098</b>
		<u>Program Series 2: Emergency and Remedial Response</u>	\$ 1,008,765	\$ 1,032,098
		Program 2.02: Voluntary Action	\$ 1,008,765	\$ 1,032,098
<b>4T3</b>	<b>715-659</b>	<b>Clean Air - Title V Permit Program</b>	<b>\$ 16,960,373</b>	<b>\$ 17,180,980</b>
		<u>Program Series 1: Air Pollution Control</u>	\$ 16,640,344	\$ 16,851,706
		Program 1.01: National Ambient Air Quality Standards	\$ 3,632,544	\$ 3,830,374
		Program 1.02: Air Emission Authorization and Evaluation	\$ 11,841,374	\$ 11,855,567
		Program 1.04: Air Toxics	\$ 1,166,426	\$ 1,165,765
		<u>Program Series 8: Pollution Prevention and Compliance Assistance</u>	\$ 320,029	\$ 329,274
		Program 8.01: Pollution Prevention	\$ 320,029	\$ 329,274
<b>4U7</b>	<b>715-660</b>	<b>Construction and Demolition Debris</b>	<b>\$ 586,797</b>	<b>\$ 582,305</b>
		<u>Program Series 4: Solid and Infectious Waste Management</u>	\$ 586,797	\$ 582,305
		Program 4.03: Construction and Demolition Debris Management	\$ 586,797	\$ 582,305
<b>5BC</b>	<b>715-617</b>	<b>Clean Ohio</b>	<b>\$ 556,233</b>	<b>\$ 741,646</b>
		<u>Program Series 2: Emergency and Remedial Response</u>	\$ 556,233	\$ 741,646
		Program 2.03: Clean Ohio	\$ 556,233	\$ 741,646

**Environmental Protection Agency  
Executive Recommendation FY 2006-2007**

<b>Executive Recommendations for FY 2006 and FY 2007, By Line Item and Program</b>				
<b>Fund</b>	<b>ALI</b>	<b>Title</b>	<b>FY 2006</b>	<b>FY 2007</b>
	<b>715-622</b>	<b>Local Air Pollution Control</b>	<b>\$ 769,775</b>	<b>\$ 1,026,369</b>
		<u>Program Series 1: Air Pollution Control</u>	\$ 769,775	\$ 1,026,369
		Program 1.01: National Ambient Air Quality Standards	\$ 187,748	\$ 246,329
		Program 1.02: Air Emission Authorization and Evaluation	\$ 520,444	\$ 697,930
		Program 1.04: Air Toxics	\$ 61,583	\$ 82,110
	<b>715-624</b>	<b>Surface Water</b>	<b>\$ 6,572,730</b>	<b>\$ 8,797,413</b>
		<u>Program Series 6: Surface Water</u>	\$ 6,572,730	\$ 8,797,413
		Program 6.01: Water Quality	\$ 2,002,682	\$ 2,587,436
		Program 6.02: Nonpoint Source Pollution Control	\$ 422,935	\$ 929,418
		Program 6.03: Storm Water Pollution Prevention	\$ 186,529	\$ 250,384
		Program 6.04: National Pollutant Discharge Elimination System	\$ 1,703,241	\$ 2,260,334
		Program 6.05: 401 Certification/Wetlands Permitting	\$ 387,259	\$ 562,146
		Program 6.06: Lake Erie Restoration and Resource Management	\$ 210,376	\$ 144,345
		Program 6.07: Wastewater Construction Plan Approvals	\$ 1,659,708	\$ 2,063,350
	<b>715-667</b>	<b>Groundwater</b>	<b>\$ 820,304</b>	<b>\$ 1,093,741</b>
		<u>Program Series 5: Drinking and Ground Waters</u>	\$ 820,304	\$ 1,093,741
		Program 5.05: Groundwater Characterization and Protection	\$ 791,052	\$ 1,054,741
		Program 5.06: Underground Injection Control	\$ 29,252	\$ 39,000
	<b>715-672</b>	<b>Air Pollution Control</b>	<b>\$ 3,923,187</b>	<b>\$ 5,199,290</b>
		<u>Program Series 1: Air Pollution Control</u>	\$ 3,923,187	\$ 5,199,290
		Program 1.01: National Ambient Air Quality Standards	\$ 1,756,185	\$ 2,314,101
		Program 1.02: Air Emission Authorization and Evaluation	\$ 1,657,416	\$ 2,208,533
		Program 1.03: Right to Know	\$ 197,231	\$ 262,972
		Program 1.04: Air Toxics	\$ 312,355	\$ 413,684
	<b>715-673</b>	<b>Drinking Water</b>	<b>\$ 1,912,684</b>	<b>\$ 2,550,250</b>
		<u>Program Series 5: Drinking and Ground Waters</u>	\$ 1,912,684	\$ 2,550,250
		Program 5.01: Public Drinking Water Supply Supervision	\$ 1,665,499	\$ 2,220,675
		Program 5.02: Public Drinking Water System Plan Review	\$ 120,005	\$ 160,006
		Program 5.03: Drinking and Wastewater Operator Certification	\$ 33,802	\$ 45,066
		Program 5.04: Public Drinking Water Laboratory Certification	\$ 93,378	\$ 124,503
	<b>715-675</b>	<b>Hazardous Waste</b>	<b>\$ 75,635</b>	<b>\$ 100,847</b>
		<u>Program Series 3: Hazardous Waste Management</u>	\$ 75,635	\$ 100,847
		Program 3.02: Cessation of Regulated Operations	\$ 75,635	\$ 100,847

**Environmental Protection Agency  
Executive Recommendation FY 2006-2007**

<b>Executive Recommendations for FY 2006 and FY 2007, By Line Item and Program</b>				
<b>Fund</b>	<b>ALI</b>	<b>Title</b>	<b>FY 2006</b>	<b>FY 2007</b>
	<b>715-676</b>	<b>Assistance and Prevention</b>	<b>\$ 525,226</b>	<b>\$ 700,302</b>
		<u>Program Series 8: Pollution Prevention and Compliance Assistance</u>	\$ 525,226	\$ 700,302
		Program 8.01: Pollution Prevention	\$ 525,226	\$ 700,302
	<b>715-677</b>	<b>Laboratory</b>	<b>\$ 912,247</b>	<b>\$ 1,216,333</b>
		<u>Program Series 6: Surface Water</u>	\$ 912,247	\$ 1,216,333
		Program 6.08: Analytical Laboratory Services	\$ 779,567	\$ 1,040,293
		Program 6.09: Laboratory Certification and Assistance	\$ 132,680	\$ 176,040
	<b>715-678</b>	<b>Corrective Action</b>	<b>\$ 884,830</b>	<b>\$ 1,179,775</b>
		<u>Program Series 2: Emergency and Remedial Response</u>	\$ 884,830	\$ 1,179,775
		Program 2.01: Emergency Response	\$ 244,273	\$ 330,840
		Program 2.02: Voluntary Action	\$ 640,557	\$ 848,935
<b>5H4</b>	<b>715-664</b>	<b>Groundwater Support</b>	<b>\$ 2,325,922</b>	<b>\$ 2,408,871</b>
		<u>Program Series 5: Drinking and Ground Waters</u>	\$ 2,325,922	\$ 2,408,871
		Program 5.05: Groundwater Characterization and Protection	\$ 2,325,922	\$ 2,408,871
<b>5N2</b>	<b>715-613</b>	<b>Dredge and Fill</b>	<b>\$ 30,000</b>	<b>\$ 30,000</b>
		<u>Program Series 6: Surface Water</u>	\$ 30,000	\$ 30,000
		Program 6.05: 401 Certification/Wetlands Permitting	\$ 30,000	\$ 30,000
<b>500</b>	<b>715-608</b>	<b>Immediate Removal Special Account</b>	<b>\$ 482,000</b>	<b>\$ 482,000</b>
		<u>Program Series 2: Emergency and Remedial Response</u>	\$ 482,000	\$ 482,000
		Program 2.01: Emergency Response	\$ 482,000	\$ 482,000
<b>503</b>	<b>715-621</b>	<b>Hazardous Waste Facility Management</b>	<b>\$ 11,270,231</b>	<b>\$ 11,711,473</b>
		<u>Program Series 3: Hazardous Waste Management</u>	\$ 11,270,231	\$ 11,711,473
		Program 3.01: Hazardous Waste Management	\$ 11,270,231	\$ 11,711,473
<b>505</b>	<b>715-623</b>	<b>Hazardous Waste Cleanup</b>	<b>\$ 11,482,988</b>	<b>\$ 11,482,988</b>
		<u>Program Series 2: Emergency and Remedial Response</u>	\$ 11,482,988	\$ 11,482,988
		Program 2.01: Emergency Response	\$ 2,231,353	\$ 2,231,353
		Program 2.04: Remedial Response	\$ 7,912,607	\$ 7,912,607
		Program 2.06: Special Investigations	\$ 1,339,028	\$ 1,339,028

**Environmental Protection Agency  
Executive Recommendation FY 2006-2007**

<b>Executive Recommendations for FY 2006 and FY 2007, By Line Item and Program</b>				
<b>Fund</b>	<b>ALI</b>	<b>Title</b>	<b>FY 2006</b>	<b>FY 2007</b>
	<b>715-674</b>	<b>Clean Ohio Environmental Review</b>	<b>\$ 104,500</b>	<b>\$ 109,725</b>
		<u>Program Series 2: Emergency and Remedial Response</u>	\$ 104,500	\$ 109,725
		Program 2.03: Clean Ohio	\$ 104,500	\$ 109,725
<b>541</b>	<b>715-670</b>	<b>Site Specific Cleanup</b>	<b>\$ 33,000</b>	<b>\$ 34,650</b>
		<u>Program Series 2: Emergency and Remedial Response</u>	\$ 33,000	\$ 34,650
		Program 2.04: Remedial Response	\$ 33,000	\$ 34,650
<b>542</b>	<b>715-671</b>	<b>Risk Management Reporting</b>	<b>\$ 146,188</b>	<b>\$ 146,188</b>
		<u>Program Series 1: Air Pollution Control</u>	\$ 146,188	\$ 146,188
		Program 1.04: Air Toxics	\$ 146,188	\$ 146,188
<b>592</b>	<b>715-627</b>	<b>Anti Tampering Settlement</b>	<b>\$ 17,203</b>	<b>\$ 9,707</b>
		<u>Program Series 1: Air Pollution Control</u>	\$ 17,203	\$ 9,707
		Program 1.01: National Ambient Air Quality Standards	\$ 17,203	\$ 9,707
<b>6A1</b>	<b>715-645</b>	<b>Environmental Education</b>	<b>\$ 1,500,000</b>	<b>\$ 1,500,000</b>
		<u>Program Series 7: Environmental Education</u>	\$ 1,500,000	\$ 1,500,000
		Program 7.01: Environmental Education	\$ 1,500,000	\$ 1,500,000
<b>602</b>	<b>715-626</b>	<b>Motor Vehicle Inspection and Maintenance</b>	<b>\$ 1,190,944</b>	<b>\$ 250,000</b>
		<u>Program Series 1: Air Pollution Control</u>	\$ 1,190,944	\$ 250,000
		Program 1.05: Mobile Sources Control	\$ 1,190,944	\$ 250,000
<b>644</b>	<b>715-631</b>	<b>ER Radiological Safety</b>	<b>\$ 286,114</b>	<b>\$ 286,114</b>
		<u>Program Series 2: Emergency and Remedial Response</u>	\$ 286,114	\$ 286,114
		Program 2.04: Remedial Response	\$ 286,114	\$ 286,114
<b>660</b>	<b>715-629</b>	<b>Infectious Waste Management</b>	<b>\$ 160,000</b>	<b>\$ 100,000</b>
		<u>Program Series 4: Solid and Infectious Waste Management</u>	\$ 160,000	\$ 100,000
		Program 4.02: Infectious Waste Management	\$ 160,000	\$ 100,000
<b>676</b>	<b>715-642</b>	<b>Water Pollution Control Loan Administration</b>	<b>\$ 4,964,625</b>	<b>\$ 4,964,625</b>
		<u>Program Series 9: Environmental and Financial Assistance</u>	\$ 4,964,625	\$ 4,964,625
		Program 9.01: Water Pollution Control Loan Fund	\$ 4,552,125	\$ 4,539,625
		Program 9.02: Water Supply Revolving Loan Account	\$ 335,000	\$ 345,000
		Program 9.03: Ohio Power Siting Board Reviews	\$ 77,500	\$ 80,000

**Environmental Protection Agency  
Executive Recommendation FY 2006-2007**

<b>Executive Recommendations for FY 2006 and FY 2007, By Line Item and Program</b>				
<b>Fund</b>	<b>ALI</b>	<b>Title</b>	<b>FY 2006</b>	<b>FY 2007</b>
<b>678</b>	<b>715-635</b>	<b>Air Toxic Release</b>	<b>\$ 210,621</b>	<b>\$ 210,622</b>
		<u>Program Series 1: Air Pollution Control</u>	\$ 210,621	\$ 210,622
		Program 1.04: Air Toxics	\$ 210,621	\$ 210,622
<b>679</b>	<b>715-636</b>	<b>Emergency Planning</b>	<b>\$ 2,828,647</b>	<b>\$ 2,828,647</b>
		<u>Program Series 1: Air Pollution Control</u>	\$ 2,828,647	\$ 2,828,647
		Program 1.03: Right To Know	\$ 2,828,647	\$ 2,828,647
<b>696</b>	<b>715-643</b>	<b>Air Pollution Control Administration</b>	<b>\$ 750,000</b>	<b>\$ 750,000</b>
		<u>Program Series 1: Air Pollution Control</u>	\$ 750,000	\$ 750,000
		Program 1.01: National Ambient Air Quality Standards	\$ 187,500	\$ 187,500
		Program 1.02: Air Emission Authorization and Evaluation	\$ 502,501	\$ 502,500
		Program 1.04: Air Toxics	\$ 59,999	\$ 60,000
<b>699</b>	<b>715-644</b>	<b>Water Pollution Control Administration</b>	<b>\$ 750,000</b>	<b>\$ 750,000</b>
		<u>Program Series 6: Surface Water</u>	\$ 750,000	\$ 750,000
		Program 6.01: Water Quality	\$ 654,246	\$ 654,248
		Program 6.02: Nonpoint Source Pollution Control	\$ 6,126	\$ 6,125
		Program 6.03: Storm Water Pollution Prevention	\$ 9,500	\$ 9,500
		Program 6.04: National Pollutant Discharge Elimination System	\$ 43,123	\$ 43,125
		Program 6.05: 401 Certification/Wetlands Permitting	\$ 7,500	\$ 7,499
		Program 6.06: Lake Erie Restoration and Resource Management	\$ 6,129	\$ 6,128
		Program 6.07: Wastewater Construction Plan Approval	\$ 23,376	\$ 23,375
<b>State Special Revenue Fund Subtotal</b>			<b>\$ 118,884,952</b>	<b>\$ 125,920,957</b>
<b>Clean Ohio Revitalization Fund</b>				
<b>5S1</b>	<b>715-607</b>	<b>Clean Ohio - Operating</b>	<b>\$ 208,174</b>	<b>\$ 208,174</b>
		<u>Program Series 2: Emergency and Remedial Response</u>	\$ 208,174	\$ 208,174
		Program 2.03: Clean Ohio	\$ 208,174	\$ 208,174
<b>Clean Ohio Revitalization Fund Subtotal</b>			<b>\$ 208,174</b>	<b>\$ 208,174</b>
<b>Environmental Protection Agency Total Funding</b>			<b>\$ 181,847,877</b>	<b>\$ 185,211,609</b>

## ANALYSIS OF EXECUTIVE PROPOSAL

### Program Series 1

### Air Pollution Control

**Purpose:** The mission of the Division of Air Pollution Control (DAPC) is to attain and maintain the air quality at a level that will protect the environment for the benefit of all. The Division partners with nine local air agencies to carry out programs designed to attain and maintain ambient air quality and protect public health. DAPC also implements the Ohio Right-to-Know program with the State Emergency Response Commission (SERC), the Local Emergency Planning Agencies (LEPCs), and the Ohio Emergency Management Agencies (OEMA).

The following table shows the line items that are used to fund this program series, as well as the Governor's recommended funding levels.

Fund	ALI	Title	FY 2006	FY 2007
<b>General Revenue Fund</b>				
GRF	715-501	Local Air Pollution Control	\$256,594	\$0
GRF	719-321	Air Pollution Control	\$622,988	\$0
<b>General Revenue Fund Subtotal</b>			<b>\$879,582</b>	<b>\$0</b>
<b>State Special Revenue Fund</b>				
678	715-635	Air Toxic Release	\$210,621	\$210,622
602	715-626	Motor Vehicle Inspection & Maintenance	\$1,190,944	\$250,000
4T3	715-659	Clean Air – Title V Permit Program	\$16,640,344*	\$16,851,706*
5BC	715-622	Local Air Pollution Control	\$769,775	\$1,026,369
5BC	715-672	Air Pollution Control	\$3,923,187	\$5,199,290
542	715-671	Risk Management Reporting	\$146,188	\$146,188
4K2	715-648	Clean Air – Non-Title V	\$3,234,278	\$3,178,062
592	715-627	Anti Tampering Settlement	\$17,203	\$9,707
696	715-643	Air Pollution Control Administration	\$750,000	\$750,000
679	715-636	Emergency Planning	\$2,828,647	\$2,828,647
<b>State Special Revenue Fund Subtotal</b>			<b>\$29,711,187</b>	<b>\$30,450,591</b>
<b>Federal Special Revenue Fund</b>				
357	715-619	Air Pollution Control – Federal	\$6,966,337	\$7,243,950
<b>Federal Special Revenue Fund Subtotal</b>			<b>\$6,966,337</b>	<b>\$7,243,950</b>
<b>Total Funding: Air Pollution Control</b>			<b>\$37,557,106</b>	<b>\$37,694,541</b>

\*Amount does not reflect total funding because line item is used to fund the Pollution Prevention program in Program Series 8.

Recommended funding for the DAPC will support 210.8 FTEs in FY 2006 and 207 FTEs in FY 2007, a slight increase over FY 2005 (202.5 FTEs). Staffing will be discussed in greater detail in the analyses that follow. Funding for DAPC supports the following programs:

- **Program 01.01, National Ambient Air Quality Standards**
- **Program 01.02, Air Emission Authorization and Evaluation**
- **Program 01.03, Right-to-Know**
- **Program 01.04, Air Toxics**
- **Program 01.05, Mobile Sources Control**

**Program 01.01, National Ambient Air Quality Standards**

**Program Description:** The primary mission of the DAPC is to attain and maintain the National Ambient Air Quality Standards (NAAQS), as required by the 1990 Amendments to the Federal Clean Air Act. Within this program, DAPC creates plans to implement the requirements of the Clean Air Act and other programs adopted by the U.S. EPA, and operates an air quality monitoring network that provides DAPC with the information to determine whether the NAAQS are being achieved. This helps DAPC identify where additional control programs are necessary to achieve the NAAQS. The network is operated and maintained by staff from Ohio EPA's central office, district offices, and Local Air Agencies (LAA).

U.S. EPA has designated 34 Ohio counties, including every major urban area in the state, as non-attainment for the new 8-hour ozone standard, for fine particulates (PM 2.5), or both. Ohio EPA is required to develop, adopt, and implement the needed emissions reduction regulations to improve air quality and meet the standards. Specifically, Ohio EPA faces a federal requirement to adopt plans to address this by June 2007. This represents a significant workload due to the number of counties in Ohio that do not currently meet the standards. Staff within this program will need to inventory all sources of air pollution in the state to devise a plan to come into compliance with federal requirement. Ohio EPA has created a new unit within DAPC to address this, but the division is currently operating with 33 fewer employees than it had four years ago. In order to successfully complete this work within the required time period, Ohio EPA will need to add staff to this area.

Separate issues that affect Ohio EPA's ability to attain and maintain air quality standards involve U.S. EPA regulations that require the examination of air quality on a statewide or regional basis. These include a U.S. EPA mandate to reduce nitrogen oxide (NOx) emissions from utilities and large industrial boilers, referred to as the NOxSIP Call, and regional haze requirements intended to address visibility impairments, particularly in national parks and wilderness areas.

**Funding Source:** GRF in FY 2006; federal grant money (Fund 357); non-Title V fees (Fund 4K2); Title V fees (Fund 4T3); solid waste tipping fees (Fund 5BC); settlement payments (Fund 592); and penalty moneys (Fund 696)

**Line Items:** The following line items are used to fund this program:

Line Item	FY 2006	FY 2007
GRF 715-5.1, Local Air Pollution Control	\$61,583	\$0
GRF 719-321, Air Pollution Control	\$150,829	\$0
FED 357 715-619, Air Pollution Control – Federal	\$2,647,209	\$2,752,701
SSR 4K2 715-648, Clean Air – Non-Title V	\$168,344	\$132,534
SSR 4T3 715-659, Clean Air – Title V Permit Program	\$3,632,544	\$3,830,374
SSR 5BC 715-622, Local Air Pollution Control	\$187,748	\$246,329
SSR 5BC 715-672, Air Pollution Control	\$1,756,185	\$2,314,101
SSR 592 715-627, Anti Tampering Settlement	\$17,203	\$9,707
SSR 696 715-643, Air Pollution Control Administration	\$187,500	\$187,500
<b>Program Total</b>	<b>\$8,809,145</b>	<b>\$9,473,246</b>

**Implication of Executive Recommendation:** Recommended funding is \$8,809,145 in FY 2006 and \$9,473,246 in FY 2007. Funding at the recommended level will allow DAPC to add 20 positions in this

program series to address federal Clean Air Act requirements. This represents a net increase of 4.5 funded staff in DAPC, as the Mobile Sources Control (E-check) program will shrink from 18 FTEs to 2 by FY 2007.

The additional positions are necessary to meet planning requirements for bringing Ohio regions into compliance with the federal Clean Air Act. These positions primarily will be located in the National Ambient Air Quality Standards program, but Ohio EPA indicates that some of the new positions may be housed in the Air Toxics and Air Emission Authorization and Evaluation programs. In addition to addressing new requirements, the following activities can be continued at the recommended funding levels: maintaining improvements in ambient air quality levels, updating the transportation conformity rules which spell out how highway construction will avoid impacts on air quality, funding local air agencies, administering the air monitoring program, conducting quality assurance audits of the monitors, and coordinating monitoring activities with the U.S. EPA.

***Permanent Law Provisions:***

***R.C. 3734.57, 3745.015.*** These sections create the Environmental Protection Fund to be used by Ohio EPA to administer and enforce programs under its jurisdiction and to pay other costs incurred by it<sup>1</sup> and establish an additional fee of \$1.75 per ton on the disposal of solid waste, the proceeds of which must be deposited into the Environmental Protection Fund. The new fee is projected to generate approximately \$25.2 million annually for Ohio EPA and fully replace GRF funding by FY 2007.

***Temporary Law Provisions:***

***Cash Transfer for Environmental Protection Fund (Section 206.27).***<sup>2</sup> Temporary language requires the transfer of cash from the following funds to the Environmental Protection Fund on July 1, 2005, to use as start-up money until revenue can be generated by the new Environmental Protection Fee: Central Support Indirect Fund (Fund 219), Hazardous Waste Facility Management Fund (Fund 503), Solid Waste Fund (Fund 4K3), and Hazardous Waste Cleanup Fund (Fund 505). The section also requires Ohio EPA to repay a portion of the borrowed money to Fund 503, Fund 4K3, and Fund 505. A total of \$11 million will be borrowed and \$6.5 million will be paid back by the end of FY 2007.

**Program 01.02, Air Emission Authorization and Evaluation**

***Program Description:*** The 1990 Clean Air Act Amendments established permitting and reporting requirements for air polluting facilities. DAPC regulates more than 73,000 individual sources of air pollution at 13,000 facilities. These facilities represent a broad spectrum of Ohio industrial and commercial entities, from dry cleaners to large refineries, chemical plants, and utility plants. DAPC's goal is to provide for the processing of all permit actions on a timely basis. DAPC also monitors facilities to determine if they are operating in compliance with their permits and operates an enforcement program to resolve violations when they are identified.

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**Footnotes Concerning New Fund 5BC Funding**

<sup>1</sup> While the new fund is intended to fund various programs to offset the elimination of the GRF within Ohio EPA, the Division of Air Pollution Control will receive supplementary funding from it. Therefore, it seemed most appropriate to include the permanent law provisions with this program area.

<sup>2</sup> Please note that this temporary law provision relates to various programs and program series. It is included in this section because the Environmental Protection Fund is intended to provide supplementary funding for the Division of Air Pollution Control.

**Permits-to-Install (PTIs) & Permits-to-Operate (PTOs).** Facilities must obtain Permits-to-Install (PTI) prior to installing a new source of air pollution. Approximately 1,000 PTIs are issued per year. These permits outline technical and design requirements and pollutant limits necessary for compliance with air pollution laws and rules and generally are meant to be construction permits that are in effect for 18 months, at which point facilities obtain a Permit-to-Operate (PTO). PTOs are issued for facilities with smaller sources of air pollution. However, because DAPC recently has focused its energies on permitting major sources of air pollution, there is currently a significant backlog in PTO permits.

**Streamlined Permitting.** In the current biennium, DAPC began streamlining the permitting process for small sources of air pollution on the recommendation of the Permit Process Efficiency Committee. Ohio EPA put into rules standardized requirements for general permits, rather than requiring individual reviews and permits of individual sources. Ohio EPA is finishing up a number of general permits for small sources of air pollution. Issuance of general permits simplifies the application process for applicants and Ohio EPA, reduces workload, and speeds up permitting time. This process has reduced the number of permits needed for small sources and is expected to assist DAPC in eliminating the backlog of PTOs.

**Title V Permitting.** Facilities with major sources of air pollution are subject to Title V permitting, which is a federally mandated permit program created under Title V of the Clean Air Act Amendments of 1990. These facilities could conceivably have 100 different permits; Title V incorporates them into a single Title V permit. Approximately 700 facilities in Ohio are required to obtain these permits. In the current biennium, Ohio became the first state in U.S. EPA Region 5 to issue all Title V permits. There is no backlog in this area.

**Synthetic Minor Permitting.** Facilities with sources that have the potential to be classified as a major source of air pollution, but accept additional restrictions that limit their emissions, are subject to the Federally Enforceable State Operating Permit (FESOP) program. These are known as synthetic minor permits.

**Funding Source:** GRF in FY 2006; federal grant money (Fund 357); non-Title V fees (Fund 4K2); Title V fees (Fund 4T3); solid waste tipping fees (Fund 5BC); and penalty moneys (Fund 696)

**Line Items:** The following line items are used to fund this program:

Line Item	FY 2006	FY 2007
GRF 715-501, Local Air Pollution Control	\$174,483	\$0
GRF 719-321, Air Pollution Control	\$370,554	\$0
FED 357 715-619, Air Pollution Control – Federal	\$3,831,485	\$3,984,172
SSR 4K2 715-648, Clean Air – Non-Title V	\$2,703,827	\$2,688,762
SSR 4T3 715-659, Clean Air – Title V Permit Program	\$11,841,374	\$11,855,567
SSR 5BC 715-622, Local Air Pollution Control	\$520,444	\$697,930
SSR 5BC 715-672, Air Pollution Control	\$1,657,416	\$2,208,533
SSR 696 715-643, Air Pollution Control Administration	\$502,501	\$502,500
<b>Program Total</b>	<b>\$21,602,084</b>	<b>\$21,937,464</b>

**Implication of Executive Recommendation:** Recommended funding is \$21,602,084 in FY 2006 and \$21,937,464 in FY 2007. As mentioned previously, Fund 5BC funding will allow DAPC to add 20 positions (a net increase of 4.5) to work toward meeting federal Clean Air Act requirements. According

to Ohio EPA some additional staff may be added to this area. Funding at the recommended level will allow DAPC to continue the existing level of services currently provided in the areas of permitting, including continuing to streamline the permitting process, and funding local air agencies. Funding will also be used to implement new programs adopted by U.S. EPA.

**Staffing Issues.** Over the past two biennia, DAPC has received a decreased amount of GRF funding. In the current biennium, DAPC restricted internal spending and hiring to offset this loss. Existing staff is conducting priority work only, meeting permit timeliness requirements and federal grant commitments. With additional federal requirements in the coming biennium, staffing is critical. Additional staffing reductions will result in DAPC not meeting work commitments that have the highest priority, such as processing PTIs and issuing Title V permits. Increases in spending authority for Title V and non-Title V fee accounts, along with a portion of the new solid waste disposal fee (Fund 5BC), will help the DAPC continue to provide current services at current or slightly increased staffing levels.

In FYs 2004-2005 a series of PTI and PTO fee increases and changes in fee structures related to different regulated entities within the DAPC were enacted. No further fee increases in this program are being requested for FYs 2006-2007.

***Permanent Law Provisions:***

**R.C. 3745.11.** This section is amended to revise the industrial classifications in the permit fee schedule based on process weight rates by eliminating seven classifications and adding nine classifications. This provision is unlikely to have a significant fiscal effect. Amendment of this section also extends the sunset date from June 30, 2006, to June 30, 2008 on the annual emissions fees for synthetic minor facilities. This authorizes Ohio EPA to continue collecting current fees; therefore, there is no new fiscal effect as a result of this provision.

**Program 01.03, Right-to-Know**

***Program Description:*** The Right-to-Know program works to ensure the improvement of statewide preparedness and response to chemical emergencies and to increase the general public's awareness of potential chemical hazards. This program was established in 1987 under Chapter 3750. of the Revised Code to serve as the administrative support staff to the State Emergency Response Commission (SERC). As a means for SERC to meet its mission statement, it designated each county in Ohio as a local emergency planning district. These districts, through the county commissioners, created county level Local Emergency Planning Committees (LEPCs) with responsibilities to ensure regulatory compliance as directed under section 3750.03 of the Revised Code. In addition to the administrative support provided to SERC, this program provides state support and oversight to the 87 LEPCs in Ohio, which have the responsibility of developing and exercising Chemical Emergency Response Plans to chemical releases that may occur within or adjacent to their counties. The Right-to-Know program is responsible for the information management of more than 7,000 chemical inventory reports submitted annually from the designated regulatory industry. These reports are used for emergency planning activities, which Ohio EPA coordinates with the Ohio Emergency Management Agency (OEMA), SERC, and the 87 LEPCs. Approximately \$2.5 million is collected annually in fees submitted by the regulated industry, and the majority of this money (about 90%) is passed through to the OEMA and the 87 LEPCs. The LEPCs use the funds for emergency planning and exercise activities, while OEMA receives funds to coordinate planning and exercises with the LEPCs.

***Funding Source:*** GRF in FY 2006; solid waste tipping fees (Fund 5BC); and a portion of SERC annual filing fees for reporting inventories of hazardous substances (Fund 696)

**Line Items:** The following line items are used to fund this program:

Line Item	FY 2006	FY 2007
GRF 719-321, Air Pollution Control	\$65,744	\$0
SSR 5BC 715-672, Air Pollution Control	\$197,231	\$262,972
SSR 679 715-636, Emergency Planning	\$2,828,647	\$2,828,647
<b>Program Total</b>	<b>\$3,091,622</b>	<b>\$3,091,619</b>

**Implication of Executive Recommendation:** Recommended funding is \$3,091,622 in FY 2006 and \$3,091,619 in FY 2007. This level of funding supports five FTEs and maintains the current service level. Specifically, the Right-to-Know program will be able to continue providing technical assistance to the LEPCs, participating in training activities directed to both the LEPCs and the regulated industry, and participating in compliance inspections of nonreporting facilities. Ohio EPA and the LEPCs will promote electronic reporting in FYs 2006-2007 to reduce costs by receiving electronic reports in lieu of paper submissions.

**Temporary and Permanent Law Provisions:** There are no temporary or permanent law provisions affecting this program.

#### **Program 01.04, Air Toxics**

**Program Description:** Air toxics compounds are emissions that cause a public health concern because these chemicals have the potential to cause cancer or other detrimental health impacts. The 1990 Amendments to the Federal Clean Air Act established programs to identify and reduce air toxics. The DAPC has implemented these programs as required, and has coordinated efforts with Local Air Agencies (LAA) to ensure the consistent application of these regulations throughout the state. The Air Toxics program is comprised of four key components: the identification and characterization of air toxics through monitoring and inventory activities, the implementation of source-specific and sector-based standards adopted by U.S. EPA, planning activities that focus on risk management plans, and education and outreach. In addition to toxics monitoring, the DAPC also participates in U.S. EPA's homeland security initiative to monitor for the use of biological weapons throughout Ohio.

**RAPIDS.** The DAPC continues to participate in the Regional Air Pollutant Inventory Development System (RAPIDS) program and prepare a comprehensive toxics emission inventory, which is based on the criteria pollutant inventory, submitted annually by facilities subject to Title V permitting. The RAPIDS inventory is supplemented with the Toxic Release Inventory (TRI). The DAPC strives to provide timely TRI data, and the annual data is available on the Internet, and through the publication of the annual TRI report.

**112(r) Risk Management Planning.** To support risk-planning activities, the DAPC continues to implement the 112(r) risk management-planning program of the Clean Air Act of 1990, which requires facilities storing large quantities of hazardous chemicals to prepare risk management plans. The risk management plans were filed for the first time in June 1999 by approximately 500 facilities. Fees paid by the facilities support the administration of the 112(r) program. The Division conducts extensive outreach through mailings and seminars, and also conducts compliance inspections of facilities that have not submitted risk management plans. The DAPC continues to conduct extensive outreach through mass mailings to facilities affected by U.S. EPA toxic regulations.

**Funding Source:** GRF in FY 2006; federal grant money (Fund 357); non-Title V fees (Fund 4K2); Title V fees (Fund 4T3); solid waste tipping fees (Fund 5BC); risk management plan (112(r) program) fees (Fund 542); Toxic Release Inventory filing fees (Fund 678); and penalty moneys (Fund 696)

**Line Items:** The following line items are used to fund this program:

<b>Line Item</b>	<b>FY 2006</b>	<b>FY 2007</b>
GRF 715-501, Local Air Pollution Control	\$20,528	\$0
GRF 719-321, Air Pollution Control	\$35,861	\$0
FED 357 715-619, Air Pollution Control – Federal	\$487,643	\$507,077
SSR 4K2 715-648, Clean Air – Non-Title V	\$362,107	\$356,766
SSR 4T3 715-659, Clean Air – Title V Permit Program	\$1,166,426	\$1,165,765
SSR 5BC 715-622, Local Air Pollution Control	\$61,583	\$82,110
SSR 5BC 715-672, Air Pollution Control	\$312,355	\$413,684
SSR 542, 715-671, Risk Management Reporting	\$146,188	\$146,188
SSR 678 715-635, Air Toxic Release	\$210,621	\$210,622
SSR 696 715-643, Air Pollution Control Administration	\$59,999	\$60,000
<b>Program Total</b>	<b>\$2,863,311</b>	<b>\$2,942,212</b>

**Implication of Executive Recommendation:** Recommended funding is \$2,863,311 in FY 2006 and \$2,942,212 in FY 2007. U.S. EPA continues to issue additional requirements for air toxics that must be incorporated into the permits for air pollution sources.

Most significantly, U.S. EPA is required by court order to promulgate rules to control mercury from power plants by March 2005. Once promulgated, Ohio EPA will be required to adopt a similar regulatory scheme for power plants. Also, DAPC is increasingly involved in air toxics situations that are associated with the monitoring and analysis of air toxics from industrial facilities impacting air quality in homes. The DAPC is operating at critical levels and additional resources provided in the executive budget are needed to meet the increased demands.

Twenty positions will be added to DAPC's staff. Ohio EPA indicates some of that staffing may be allocated to the Air Toxics program, allowing Ohio EPA to address additional federal air toxics requirements. In addition, funding will allow the program to continue to support air monitoring activities and associated follow-up activities to convey the results of studies to communities.

**Temporary and Permanent Law Provisions:** There are no temporary or permanent law provisions affecting this program.

**Program 01.05, Mobile Sources Control**

**Program Description:** The DAPC oversees the contractor-operated emissions inspection program, known as E-check, for vehicles in the Cleveland/Akron, Dayton, and Cincinnati areas. The goal of the program is to encourage motorists to routinely maintain the emission control equipment on their vehicles, thereby reducing the release of pollutants that lead to the formation of ozone.

The DAPC oversees the contractor's operation of the test stations and routinely certifies the equipment used by the contractor. In addition, the DAPC provides assistance to the public by responding to requests for information and complaints regarding the program, issues exemptions and extensions, and coordinates the activities of the program with the Bureau of Motor Vehicles. The contract for the E-check program expires December 31, 2005.

**Funding Source:** Emissions testing fees (Fund 602)

**Line Items:** The following line item funds this program:

Line Item	FY 2006	FY 2007
SSR 602 715-626, Motor Vehicle Inspection & Maintenance	\$1,190,944	\$250,000
<b>Program Total</b>	<b>\$1,190,944</b>	<b>\$250,000</b>

**Implication of Executive Recommendation:** Recommended funding is \$1,190,944 in FY 2006 and \$250,000 in FY 2007. There are currently 18 Ohio EPA employees in the E-check program. Recommended funding in FY 2006 will support 11 FTEs, and FY 2007 funding will support 2.3 FTEs. The E-check contract expires in the middle of FY 2006. After expiration of the contract, the remaining staff is budgeted to allow for continued services in a similar or different form. Ohio EPA indicates that it is studying alternatives to E-check and is close to finalizing recommendations on how to comply with federal air quality standards. Continuation of the E-check program would need legislative approval.

**Temporary and Permanent Law Provisions:** There are no temporary or permanent law provisions affecting this program.

**Program Series 2**

**Emergency and Remedial Response**

**Purpose:** The mission of the Division of Emergency and Remedial Response (DERR) is to prevent, identify, investigate, and remediate releases of hazardous waste, hazardous substances, and pollutants through compliance monitoring, enforcement, and voluntary actions.

The following table shows the line items that are used to fund this program series, as well as the Governor’s recommended funding levels.

<b>Fund</b>	<b>ALI</b>	<b>Title</b>	<b>FY 2006</b>	<b>FY 2007</b>
<b>General Revenue Fund</b>				
GRF	726-321	Corrective Actions	\$294,945	\$0
GRF	715-403	Clean Ohio	\$185,413	\$0
<b>General Revenue Fund Subtotal</b>			<b>\$480,358</b>	<b>\$0</b>
<b>State Special Revenue Fund</b>				
4R9	715-658	Voluntary Action Program	\$1,008,765	\$1,032,098
5BC	715-617	Clean Ohio	\$556,233	\$741,646
5BC	715-678	Corrective Action	\$884,830	\$1,179,775
500	715-608	Immediate Removal Special Account	\$482,000	\$482,000
505	715-623	Hazardous Waste Cleanup	\$11,482,988	\$11,482,988
505	715-674	Clean Ohio Environmental Review	\$104,500	\$109,725
541	715-670	Site Specific Cleanup	\$33,000	\$34,650
644	715-631	ER Radiological Safety	\$286,114	\$286,114
<b>State Special Revenue Fund Subtotal</b>			<b>\$14,838,430</b>	<b>\$15,348,996</b>
<b>Federal Special Revenue Fund</b>				
3F3	715-632	Federally Supported Cleanup & Response	\$2,792,648	\$2,777,648
3K4	715-634	DOD Monitoring and Oversight	\$1,450,333	\$1,450,333
3N4	715-657	DOE Monitoring and Oversight	\$3,181,736	\$3,231,963
<b>Federal Special Revenue Fund Subtotal</b>			<b>\$7,424,717</b>	<b>\$7,459,944</b>
<b>Clean Ohio Fund</b>				
5S1	715-607	Clean Ohio Operating	\$208,174	\$208,174
<b>Clean Ohio Fund Subtotal</b>			<b>\$208,174</b>	<b>\$208,174</b>
<b>Total Funding: Emergency and Remedial Response</b>			<b>\$22,951,679</b>	<b>\$23,017,114</b>

Recommended funding for DERR will support a total of 191.1 FTEs in both fiscal years, allowing for the continuation of FY 2005 service levels (191.1 FTEs). Funding for Emergency and Remedial Response supports the following programs:

- **Program 02.01, Emergency Response**
- **Program 02.02, Voluntary Action**
- **Program 02.03, Clean Ohio**
- **Program 02.04, Remedial Response**
- **Program 02.05, Office of Federal Facilities Oversight**
- **Program 02.06, Office of Special Investigations**

**Program 02.01, Emergency Response**

**Program Description:** The Emergency Response (ER) program provides 24-hour emergency response to sudden releases of hazardous material, petroleum, and radioactive material. Members of the ER program are prepared to assist in the response to biological, chemical, and radiological-based terrorist attacks. ER personnel staff the Emergency Operations Center (EOC) when it is activated. The ER program coordinates with local and state emergency management officials to share information in an effort to minimize and prevent harmful releases to the environment. Based upon the location and type of release, the response unit often works in conjunction with the departments of Transportation, Health, Natural Resources, and Agriculture, as well as the Public Utilities Commission, the Emergency Management Agency, and the Petroleum Underground Storage Tank Release Compensation Board. The ER program receives approximately 5,500 spill reports per year, of which approximately 1,500 result in an emergency response. ER responded to 236 reports of mercury spillage or potential exposure in FY 2004 and recovered more than 750 pounds of elemental mercury.

In recognition of the ER program's response role in a chemical, biological, radiological, nuclear, or explosive release in Ohio, the Department of Homeland Security's grant program administered by the Office of Domestic Preparedness has awarded several grants to Ohio EPA. To date, Ohio EPA has received over \$550,000 for equipment purchases for detection, personal protection, interoperable communications, decontamination, and logistical support.

**Funding Source:** GRF in FY 2006; solid waste tipping fees (Fund 5BC); cost recovery from spill responses (Fund 500); and the Hazardous Waste Cleanup Fund (Fund 505)

**Line Items:** The following line items are used to fund this program:

Line Item	FY 2006	FY 2007
GRF 726-321, Corrective Actions	\$82,710	\$0
SSR 5BC 715-678, Corrective Action	\$244,273	\$330,840
SSR 500 715-608, Immediate Removal Special Account	\$482,000	\$482,000
SSR 505 715-623, Hazardous Waste Cleanup	\$2,231,353	\$2,231,353
<b>Program Total</b>	<b>\$3,040,336</b>	<b>\$3,044,193</b>

**Implication of Executive Recommendation:** Recommended funding is \$3,040,336 in FY 2006 and \$3,044,193 in FY 2007. Funding at the recommended level will allow for the continuation of Emergency Response activities at current service levels.

***Permanent Law Provisions:***

**R.C. 3734.28, 3745.12.** These sections are amended to specify that money used by Ohio EPA from the Hazardous Waste Cleanup Fund (Fund 505) to pay the costs of cleanup activities and subsequently recovered in a civil action must be repaid to the Hazardous Waste Cleanup Fund (Fund 505) instead of to the Immediate Removal Fund (Fund 500) as required in current law. The potential fiscal effects of this change include slightly increased revenue in Fund 505 and slightly reduced revenue in Fund 500. Fund 500 and Fund 505 both fund this program. Fund 505 funds other programs as well. The net effect is not likely to be significant for this program, as Fund 505 is already used to a greater extent for this program. This could potentially result in more revenue in Fund 505 to fund other programs.

**Program 02.02, Voluntary Action**

**Program Description:** The Voluntary Action Program (VAP) was created in 1994 (and fully implemented in 1997) to oversee voluntary cleanup efforts of contaminated sites in order to return the sites to productive use. This program allows companies to investigate possible environmental contamination, clean it up if necessary, and receive a promise from the state of Ohio that no more cleanup is needed. The majority of brownfield and Clean Ohio cleanups are completed using the VAP. The program requires the use of certified professionals, who verify that environmental cleanup standards, which are based upon a site's proposed future industrial, commercial, or residential use, have been met. In addition to certifying these individuals, the VAP certifies laboratories that analyze environmental media samples from the sites and reviews and approves the voluntary cleanups, audits 25% of the cleanups, and provides technical assistance to volunteers and the public to assist with interpreting and applying cleanup standards. Under the program, VAP technical staff reviews and approves No Further Action (NFA) letters submitted to the agency in order to determine that standards have been met and that a site is protective of public health, safety, and the environment. When cleanup requirements have been met, the Director of Ohio EPA issues a covenant not to sue, which protects property owners from being legally responsible to the state for further investigation or cleanup. In recent years, the program has approved approximately 20-25 cleanups per year.

The VAP, along with the rest of DERR, is converting to an Access database system that will maintain all data concerning the program, as well as incorporate a time-management system that will allow management to monitor all of the VAP reviews and ensure that timelines are being met.

**Funding Source:** GRF in FY 2006; federal grant moneys (Fund 3F3); VAP fees (Fund 4R9); solid waste tipping fees (Fund 5BC)

**Line Items:** The following line items are used to fund this program:

Line Item	FY 2006	FY 2007
GRF 726-321, Corrective Actions	\$212,235	\$0
FED 3F3 715-632, Federally Supported Cleanup & Response	\$1,258,156	\$1,258,156
SSR 4R9 715-658, Voluntary Action Program	\$1,008,765	\$1,032,098
SSR 5BC 715-678, Corrective Action	\$640,557	\$848,935
<b>Program Total</b>	<b>\$3,119,713</b>	<b>\$3,139,189</b>

**Implication of Executive Recommendation:** Recommended funding is \$3,119,713 in FY 2006 and \$3,139,189 in FY 2007. This recommendation provides increased spending authority in Fund 4R9 in order to make the VAP more self-sufficient. The VAP was intended to be a self-supporting program but has relied on other funds to support program costs. The fees were set in 1996, and personnel cost has risen in the past eight years. Also, revenues into Fund 4R9 have declined from \$685,000 in FY 2003 to \$499,000 in FY 2004.

**New Fee Proposed.** Ohio EPA is currently negotiating possible fee increases with the VAP Multidisciplinary Board. It appears increases in No Further Action (NFA) review fees, professional certification fees, and operation and maintenance review fees may be necessary. Ohio EPA predicts the new fees would generate an additional \$230,000 per year. If the fee increase is carried out, it will be done by rule.

Funding at the recommended level will allow for the continuation of FY 2005 service levels. In addition, the recommended funding will allow the VAP program to become more self-sufficient and less reliant on other funds for support.

***Permanent Law Provisions:***

***R.C. 3746.04, 3746.071.*** These sections are amended to require issuance, denial, renewal, suspension, and revocation of certifications of certified professionals under the VAP Law to be published on the Ohio EPA web site and in the weekly review, rather than in newspapers of general circulation as in current law, not later than 15 days after the date of the action regarding a certification and not later than 30 days prior to a hearing or public meeting concerning the action. The changes also allow the Director of Ohio EPA to suspend or revoke the certification of certain certified professionals in accordance with the VAP Law rather than Ohio EPA Law. The potential fiscal effects include cost savings for the VAP program associated with using electronic rather than paper notice of certifications. Ohio EPA estimates this change could save approximately \$180,000 in the coming biennium.

**Program 02.03, Clean Ohio**

***Program Description:*** The Clean Ohio Program was established under Am. Sub. H.B. 3 of the 124th General Assembly. The program is funded through a \$400 million bond initiative, administered by the Department of Development, and used to provide grants and loans to local groups and communities for the redevelopment of urban brownfields, the preservation of open spaces and farmland, and the protection of state waterways.

Ohio EPA staff review applications for investigation and cleanup and oversee the implementation of Clean Ohio projects. Staff within this program review the cleanups and report problems to the Clean Ohio Council, the body that is responsible for reviewing and approving grant and loan applications for brownfields remediation, and provide community outreach and assistance to local governments seeking financial and technical assistance to clean up brownfields. The Director of Ohio EPA sits on the Clean Ohio Council.

***Funding Source:*** GRF in FY 2006; solid waste tipping fees (Fund 5BC); start-up funding from the Hazardous Waste Cleanup Fund (Fund 505); and investment earnings from the Clean Ohio Revitalization Fund (Fund 5S1)

***Line Items:*** The following line items are used to fund this program:

<b>Line Item</b>	<b>FY 2006</b>	<b>FY 2007</b>
GRF 715-403, Clean Ohio	\$185,413	\$0
SSR 5BC 715-617, Clean Ohio	\$556,233	\$741,646
SSR 505 715-674, Clean Ohio Environmental Review	\$104,500	\$109,725
CLF 5S1 715-607, Clean Ohio Operating	\$208,174	\$208,174
<b>Program Total</b>	<b>\$1,054,320</b>	<b>\$1,059,545</b>

***Implication of Executive Recommendation:*** Recommended funding is \$1,054,320 in FY 2006 and \$1,059,545 in FY 2007. Funding at the recommended level will allow for the continuation of FY 2005 service levels.

**Temporary and Permanent Law Provisions:** There are no temporary or permanent law provisions affecting this program.

**Program 02.04, Remedial Response**

**Program Description:** The Remedial Response (RR) program was established in 1982 to investigate hazardous waste sites statewide, including federal Superfund sites, to assist and oversee in their cleanup, and to determine whether or not potentially contaminated sites are safe for their intended use. The goals of this program are to evaluate potentially contaminated sites, compel potentially responsible parties to implement cleanups where necessary, and meet pre-determined milestones at each of the ongoing cleanups.

Ohio EPA's five district offices and central office participate in cleanup oversight activities. Program operations include investigations, feasibility studies, remedial (cleanup) design, remedial action, enforcement, and, if necessary, actual operation and maintenance of hazardous waste sites. At state-designated sites, Ohio EPA provides direct oversight over responsible parties and their technical consultants. At federal Superfund sites, U.S. EPA generally takes the lead role. Comprehensive cleanup has been completed at 17 state sites and 38 federal sites. Interim actions to address immediate threats are complete at 29 additional sites. In FY 2004, 77 investigations or cleanup projects were underway at another 40 sites.

The RR program also includes the Orphan Drum recovery program and Radiation Safety. The Orphan Drum recovery program evaluates, collects, and effectuates proper disposal of abandoned drums containing unknown and potentially hazardous materials. This program addresses more than 100 abandoned/unknown small-scale incidents per year. Radiation Safety is a grant-funded program that prepares for potential emergencies related to nuclear power plants.

**Funding Source:** Federal grant money (Fund 3F3); the Hazardous Waste Cleanup Fund (Fund 505); enforcement orders (Fund 541); and nuclear utility assessment (Fund 644)

**Line Items:** The following line items are used to fund this program:

Line Item	FY 2006	FY 2007
FED 3F3 715-632, Federally Supported Cleanup & Response	\$1,334,492	\$1,319,492
SSR 505 715-623, Hazardous Waste Cleanup	\$7,912,607	\$7,912,607
SSR 541 715-670, Site Specific Cleanup	\$33,000	\$34,650
SSR 644 715-631, ER Radiological Safety	\$286,114	\$286,114
<b>Program Total</b>	<b>\$9,566,213</b>	<b>\$9,552,863</b>

**Implication of Executive Recommendation:** Recommended funding is \$9,566,213 in FY 2006 and \$9,552,863 in FY 2007. Funding at the recommended levels will allow for the continuation of services at FY 2005 levels.

**Temporary and Permanent Law Provisions:** There are no temporary or permanent law provisions affecting this program.

**Program 02.05, Office of Federal Facilities Oversight**

**Program Description:** The Office of Federal Facilities Oversight (OFFO) provides oversight to the investigation, cleanup, and reuse of U.S. Department of Energy (DOE) and Department of Defense (DOD) sites in Ohio. Components of this program include technical oversight; maintaining working relationships with the DOE, DOD, and other regulators and stakeholders; active environmental monitoring; accelerating the cleanup process; public involvement; and cleanup levels based on future land uses. Through this program federal cleanup sites receive proper oversight and monitoring to ensure that they are safe for specific future use.

All funding for the OFFO is received from federal grants that are a result of consent decrees and numerous legal agreements. Federal cost recovery grants exist for each of the following DOE sites in Ohio: Fernald, Mound, and Portsmouth. Additional funding for 34 current and former DOD sites is received through the Defense/State Memorandum of Agreement. These sites include active installations, Base Closure and Realignment installations, and several Formerly Used Defense sites. A Cooperative Agreement has been established with the U.S. Army Corps of Engineers for the Formerly Utilized Sites Remedial Action Program (FUSRAP) to clean up privately owned sites that were once used by the government as part of the Manhattan Project in the 1940s and for early weapons production and research in the 1950s. Currently, Ohio has two active FUSRAP investigations/cleanups underway at Luckey Beryllium and Diamond Magnesium.

**Funding Source:** Federal grant moneys (Fund3K4 and Fund 3N4)

**Line Items:** The following line items are used to fund this program:

Line Item	FY 2006	FY 2007
FED 3K4 715-634, DOD Monitoring and Oversight	\$1,450,333	\$1,450,333
FED 3N4 715-657, DOE Monitoring and Oversight	\$3,181,736	\$3,231,963
<b>Program Total</b>	<b>\$4,632,069</b>	<b>\$4,682,296</b>

**Implication of Executive Recommendation:** Recommended funding is \$4,632,069 in FY 2006 and \$4,682,296 in FY 2007. Funding at the recommended levels will allow for the continuation of FY 2005 service levels, enabling this program to continue to ensure that federal cleanup sites receive proper oversight and monitoring.

Projects undertaken by the Office of Federal Facilities Oversight represent major ongoing cleanups. Some of these cleanups are projected by Ohio EPA to be completed within the next two years. If this happens, total staff in this program area will decrease. There will not, however, be a complete phase out of staff. Federal funding is provided by site; therefore, as site cleanups are completed, federal funding for that site will be phased out. It is difficult to predict exactly how much funding and how many staff will be phased out; however, funding and work remaining will remain in proportion to each other. Thus, funding will allow for sufficient staff to carry out the remainder of the cleanups.

**Temporary and Permanent Law Provisions:** There are no temporary or permanent law provisions affecting this program.

**Program 02.06, Office of Special Investigations**

**Program Description:** The Office of Special Investigations (OSI) conducts investigations into alleged environmental violations that potentially involve criminal activities. These include activities such as the burial of solid or hazardous waste, unpermitted discharges of industrial waste, illegal bypassing of wastewater treatment systems, falsification of wastewater and drinking water documents, illegal hazardous waste abandonment, and emissions of air pollutants from open burns. OSI is unique in that it is the only group within the Ohio EPA expressly formed to handle complex environmental criminal investigations. These investigations often result in criminal sanctions against responsible individuals or companies.

**Evidence Response Team (ERT).** OSI personnel comprise Ohio EPA's newly formed Weapons of Mass Destruction (WMD) Evidence Response Team (ERT). The ERT has the ability to respond to potential WMD events anywhere in the state. The primary role of the ERT will be to assist lead response agencies, including the Federal Bureau of Investigations, local first responders, and U.S. EPA, in the entry and processing of a WMD crime scene to secure evidence and assess environmental impacts as a result of the incident. The ERT members are trained to respond to chemical, biological, and nuclear events.

Since its inception in 1984, OSI has developed hundreds of cases resulting in over 225 convictions involving intentional or reckless violations of Ohio's laws and regulations. Typically, OSI has an open caseload of approximately 100 criminal investigations. In addition, OSI has 35 completed investigations referred to prosecutors awaiting resolution. OSI is primarily a reactive program responding to division referrals and a wide variety of complaints from many sources. As each new case is received it is evaluated in coordination with the Bureau of Criminal Investigation, the Office of the Attorney General, and U.S. EPA to determine if the allegations are criminal in nature. Investigations are conducted utilizing a team approach, bringing in expertise from state, local, and federal resources.

**Funding Source:** Unlike most Ohio EPA divisions, the OSI is not bound to any particular program area. As such, the OSI receives funding from six divisions within Ohio EPA that have regulatory authority under which OSI conducts investigations. Each division's contribution to OSI is determined by analyzing cost breakdowns based on OSI casework and administrative expenses and deposited into the Hazardous Waste Facility Cleanup Fund (Fund 505). The Office also receives federal grant moneys (Fund 3F3).

**Line Items:** The following line items are used to fund this program:

Line Item	FY 2006	FY 2007
FED 3F3 715-632, Federally Supported Cleanup & Response	\$200,000	\$200,000
SSR 505 715-623, Hazardous Waste Cleanup	\$1,339,028	\$1,339,028
<b>Program Total</b>	<b>\$1,539,028</b>	<b>\$1,539,028</b>

**Implication of Executive Recommendation:** Recommended funding is \$1,539,028 in both FYs 2006 and 2007. Funding at the recommended levels will allow for the continuation of FY 2005 service levels.

**Temporary and Permanent Law Provisions:** There are no temporary or permanent law provisions affecting this program.

**Program Series 3**

**Hazardous Waste Management**

**Purpose:** The mission of the Division of Hazardous Waste Management is to improve the environment and therefore the health of Ohio’s citizens by promoting pollution prevention and the proper management and cleanup of hazardous wastes.

The following table shows the line items that are used to fund the Hazardous Waste Management program, as well as the Governor’s recommended funding levels.

<b>Fund</b>	<b>ALI</b>	<b>Title</b>	<b>FY 2006</b>	<b>FY 2007</b>
<b>General Revenue Fund</b>				
GRF	723-321	Hazardous Waste	\$25,212	\$0
<b>General Revenue Fund Subtotal</b>			<b>\$25,212</b>	<b>\$0</b>
<b>State Special Revenue Fund</b>				
4P5	715-654	Cozart Landfill	\$149,728	\$149,728
5BC	715-675	Hazardous Waste	\$75,635	\$100,847
503	715-621	Hazardous Waste Facility Management	\$11,270,231	\$11,711,473
<b>State Special Revenue Fund Subtotal</b>			<b>\$11,495,594</b>	<b>\$11,962,048</b>
<b>Federal Special Revenue Fund</b>				
354	715-614	Hazardous Waste Management - Federal	\$4,203,891	\$4,203,891
<b>Federal Special Revenue Fund Subtotal</b>			<b>\$4,203,891</b>	<b>\$4,203,891</b>
<b>Total Funding: Hazardous Waste Management</b>			<b>\$15,724,697</b>	<b>\$16,165,939</b>

Funding at the recommended levels will support a total of 158.8 FTEs in the Division in both fiscal years, allowing for the continuation of FY 2005 service levels (158.8 FTEs). Funding for Hazardous Waste Management supports the following programs:

- **Program 03.01, Hazardous Waste Management**
- **Program 03.02, Cessation of Regulated Operations**

**Program 03.01, Hazardous Waste Management**

**Program Description:** The Hazardous Waste Management program implements Ohio's delegated hazardous waste management regulatory program under authority of Subtitle C of the federal Resource Conservation and Recovery Act of 1976 (RCRA) and its 1984 amendments; Chapter 3734. of the Revised Code; and Chapters 3745-50 through 59 and 65 through 69, 218, 248, 270, and 279 of the Ohio Administrative Code. The program, which was established in 1981, regulates facilities that generate, transport, treat, store, or dispose of hazardous waste. Hazardous waste is defined as waste that is toxic, ignitable, corrosive or reactive, or waste listed by name in state and federal law. The specific regulatory responsibilities of this program include: conducting compliance inspections; pursuing appropriate enforcement actions for non-compliance; responding to complaints; reviewing and approving closure/post-closure plans and corrective action plans and reports; and reviewing and issuing final action on renewal and modification permit applications. This program also oversees post-closure activities at Cozart Landfill near Athens, Ohio. This is done under agreement reached as a result of an enforcement action brought by the state against responsible parties, which established a trust fund for the closure and long-term post-closure care of the facility.

The Division of Hazardous Waste Management's universe of regulated facilities includes 44 permitted treatment, storage, and disposal facilities; 1,300 large quantity hazardous waste generators; 11,000 small quantity generators; and 25,000 conditionally exempt small quantity generators. There are over 450 facilities that are subject to RCRA corrective action requirements, 85 of which are high environmental priorities. The Division shares the corrective action universe workload with U.S. EPA.

In the current biennium, the Division adopted a new approach to the processing of renewal permit applications to help the Division achieve its goal of issuing an action on the renewal permit application by the time the permit has expired. In addition, during FY 2005 the Division eliminated much of its rule-making backlog.

**Funding Source:** Federal grant moneys (Fund 354); settlement moneys for the Cozart Landfill (Fund 4P5); and hazardous waste and solid waste fees (Fund 503)

**Line Items:** The following line items are used to fund this program:

Line Item	FY 2006	FY 2007
FED 354 715-614, Hazardous Waste Management – Federal	\$4,203,891	\$4,203,891
SSR 4P5 715-654, Cozart Landfill	\$149,728	\$149,728
SSR 503 715-621, Hazardous Waste Facility Management	\$11,270,231	\$11,711,473
<b>Program Total</b>	<b>\$15,623,850</b>	<b>\$16,065,092</b>

**Implication of Executive Recommendation:** Recommended funding is \$15,623,850 in FY 2006 and \$16,065,092 in FY 2007. Funding at the recommended level will support 157.8 FTEs in both fiscal years, allowing for the continuation of FY 2005 service levels (157.8 FTEs).

**Temporary and Permanent Law Provisions:** There are no temporary or permanent law provisions affecting this program.

### **Program 03.02, Cessation of Regulated Operations**

**Program Description:** Chapter 3752. of the Revised Code established the Cessation of Regulated Operations (CRO) program in 1996. The Division of Hazardous Waste Management began implementing the program in July 1999. Facilities that have threshold quantities of hazardous chemicals must ensure that they are properly sold, transferred, or disposed of when those facilities close. By properly managing these substances at the time of business closure, future potential cleanups can be avoided in the event of a release of hazardous substances to the environment. The CRO regulatory program serves to protect public health and the environment from businesses who close or abandon their properties by insuring that their hazardous substances are properly removed from the site and managed in a safe manner, thus avoiding spills, releases, or exposures. To this end, the CRO program provides a variety of compliance assistance, oversight, inspection (approximately 55 per year), and enforcement activities.

The universe of facilities subject to CRO requirements fluctuates in accordance with business decisions that are made on a daily basis. Typically, CRO conducts inspections at facilities that provide notification that they are ceasing their regulatory operations. Facilities receive letters of compliance when they have met CRO requirements, which help owners sell the properties being vacated, and ensure that the public is protected from abandoned hazardous chemicals.

**Funding Source:** GRF in FY 2006; solid waste tipping fees (Fund 5BC)

**Line Items:** The following line items are used to fund this program:

Line Item	FY 2006	FY 2007
GRF 723-321, Hazardous Waste	\$25,212	\$0
SSR 5BC 715-675, Hazardous Waste	\$75,635	\$100,847
<b>Program Total</b>	<b>\$100,847</b>	<b>\$100,847</b>

**Implication of Executive Recommendation:** Recommended funding is \$100,847 in each of FYs 2006 and 2007. Funding at the recommended level will support one FTE in both fiscal years, allowing for the same service levels as FY 2005 (one FTE). The allocation of staffing resources to administer this program is spread across numerous permanent staff in carrying out the program and is not dedicated to one staff person. The current economic climate in Ohio has contributed to an increase in business consolidations and closures, which has resulted in an increased workload in this program. With this level of funding, delays in responding to CRO-related situations are sometimes experienced. Further, lower priority activities may not be carried out in favor of more environmentally critical situations.

**Temporary and Permanent Law Provisions:** There are no temporary or permanent law provisions affecting this program.

**Program Series 4**

**Solid and Infectious Waste Management**

**Purpose:** The mission of the Division of Solid and Infectious Waste Management (DSIWM) is to protect human health and the environment through responsible regulation of solid and infectious waste supported by sound science and effective management.

The following table shows the line items that are used to fund Solid and Infectious Waste Management, as well as the Governor’s recommended funding levels.

Fund	ALI	Title	FY 2006	FY 2007
<b>State Special Revenue Fund</b>				
4K3	715-649	Solid Waste	\$13,453,133*	\$13,940,839*
660	715-629	Infectious Waste Management	\$160,000	\$100,000
4U7	715-660	Construction & Demolition Debris	\$586,797	\$582,305
4R5	715-656	Scrap Tire Management	\$6,000,000	\$6,000,000
<b>State Special Revenue Fund Subtotal</b>			<b>\$20,199,930</b>	<b>\$20,623,144</b>
<b>Total Funding: Solid &amp; Infectious Waste Management</b>			<b>\$20,199,930</b>	<b>\$20,623,144</b>

\*Amount does not reflect total funding because line item is used to fund the Pollution Prevention program in Program Series 8.

Funding at the recommended levels will support a total of 121.5 FTEs in the Division in both fiscal years, allowing for the continuation of FY 2005 service levels (121.5 FTEs). Funding for Solid and Infectious Waste Management supports the following programs:

- **Program 04.01, Solid Waste Management**
- **Program 04.02, Infectious Waste Management**
- **Program 04.03, Construction & Demolition Debris**
- **Program 04.04, Scrap Tire Management**

**Program 04.01, Solid Waste Management**

**Program Description:** Approximately 14.5 million tons of solid waste are disposed of annually in Ohio. The Solid Waste Management program was developed to ensure proper management of this waste and involves the oversight of 54 operating landfills, 57 transfer facilities, and 593 composting facilities. The program involves complex interactions and shared responsibilities among state and local governments, as well as private, residential, commercial, industrial, and institutional generators of solid waste.

Activities funded by the program include: solid waste planning; statutorily required review of permits, registrations, and licenses; inspections of different types of solid waste facilities; landfill siting and design plan approvals; statutorily required updates to the State Solid Waste Plan; review of local solid waste management district plans; review and oversight of the implementation of approved local plans; environmental monitoring; and enforcement of landfill operation, closure, and post-closure requirements. In addition, the Solid Waste Management program conducts inspection and enforcement activities to deter illegal dumping of solid waste and address the nuisances and fire and environmental hazards associated with improper disposal. Approved local health districts assist Ohio EPA in the administration of the Solid Waste Management program. In addition, single and joint-county solid waste management districts (SWMD) ensure that adequate solid waste management and disposal capacity is available within designated counties.

**Funding Source:** Solid waste tipping fees (Fund 4K3)

**Line Items:** The following line item is used to fund this program:

Line Item	FY 2006	FY 2007
SSR 4K3 715-649, Solid Waste	\$12,997,740	\$13,347,481
<b>Program Total</b>	<b>\$12,997,740</b>	<b>\$13,347,481</b>

**Implication of Executive Recommendation:** Recommended funding is \$12,997,740 in FY 2006 and \$13,347,481 in FY 2007. Funding at the recommended levels will allow for the continuation of services at FY 2005 levels.

**Operator Certification Program.** During the past year, the Division has been gathering information on options for developing the Operator Certification program. Based on its research, the Division anticipates it will begin developing the program by the end of FY 2005, which will include drafting Ohio Administrative Code (OAC) rules, and will begin implementation during the coming biennium, based on when the OAC rules are effective. This will be a program that will require regular updates over time to ensure inclusion of any regulatory changes that may occur and to meet the regulatory requirement to certify participants every three years.

In FYs 2004-2005, a solid waste fee increase was approved. Because of this increase, there is adequate cash available to fund this program at existing service levels. No further fee increases for this program are planned in the coming biennium.<sup>3</sup>

**Permanent Law Provisions:**

**R.C. 3734.57**

This section establishes a new fee of \$1.75 that will be used to support Ohio EPA programs and of \$1.00 that will be used to support the Ohio Department of Natural Resources' recycling and litter prevention program. This provision is expected to generate \$25.2 million for Ohio EPA. Amendments to this section also extend from June 30, 2006, to June 30, 2008, the expiration date of the fee on the disposal of solid waste that is deposited into the Solid Waste Fund (Fund 4K3) and expand the purposes for which moneys in this fund may be used by allowing it to provide compliance assistance to small businesses through the Pollution Prevention program within the Office of Compliance Assistance and Pollution Prevention.

This section also continues the requirement that owners and operators of solid waste facilities submit a monthly return indicating the total tonnage of solid waste received for disposal and the total amount of the fees collected and retains the time frame within which the return must be submitted, but it specifies that the return must be filed each month and that the return must indicate the total tonnage of solid waste received for disposal during that month and the total amount of fees required to be collected during that month. In addition, the section specifies that the amount of fees required to be collected must equal the total tonnage of solid waste received for disposal at the gate of a facility multiplied by the fees.

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<sup>3</sup> While the new Environmental Protection Fee is a fee on solid waste disposal, its revenue will not be used to fund Fund 4K3 or this program.

The section also establishes a discount for the timely submission of a return of fees. The owner or operator of a facility may retain a discount of three-fourths of 1% of the total amount of fees that are required to be paid as indicated on the return. Also, the section states that late submission of the return and fees results in a loss of the three-fourths of 1% timely payment discount and a charge of 10%, rather than 50%, of the amount of the fees for each month the fees are late.

**Program 04.02, Infectious Waste Management**

**Program Description:** The Infectious Waste Management program, which is governed by Chapter 3734. of the Revised Code, regulates the generation, treatment, packaging, storage, transportation, and disposal of infectious waste in the state. Its regulated community includes 2,934 infectious waste generators, 70 transporters, and 80 treatment facilities. The primary objective of the program is implementation of the statutory requirements for infectious waste generators' identification, segregation and labeling of infectious wastes, containment suitable to minimize potential human exposure, and the transportation and treatment of wastes to render them non-infectious prior to disposal with solid wastes. Specific activities include processing of registrations, reviewing requests for approval of infectious waste alternative treatment technologies, and providing technical assistance to regulated entities. Ohio EPA shares compliance, monitoring, and enforcement authority, and a portion of license and registration fees, with local health districts. Ohio EPA also provides technical assistance to approved health districts and performs annual surveys to ensure programs are in compliance.

**Funding Source:** Solid waste tipping fees (Fund 4K3) and infectious waste registration fees (Fund 660)

**Line Items:** The following line items are used to fund this program:

Line Item	FY 2006	FY 2007
SSR 4K3 715-649, Solid Waste	\$312,264	\$394,976
SSR 660 715-629, Infectious Waste Management	\$160,000	\$100,000
<b>Program Total</b>	<b>\$472,264</b>	<b>\$494,976</b>

**Implication of Executive Recommendation:** Recommended funding is \$472,264 in FY 2006 and \$494,976 in FY 2007. Funding at the recommended levels will allow for the continuation of FY 2005 service levels.

***Permanent Law Provisions:***

**R.C. 3734.01, 3734.02, 3734.021, 3734.022, 3734.05.** These sections eliminate certain state requirements governing generators and transporters pertaining to shipping and packaging of infectious waste that must be included in rules adopted by the Director of Ohio EPA, and instead requires the Director to adopt rules that include standards established by the U.S. Department of Transportation under federal law; amends the definition of "infectious waste" by adding certain items to the list of "sharps"; and amends the definition of "infectious agent" by adding proteinaceous particles, prions, plasmids, and other genetic elements to the definition. There are no fiscal effects associated with these provisions.

**Program 04.03, Construction and Demolition Debris**

**Program Description:** The Construction and Demolition Debris (C&DD) program, which is governed by Chapter 3714. of the Revised Code, regulates the disposal of debris from construction and demolition

activities into licensed C&DD landfills. Approved local boards of health perform the licensing, inspection, and enforcement of C&DD facilities. These boards receive a portion of C&DD disposal fees to fund their activities. Ohio EPA provides ongoing technical assistance to approved local health districts and performs annual surveys to ensure programs are in compliance. In cases where no approved local board of health has jurisdiction, Ohio EPA performs all licensing, inspection, and enforcement activities associated with the C&DD program. There are currently 72 licensed C&DD facilities in Ohio, where approximately 14 million cubic yards of debris are disposed annually.

**Funding Source:** Solid waste tipping fees (Fund 4K3) and C&DD disposal fees (Fund 4U7)

**Line Items:** The following line items are used to fund this program:

Line Item	FY 2006	FY 2007
SSR 4K3 715-649, Solid Waste	\$143,129	\$198,382
SSR 4U7 715-660, Construction & Demolition Debris	\$586,797	\$582,305
<b>Program Total</b>	<b>\$729,926</b>	<b>\$780,687</b>

**Implication of Executive Recommendation:** Recommended funding is \$729,926 in FY 2006 and \$780,687 in FY 2007. In previous years, the C&DD program has relied heavily upon Fund 4K3 to support its activities. With the passage of Am. Sub. H.B. 432 by the 125th General Assembly and its associated fee changes, the Construction & Demolition Debris Fund (Fund 4U7) will now provide 77% of the funding for this program.

**C&DD Disposal Fee.** Scheduled to take effect April 15, 2005, Am. Sub. H.B. 432 replaces the C&DD facility license fee with C&DD disposal fees. This change in funding will provide more revenue for Ohio EPA and local health districts to carry out their responsibilities associated with the Construction and C&DD program.

Funding at the recommended level will allow for the continuation of current service levels, decrease the program's reliance on Fund 4K3, and provide adequate funding for local boards of health that are approved to carry out C&DD program activities. While fewer local health districts may opt to "give back" their regulation authority as a result of increased local funding, Ohio EPA does not project a reduction in the state costs of the C&DD program. As a result of this legislation, Ohio EPA will incur increased costs in administration and compliance and enforcement activities that would offset any decrease generated by health districts keeping their regulatory authority.

**Temporary and Permanent Law Provisions:** There are no temporary or permanent law provisions affecting this program.

**Program 04.04, Scrap Tire Management**

**Program Description:** The Scrap Tire Management program, which is governed by Chapter 3734. of the Revised Code, regulates scrap tire transportation, collection, storage, processing, and disposal. Local boards of health perform the licensing, inspection, and enforcement of scrap tire facilities and transporters. In cases where no approved local board of health has jurisdiction, Ohio EPA administers the Scrap Tire Management program. There are currently 32 scrap tire facilities, 7 mobile recovery facilities, and 71 scrap tire transporters in the state.

**Scrap Tire Abatement and Removal.** The DSIWM also manages contracts to abate scrap tire piles under the Scrap Tire Abatement and Removal program. The majority of funding for this program supports tire abatement projects. The Scrap Tire Abatement and Removal program uses criteria in the law to prioritize scrap tire sites based on threats to public health, safety, and the environment. Under the program, scrap tires are properly disposed of, recycled, or converted into energy. The program provides a supplement to ongoing efforts by Ohio EPA, local health departments, and local law enforcement officials to have scrap tire facility operators and those responsible for illegal tire stockpiling and tire disposal to clean up the problem sites that they have created. From FY 1998 through FY 2003 more than 22.8 million passenger tire equivalents (PTE) were processed at a cost of \$19 million. Since FY 2000, more than 12 million PTE have been processed from the Kirby Scrap Tire Facility in Wyandot County, which was one of the largest tire accumulations in the United States. This site had an accumulation of approximately 10 million to 20 million before commencement of abatement efforts.

In recent years, Ohio EPA has incurred costs for spraying mosquito-infested abandoned tire sites. Where possible, the Division of Solid and Infectious Waste Management is working with local counties and health districts to get sites sprayed. Spending for mosquito abatement at abandoned scrap tire sites is dependent on enforcement activities resulting in access to sites, mosquito type and population at the site, owner inability to pay for mosquito spraying, and length of abatement on the site. Since many cases which are projected to be abated in FYs 2006-2007 are still in enforcement, it is difficult to predict exactly how much Ohio EPA may spend on this activity in the coming biennium. The cost ranged from approximately \$31,000 in FY 2003 to \$48,000 in FY 2004. As of January 2005, \$28,500 has been spent on mosquito abatement in FY 2005.

Ohio EPA also supports the Market Development Grant program administered by the Ohio Department of Natural Resources with a yearly allocation of \$1 million.

**Funding Source:** \$1.00 fee on the sale of new tires and a portion of license and registration fees (Fund 4R5)

**Line Items:** The following line item is used to fund this program:

Line Item	FY 2006	FY 2007
SSR 4R5 715-656, Scrap Tire Management	\$6,000,000	\$6,000,000
<b>Program Total</b>	<b>\$6,000,000</b>	<b>\$6,000,000</b>

**Implication of Executive Recommendation:** Recommended funding is \$6,000,000 in each of FYs 2006 and 2007. Funding at the recommended levels will allow for the continuation of FY 2005 service levels.

**Permanent Law Provisions:**

**R.C. 3734.901.** This section extends the sunset of the fee on the sale of new tires from June 30, 2006, to June 30, 2011. This has the effect of authorizing Ohio EPA to continue collecting current fees; therefore, there is no new fiscal effect.

**R.C. 3734.9010.** This section reduces the amount of money that the Department of Taxation receives to pay the Department's costs in administering the fee on new tires that is used to fund the Scrap Tire Management program from 4% to 2%. As a result, Ohio EPA will receive 98% rather than 96% of the fee on new tire sales, resulting in slightly increased revenue in the Scrap Tire Management Fund (Fund 4R5).

Program Series 5

Drinking and Ground Waters

**Purpose:** The mission of the Division of Drinking and Ground Waters is to protect human health and the environment by characterizing and protecting ground water quality and ensuring Ohio’s public water systems provide adequate supplies of safe drinking water.

The following table shows the line items that are used to fund the Division of Drinking and Ground Waters, as well as the Governor’s recommended funding levels.

Fund	ALI	Title	FY 2006	FY 2007
<b>General Revenue Fund</b>				
GRF	718-321	Groundwater	\$273,437	\$0
GRF	721-321	Drinking Water	\$637,566	\$0
<b>General Revenue Fund Subtotal</b>			<b>\$911,003</b>	<b>\$0</b>
<b>State Special Revenue Fund</b>				
3T3	715-669	Drinking Water SRF	\$2,411,614	\$2,482,910
4J0	715-638	Underground Injection Control	\$438,285	\$458,418
4K5	715-651	Drinking Water Protection	\$7,202,901	\$7,492,035
5BC	715-673	Drinking Water	\$1,912,684	\$2,550,250
5BC	715-667	Groundwater	\$820,304	\$1,093,741
5H4	715-664	Groundwater Support	\$2,325,922	\$2,408,871
<b>State Special Revenue Fund Subtotal</b>			<b>\$15,111,710</b>	<b>\$16,486,225</b>
<b>Federal Special Revenue Fund</b>				
3K2	715-628	Clean Water Act 106	\$642,253*	\$642,253*
353	715-612	Public Water Supply	\$3,384,959	\$3,388,619
362	715-605	Underground Injection Control - Federal	\$111,874	\$111,874
<b>Federal Special Revenue Fund Subtotal</b>			<b>\$4,139,086</b>	<b>\$4,142,746</b>
<b>Total Funding: Drinking and Ground Waters</b>			<b>\$20,161,799</b>	<b>\$20,628,971</b>

\*Amount does not reflect total funding because line item is used to fund programs in Program Series 6.

Funding at the recommended levels will support a total of 182 FTEs in the Division in both fiscal years, allowing for the continuation of FY 2005 service levels (182 FTEs). Funding for Drinking and Ground Waters supports the following programs:

- **Program 05.01, Public Drinking Water Supply Supervision**
- **Program 05.02, Public Drinking Water System Plan Review**
- **Program 05.03, Drinking and Wastewater Operator Certification**
- **Program 05.04, Public Drinking Water Laboratory Certification**
- **Program 05.05, Ground Water Characterization and Protection**
- **Program 05.06, Underground Injection Control**
- **Program 05.07, Drinking Water Source Protection**
- **Program 05.08, Drinking Water Assistance Fund**

**Program 05.01, Public Drinking Water Supply Supervision**

**Program Description:** Ohio EPA has primary enforcement authority for implementing the federal Safe Drinking Water Act. The Division of Drinking and Ground Waters is responsible for oversight of Ohio's public water systems to ensure they comply with the federal and state drinking water laws and provide adequate supplies of safe drinking water. There are approximately 5,800 public water systems in Ohio. Approximately 90% of Ohioans receive the water they use for drinking, bathing, and cooking from a public water system. Each year, DDAGW staff review more than 100,000 water quality monitoring reports and inspect approximately 1,700 public water systems. Program responsibilities are increasing due to new requirements in the 1996 Amendments to the federal Safe Water Drinking Act and increased concerns about security.

Activities completed as a part of this program include: ensuring compliance with drinking water quality standards; performing sanitary surveys/site inspections; providing operational technical assistance; and responding to emergency conditions. Division staff conducted a total of 2,206 sanitary surveys in FY 2003. This is one of the most resource intensive activities of this program; however, these inspections are also one of the most beneficial activities performed by Division staff, particularly for medium and small public water systems, because of information collected and distributed during these visits. In addition, Division staff are responsible for establishing, distributing, and tracking monitoring schedules; verifying samples are taken during the proper time period and are analyzed for the proper contaminants; and evaluating results to determine whether concentrations exceed the maximum allowable level. Staff review and process nearly 25,000 sample submission reports for chemical contaminants annually. They also review approximately 50,600 sample submissions for bacterial analysis and 25,000 monthly monitoring reports for bacteriological, plant distribution, fluoride, and turbidity analyses per year. Ohio EPA must track and report all monitoring and compliance information to U.S. EPA quarterly. Compliance information is also reported back to the public water system, laboratories, the media, and the public.

**Funding Source:** GRF in FY 2006; federal grant moneys (Fund 353); public water system fees (Fund 4K5); and solid waste tipping fees (Fund 5BC)

**Line Items:** The following line items are used to fund this program:

Line Item	FY 2006	FY 2007
GRF 721-321, Drinking Water	\$555,170	\$0
FED 353 715-612, Public Water Supply	\$2,625,854	\$2,625,854
SSR 4K5 715-651, Drinking Water Protection	\$4,547,109	\$4,758,494
SSR 5BC 715-673, Drinking Water	\$1,665,499	\$2,220,675
<b>Program Total</b>	<b>\$9,393,632</b>	<b>\$9,605,023</b>

**Implication of Executive Recommendation:** Recommended funding is \$9,393,632 in FY 2006 and \$9,605,023 in FY 2007. Funding at the recommended levels will support 88.9 FTEs, allowing for the continuation of FY 2005 staffing levels (88.9 FTEs). The portion of new Fund 5BC funding (\$1.67 million in FY 2006 and \$2.22 million in FY 2007) is necessary to maintain current staffing levels.

Maintaining adequate staffing in the coming biennium will be critical. Ohio EPA predicts approximately 300 public water systems will not meet new regulatory requirements to meet standards for arsenic, surface

water treatment, and disinfection byproducts that go into effect in 2006. Many of these public water systems serve populations of less than 250 people. This represents a challenge for Ohio EPA to work with these systems to take necessary actions to return them to compliance or take enforcement action. Funding at recommended levels will allow the Division to address these challenges and to make needed upgrades to the drinking water information management system.

***Permanent Law Provisions:***

***R.C. 3745.11.*** This section extends from June 30, 2006, to June 30, 2008, the sunset of annual license fees for public water system licenses. This section also extends for two years the levying of higher fees, and the decrease of those fees at the end of the two years, for applications for permits, variances, and plan approvals. These provisions have the effect of authorizing Ohio EPA to continue collecting current fees; therefore, there is no new fiscal effect.

***R.C. 6109.21.*** This section extends from June 30, 2006, to June 30, 2008, the application fee for operating public water systems. This has the effect of authorizing Ohio EPA to continue collecting current fees; therefore, there is no new fiscal effect.

***Program 05.02, Public Drinking Water System Plan Review***

***Program Description:*** To maintain primary enforcement authority for the federal Safe Drinking Water Act (SWDA), Ohio must maintain a program to assure the design and construction of new or substantially modified public water systems facilities that are capable of compliance with state drinking water regulations. The Division of Drinking and Ground Waters engineering staff is responsible for reviewing and approving engineering plans for new and upgraded public water systems to ensure systems are designed and constructed to provide adequate quantities of safe drinking water. All 5,800 of Ohio's public water systems are required to meet plan approval requirements. Projects covered by these plans include construction of new treatment plants, modernization or improvements to existing treatment plants, water storage and distribution systems, surface water intake structures, and water supply wells. Division staff currently review approximately 1,600 sets of engineering plans annually. This number is expected to increase as public water systems have to make improvements to meet new treatment and water quality requirements resulting from the 1996 Amendments to the SDWA and subsequent state rules.

The Division of Drinking and Ground Waters staff also approves existing technologies for higher production rates and evaluates new and innovative treatment technologies that have not been previously approved in Ohio. Staff reviewed approximately 20 pilot and demonstration studies per year during FYs 2003 and 2004 to evaluate new technologies. The Division anticipates a significant increase in the need to evaluate new technologies over the next several years as new processes are proposed to meet new regulatory requirements resulting from the 1996 Amendments to the SDWA. In addition, many public water systems will be looking for new technologies to address the threat of biological or chemical terrorist attacks.

***Funding Source:*** GRF in FY 2006; public water system fees (Fund 4K5); and solid waste tipping fees (Fund 5BC)

**Line Items:** The following line items are used to fund this program:

Line Item	FY 2006	FY 2007
GRF 721-321, Drinking Water	\$40,002	\$0
SSR 4K5 715-651, Drinking Water Protection	\$1,408,229	\$1,463,683
SSR 5BC 715-673, Drinking Water	\$120,005	\$160,006
<b>Program Total</b>	<b>\$1,568,236</b>	<b>\$1,623,689</b>

**Implication of Executive Recommendation:** Recommended funding is \$1,568,236 in FY 2006 and \$1,623,689 in FY 2007. Funding at the recommended levels will allow for the continuation of FY 2005 service levels. At recommended funding levels Ohio EPA plans to secure the services of a contractor to help develop the revised standards for the approval of engineering plans for public drinking water systems. This is expected to result in enhanced quality of engineering plans and shorter review times.

**Permanent Law Provisions:**

**R.C. 3745.11.** This section extends for two years the levying of higher fees, and the decrease of those fees at the end of the two years, for plan approvals for public water systems. This has the effect of authorizing Ohio EPA to continue collecting current fees; therefore, there is no new fiscal effect.

**Program 05.03, Drinking and Wastewater Operator Certification**

**Program Description:** The Division of Drinking and Ground Waters is responsible for administering Ohio's program for the certification and re-certification of operators of water and wastewater facilities specified by the U.S. EPA under the Safe Drinking Water Act (SDWA). States that implement these guidelines receive more federal funding for their drinking water revolving loan programs. Ohio's current rules require that all community and nontransient, noncommunity public water systems and any transient noncommunity water system or a wastewater system serving 250 people or more be under the responsible charge of a certified operator of the appropriate class. Certified operators have to meet continuing education requirements to renew their certification. Approximately 1,500 current or prospective operators take an examination for certification each year. There are approximately 10,000 certified operators in Ohio with 4,842 operators certified in drinking water and 5,240 operators certified in wastewater.

Activities carried out under this program include: developing and providing training to current and prospective water and wastewater operators, preparing and conducting operator exams, reviewing exam applications, issuing and tracking operator certificates, recommending training courses for contact hour approval, evaluating and tracking operator compliance with continuing education requirements, and administering the Ohio EPA's Advisory Board of Examiners. The Board is primarily responsible for preparing and administering certification examinations.

**Funding Source:** GRF in FY 2006; federal grant moneys (Fund 353); public water system fees (Fund 4K5); and solid waste tipping fees (Fund 5BC)

**Line Items:** The following line items are used to fund this program:

Line Item	FY 2006	FY 2007
GRF 721-321, Drinking Water	\$11,268	\$0
FED 353 715-612, Public Water Supply	\$759,105	\$762,765
SSR 4K5 715-651, Drinking Water Protection	\$422,185	\$435,872
SSR 5BC 715-673, Drinking Water	\$33,802	\$45,066
<b>Program Total</b>	<b>\$1,226,360</b>	<b>\$1,243,703</b>

**Implication of Executive Recommendation:** Recommended funding is \$1,226,360 in FY 2006 and \$1,243,703 in FY 2007. Funding at the recommended levels will allow for the continuation of FY 2005 service levels. In addition, the recommended funding will enable Ohio EPA to spend a one-time federal grant to provide training and certify operators for Ohio's smallest public water systems.

In the FY 2004-2005 biennial budget, an increase in operator certification fees was approved. This increase allowed the program to become less reliant on GRF. No additional fee increases in this program area are proposed for the coming biennium.

***Permanent Law Provisions:***

**R.C. 3745.11.** This section extends for two years the levying of higher fees, and the decrease of those fees at the end of the two years, for applications and examinations for certification as operators of drinking and wastewater systems and eliminates a fee schedule within those fees that has expired. This has the effect of authorizing Ohio EPA to continue collecting current fees; therefore, there is no new fiscal effect.

**Program 05.04, Public Drinking Water Laboratory Certification**

**Program Description:** State and federal regulations require that all testing for compliance with public drinking water standards be performed by laboratories certified by the state or by U.S. EPA. To maintain primary enforcement authority for the federal Safe Drinking Water Act (SDWA), Ohio must have a program for certifying laboratories performing analyses of drinking water. The Laboratory Certification program is carried out through a Memorandum of Agreement (MOA) with the Ohio EPA Division of Environmental Services (DES).

The DES is Ohio's Primary Drinking Water Laboratory and is certified by U.S. EPA to conduct drinking water analyses. Specific activities conducted by DES for the Laboratory Certification program include: reviewing laboratory floor plans and survey applications, evaluating and certifying chemical and bacterial laboratories for the analysis of samples from public water systems, tracking public drinking water data, communicating with laboratory operators regarding new policies and procedures pertaining to drinking water analysis, preparing and submitting Quality Assurance Program Plans and Quality Management Plans to U.S. EPA, and developing and administering a microbiological and chemical Performance Evaluation program. Staff in the Division of Drinking and Ground Waters adopt rules, maintain lists of certified laboratories and provide that list to public water systems, provide data management and enforcement support, and monitor reporting compliance. The overall goal of this program is to improve the performance and data quality of laboratories providing services to public water systems through

improved compliance reviews and inspections, reviewing quality assurance plans, education, and enforcement.

**Funding Source:** GRF in FY 2006; public water system fees (Fund 4K5); and solid waste tipping fees (Fund 5BC)

**Line Items:** The following line items are used to fund this program:

Line Item	FY 2006	FY 2007
GRF 721-321, Drinking Water	\$31,126	\$0
SSR 4K5 715-651, Drinking Water Protection	\$634,931	\$641,127
SSR 5BC 715-673, Drinking Water	\$93,378	\$124,503
<b>Program Total</b>	<b>\$759,435</b>	<b>\$765,630</b>

**Implication of Executive Recommendation:** Recommended funding is \$759,435 in FY 2006 and \$765,630 in FY 2007. Funding at the recommended levels will support 0.3 FTE in both fiscal years in the Division of Drinking and Ground Waters and 5.5 FTEs in both fiscal years in the Division of Environmental Services, allowing for a continuation of FY 2005 service levels.

**Permanent Law Provisions:**

**R.C. 3745.11.** This section extends for two years the levying of higher fees, and the decrease of those fees at the end of the two years, for state certification of drinking water laboratories and laboratory personnel. This has the effect of authorizing Ohio EPA to continue collecting current fees; therefore, there is no new fiscal effect.

**Program 05.05, Ground Water Characterization and Protection**

**Program Description:** The Division of Drinking and Ground Waters (DDAGW) is responsible for characterizing ground water quality conditions, providing technical support to other divisions in Ohio EPA, and coordinating ground water monitoring and protection efforts with other state programs. Under this program, the Ohio EPA carries out the following activities: collecting, studying, and interpreting all available information, statistics, and data pertaining to ground water and surface water in coordination with other agencies of the state; collecting ground water quality samples; conducting studies to characterize ground water quality; identifying areas of known ground water contamination; and disseminating water resource information to the public. Additional effort is made to evaluate public water supply water quality data, identify impacted and threatened public water systems, and assess impacts of proposed drinking water regulations. A water quality data management system and other available technologies, including Geographic Information System technology, are used to collect, analyze, and summarize information characterizing ground water on statewide, regional, and site-specific bases. The Division also maintains the Ground Water Quality Monitoring Network to help characterize ground water quality for each major aquifer in Ohio. The Network currently includes approximately 212 wells at approximately 206 locations and performs approximately 340 inorganic and 175 volatile organic samples every year from the Network.

Through this program, DDAGW provides technical support on geologic and ground water-related issues to the Ohio EPA Divisions of Emergency and Remedial Response, Hazardous Waste Management, Solid and Infectious Waste Management, Surface Water, Environmental and Financial Assistance, and the

Office of Federal Facilities Oversight. By conducting all technical geologic and ground water-related work for the Ohio EPA, DDAGW ensures that efforts to protect, monitor, and remediate ground water at waste management sites are technically sound, consistent between divisions, and coordinated as appropriate with other state agencies. Consolidation of these activities avoids duplication of efforts and requires less overall staff than if each division hired its own staff to perform these functions.

**Funding Source:** GRF in FY 2006; federal grant moneys (Fund 3K2); solid waste tipping fees (Fund 5BC); and payments from other Ohio EPA divisions (Fund 5H4)

**Line Items:** The following line items are used to fund this program:

Line Item	FY 2006	FY 2007
GRF 718-321, Groundwater	\$263,686	\$0
FED 3K2 715-628, Clean Water Act 106	\$642,253	\$642,253
SSR 5BC 715-667, Groundwater	\$791,052	\$1,054,741
SSR 5H4 715-664, Groundwater Support	\$2,325,922	\$2,408,871
<b>Program Total</b>	<b>\$4,022,913</b>	<b>\$4,105,865</b>

**Implication of Executive Recommendation:** Recommended funding is \$4,022,913 in FY 2006 and \$4,105,865 in FY 2007. Funding at the recommended levels will allow for the continuation of FY 2005 service levels.

**Temporary and Permanent Law Provisions:** There are no temporary or permanent law provisions affecting this program.

**Program 05.06, Underground Injection Control**

**Program Description:** The Division of Drinking and Ground Waters (DDAGW) regulates, in accordance with Chapter 6111. of the Revised Code, the injection of sewage, industrial waste, hazardous waste, and other wastes into wells. Ohio EPA has been delegated primary enforcement authority for the regulation of Class I, Class IV, and Class V Underground Injection Control (UIC) wells under the federal Safe Drinking Water Act (SWDA).

A Class I UIC well is a well used for injection of fluids, either hazardous or nonhazardous, into geologic formations far below any underground source of drinking water. There are 12 Class I wells in Ohio. These wells are strictly regulated to prevent migration of injected fluids into an underground source of drinking water. Class V wells are a significant source of ground water contamination. They are typically shallow disposal systems used to place a variety of nonhazardous fluids below the ground surface into or above an underground source of drinking water. Examples of Class V wells include dry wells that collect surface water runoff; large capacity cesspools or septic systems; and industrial, commercial, and utility disposal wells. Over 15,000 Class V wells have been inventoried in Ohio. Ohio EPA estimates that there are 20,000-30,000 Class V underground injection wells in Ohio not included within the inventory. All Class IV wells are prohibited, as they inject hazardous materials into or above an underground source of drinking water. The DDAGW staff takes action to close these wells if they are discovered.

In March 2002, Ohio EPA adopted new federal requirements eliminating or reducing injection of waste from large capacity cesspools and motor vehicle waste disposal wells. The use of all large capacity cesspools and all motor vehicle waste disposal wells constructed after April 5, 2000 is now prohibited.

All existing cesspools must be closed by April 2005. Existing motor vehicle waste disposal wells are banned in drinking water protection areas within one year of the drinking water protection area being publicly designated. Owners of all other motor vehicle waste disposal wells will have until January 2007 to close their wells.

**Funding Source:** GRF in FY 2006; federal grant moneys (Fund 362); various fees for Class I UIC wells (Fund 4J0); and solid waste tipping fees (Fund 5BC)

**Line Items:** The following line items are used to fund this program:

Line Item	FY 2006	FY 2007
GRF 718-321, Groundwater	\$9,751	\$0
FED 362 715-605, Underground Injection Control – Federal	\$111,874	\$111,874
SSR 4J0 715-638, Underground Injection Control	\$438,285	\$458,418
SSR 5BC 715-667, Groundwater	\$29,252	\$39,000
<b>Program Total</b>	<b>\$589,162</b>	<b>\$609,292</b>

**Implication of Executive Recommendation:** Recommended funding is \$589,162 in FY 2006 and \$609,292 in FY 2007. Funding at the recommended levels will allow for the continuation of FY 2005 service levels. Reductions in this program would result in reduced inspections of permitted Class I injections wells to just once per year instead of twice and limited regulation of Class V wells to those with active permits. This would result in increased probability of contamination of Ohio's ground water resources.

**Temporary and Permanent Law Provisions:** There are no temporary or permanent law provisions affecting this program.

**Program 05.07, Drinking Water Source Protection**

**Program Description:** To help ensure the long-term availability of adequate supplies of safe drinking water, Ohio EPA is completing source water assessments of all 5,800 of Ohio's public water systems. The 1996 Amendments to the Safe Drinking Water Act (SWDA) require all states to adopt a Source Water Assessment and Protection (SWAP) program. Ohio's program was approved by U.S. EPA in October 1999. Under this program, staff must complete source water assessments of all public water systems that provide drinking water to homes, businesses, schools, and industry using both surface water and ground water sources. Within Ohio EPA, the Division of Drinking and Ground Waters (DDAGW) has lead responsibility and works in close cooperation with the Division of Surface Water to complete source water assessments. Results of the assessments are used to direct both local and state protection efforts. Ohio EPA provides direct assistance to public water systems in taking steps to prevent contamination and protect source waters and works with other regulatory programs to promote preferential recognition of source water protection areas.

This program also is responsible for implementation of the Wellhead Protection Program (WHP), which is also required under the federal SWDA. Ohio's WHP program was approved by U.S. EPA in May 1992. Wellhead Protection is a term that has been used in the past to describe source water protection for public water supply systems that use ground water. The WHP is designed to safeguard public drinking water supplies by preventing, detecting, and remediating ground water contamination in a zone around

public water supply wells or wellfields. Wellhead Protection plans are developed and implemented by local owners/operators of large community public water systems utilizing ground water.

**Funding Source:** Set-asides from the Drinking Water Assistance Fund Capitalization grants from U.S. EPA (Fund 3T3) and public water system fees (Fund 4K5)

**Line Items:** The following line items are used to fund this program:

Line Item	FY 2006	FY 2007
SSR 3T3 715-669, Drinking Water State Revolving Fund	\$1,344,655	\$1,384,947
SSR 4K5 715-651, Drinking Water Protection	\$190,447	\$192,859
<b>Program Total</b>	<b>\$1,535,102</b>	<b>\$1,577,806</b>

**Implication of Executive Recommendation:** Recommended funding is \$1,535,102 in FY 2006 and \$1,577,806 in FY 2007. Funding at the recommended level will allow for the continuation of FY 2005 service levels. This program also funds two FTEs in the Division of Surface Water to assist public water systems using surface water sources in the development and implementation of drinking water source protection plans and integration with watershed action plans.

In the current biennium, the program's primary focus was to complete source water assessment reports for Ohio's public water systems. Source water assessment reports have been completed for all of Ohio's community public water systems and progress is being made on completing non-community public water system reports. In FYs 2006-2007, DDAGW will begin to shift the program's primary focus from completing source water assessment reports to promoting and supporting development of protection initiatives. Recommended funding will go toward current service levels in providing assistance to community public water systems in development of local drinking water source protection plans and implementation of statewide protective strategies and completion of source water assessments for the remaining noncommunity public water systems.

**Temporary and Permanent Law Provisions:** There are no temporary or permanent law provisions affecting this program.

**Program 05.08, Drinking Water Assistance Fund**

**Program Description:** The 1996 Amendments to the federal Safe Drinking Water Act (SWDA) established a Drinking Water State Revolving Loan program to provide below-market rate loans for the planning, design, and construction of new or improved community and nonprofit non-community public water systems. The Division of Drinking and Ground Waters (DDAGW) works in cooperation with the Division of Environmental and Financial Assistance (DEFA) and the Ohio Water Development Authority to implement this program through administration of the Water Supply Revolving Loan Account. DEFA is responsible for loan administration, project planning, environmental review activities, and fund management. DDAGW is responsible for project engineering reviews and establishing program and project priorities.

The program has made over \$170 million in loans over the last three years. In FY 2004 alone, the program issued 17 loans totaling \$78.7 million. Ten of these loans were issued to small systems serving a population of fewer than 10,000. This loan program helps public water systems make needed infrastructure improvements to meet regulatory requirements.

**Funding Source:** Set-asides from the Drinking Water Assistance Fund Capitalization grants from U.S. EPA (Fund 3T3). The Water Supply Revolving Loan Account (WSRLA) program is funded through grants from the U.S. EPA with a 20% state match. The match is provided through state bonds. As authorized by section 6109.22 of the Revised Code, Ohio EPA sets aside 4% of the federal capitalization grants to provide for administration of the WSRLA.

**Line Items:** The following line item funds this program:

Line Item	FY 2006	FY 2007
SSR 3T3 715-669, Drinking Water State Revolving Fund	\$1,066,959	\$1,097,963
<b>Program Total</b>	<b>\$1,066,959</b>	<b>\$1,097,963</b>

**Implication of Executive Recommendation:** Recommended funding is \$1,066,959 in FY 2006 and \$1,097,963 in FY 2007. Funding at the recommended level will enable Ohio EPA to continue to provide service to public water systems with infrastructure funding needs at FY 2005 service levels.

**Temporary and Permanent Law Provisions:** There are no temporary or permanent law provisions affecting this program.

## Program Series 6

## Surface Water

**Purpose:** The mission of the Division of Surface Water is to protect, improve, and restore the integrity of all waters of the state. Ohio has a statewide goal for 80% of Ohio's rivers and streams to meet clean water goals by 2010.

The following table shows the line items that are used to fund the Division of Surface Water, as well as the Governor's recommended funding levels.

Fund	ALI	Title	FY 2006	FY 2007
<b>General Revenue Fund</b>				
GRF	717-321	Surface Water	\$2,224,683	\$0
GRF	725-321	Laboratory	304,086	\$0
<b>General Revenue Fund Subtotal</b>			<b>\$2,528,769</b>	<b>\$0</b>
<b>State Special Revenue Fund</b>				
4K4	715-650	Surface Water Protection	\$11,606,000	\$12,420,000
5BC	715-624	Surface Water	\$6,572,730	\$8,797,413
5BC	715-677	Laboratory	\$912,247	\$1,216,333
5N2	715-613	Dredge and Fill	\$30,000	\$30,000
699	715-644	Water Pollution Control Administration	\$750,000	\$750,000
<b>State Special Revenue Fund Subtotal</b>			<b>\$19,870,977</b>	<b>\$23,213,746</b>
<b>Federal Special Revenue Fund</b>				
3F4	715-633	Water Quality Management	\$710,000	\$710,000
3F5	715-641	Nonpoint Source Pollution Management	\$7,815,000	\$7,810,000
3J1	715-620	Urban Stormwater	\$706,000	\$710,000
3K2	715-628	Clean Water Act 106	\$4,081,592*	\$4,381,593*
3K6	715-639	Remedial Action Plan	\$320,000	\$319,000
352	715-611	Wastewater Pollution	\$525,000	\$530,000
<b>Federal Special Revenue Fund Subtotal</b>			<b>\$14,157,592</b>	<b>\$14,460,593</b>
<b>General Services Fund</b>				
199	715-602	Laboratory Services	\$1,078,348	\$1,083,574
<b>General Services Fund Subtotal</b>			<b>\$1,078,348</b>	<b>\$1,083,574</b>
<b>Total Funding: Surface Water</b>			<b>\$37,635,686</b>	<b>\$38,757,913</b>

\*Amount does not reflect total funding because line item is used to fund the Groundwater Characterization and Protection program in Program Series 5.

The Surface Water program series includes the divisions of Surface Water and Environmental Services. For the Division of Surface Water, recommended funding supports a total of 245.2 FTEs in FY 2006 and 248.2 FTEs in FY 2007, a slight increase in staffing above FY 2005 (242.2 FTEs). Recommended funding for the Division of Environmental Services supports 36.1 FTEs in each fiscal year, allowing for the continuation of FY 2005 service levels (36.1 FTEs). Funding implications for programs within the Surface Water program series are discussed in greater detail in the analyses that follow:

- **Program 06.01, Water Quality**
- **Program 06.02, Nonpoint Source Pollution Control**

- **Program 06.03, Storm Water Pollution Prevention**
- **Program 06.04, National Pollutant Discharge Elimination System**
- **Program 06.05, 401 Certification/Wetlands Permitting**
- **Program 06.06, Lake Erie Restoration and Resource Management**
- **Program 06.07, Wastewater Construction Plan Approvals**
- **Program 06.08, Analytical Laboratory Services**
- **Program 06.09, Laboratory Certification and Assistance**

**Program 06.01, Water Quality**

**Program Description:** Ohio EPA is required to operate Water Quality program components under Sections 303 and 305 of the federal Clean Water Act (CWA) and Chapter 6111. of the Revised Code. The Water Quality program includes the following major elements: establishing codified water quality standards into Ohio rules and regulations; monitoring and assessing the condition of Ohio's surface waters; Total Maximum Daily Load (TMDL) development; field response and investigation of pollution spills; performing data collection and risk assessment analysis for the issuance of Sport Fish Consumption Advisories; and addressing other complaints about surface water quality.

**Total Maximum Daily Load (TMDL) Program.** Ohio EPA is also required by the CWA to submit a list of impaired waters to U.S. EPA for approval, and the CWA requires that impaired water bodies be assessed and restored under the TMDL program. TMDLs are required by the CWA for all polluted waters and include monitoring water quality, quantifying pollutant loadings, and developing restoration plans. Where monitoring shows that the water is polluted, a TMDL project is completed. TMDLs specify the amount a pollutant needs to be reduced to meet water quality standards and provide the technical justifications for discharge permit limitations and non-regulatory pollution abatement work.

Establishing TMDLs is a highly resource-intensive activity for Ohio EPA. Currently, TMDL projects are underway in approximately 25% of Ohio's watersheds. Each TMDL takes about two and one-half years to develop and implement. More than two-thirds of Ohio's watersheds are listed as impaired, and it will be difficult for Ohio EPA to meet the U.S. EPA-required TMDL schedule by 2013.

**Funding Source:** GRF in FY 2006; federal grant moneys (Fund 3F4, Fund 3F5, and Fund 3K2); various surface water permit fees (Fund 4K4); solid waste tipping fees (Fund 5BC); and penalty moneys (Fund 699)

**Line Items:** The following line items are used to fund this program:

Line Item	FY 2006	FY 2007
GRF 717-321, Surface Water	\$722,800	\$0
FED 3F4 715-633, Water Quality Management	\$710,000	\$710,000
FED 3F5 715-641, Nonpoint Source Pollution Management	\$719,999	\$880,000
FED 3K2 715-628, Clean Water Act 106	\$1,830,000	\$1,830,000
SSR 4K4 715-650, Surface Water Protection	\$866,987	\$1,216,809
SSR 5BC 715-624, Surface Water	\$2,108,682	\$2,587,436
SSR 669 715-644, Water Pollution Control Administration	\$654,246	\$654,248
<b>Program Total</b>	<b>\$7,612,714</b>	<b>\$7,878,493</b>

**Implication of Executive Recommendation:** Recommended funding is \$7,612,714 in FY 2006 and \$7,878,493 in FY 2007. Funding at the recommended level will allow for an increase in services above FY 2005 levels. The proposed 401 certification fee increase in the Section 401 Certification/Wetlands Permitting program (see Program 06.05 in this section) will make that program more self-sufficient. As a result, the Environmental Protection Fund (Fund 5BC), the GRF replacement, will be less heavily relied upon for that program and will be used to a greater extent for this program. The additional Division of Surface Water staffing in the coming biennium will be dedicated to the Water Quality program.

**Ohio's Credible Data Act.** Additional funding will be used to address the requirements of Am. H.B. 43 of the 125th General Assembly, Ohio's Credible Data Act. Under this act, Ohio EPA is required to develop and administer a new water quality monitoring program for the classification and repository of credible data collected by other state agencies and third parties. As a part of this program, Ohio EPA is required to establish and maintain a computerized database or databases composed of all credible data in its possession and to make these data easily accessible to the public and other state agencies. While this presents large programmatic demands on Ohio EPA, no funding was made available through the legislation. However, funding in the proposed budget will allow Ohio EPA to respond to these increased demands.

**Impact of Recent Budget Cuts.** The Division of Surface Water historically has been more than 50% funded through GRF dollars (the most of any Ohio EPA division), with one-third of its staff supported by GRF. As a result, it has experienced budget reductions in recent years that have resulted in a decrease in the monitoring and assessment resources available. The overall impact has been a reduced capacity to assess conditions of Ohio's rivers and streams. Proposed additional funding in this area will also be used to monitor the condition of surface waters, determine the potential of waters to attain water quality goals, communicate findings to the public, and participate in restoration activities including TMDLs.

**Temporary and Permanent Law Provisions:** There are no temporary or permanent law provisions with fiscal effects on this program.

### **Program 06.02, Nonpoint Source Pollution Control**

**Program Description:** Nonpoint source pollution is currently considered to be the leading cause of surface water impairment in Ohio. It is defined as polluted runoff that reaches streams, rivers, lakes, and underground aquifers, most commonly from polluted rainwater and snowmelt coming off of farming, mining, and forestry operations, but also from individual home septic systems, construction sites, landfills, and urban streets and yards.

**Subgrant Program.** Ohio EPA's Nonpoint Source Pollution Control program is not a regulatory program. It is a subgrant program that passes federal funds to local governments, universities, and environmental groups for the implementation of nonpoint source pollution management plans. These local entities match the funding and use it to control nonpoint source pollution and create watershed restoration plans in support of nonpoint source pollution management. Ohio receives over \$7 million in federal Section 319 funding annually. Approximately \$5.3 million is passed through to local and state agencies, universities, and watershed groups, resulting in 80 to 100 multi-year projects active at any given time. Ohio EPA provides technical and fiscal oversight to ensure proper environmental progress and financial accountability. This program also conducts analyses of nonpoint source loadings to watersheds and works with partner agencies, such as the Department of Natural Resources, to coordinate resources for watershed planning and restoration.

Nonpoint source pollution control efforts support the Total Maximum Daily Load (TMDL) portion of the Water Quality program by aligning project activities with the TMDL schedule and/or TMDL watershed restoration strategies.

**Funding Source:** GRF in FY 2006; federal grant moneys (Fund 3F5); various surface water permit fees (Fund 4K4); solid waste tipping fees (Fund 5BC); and penalty moneys (Fund 699)

**Line Items:** The following line items are used to fund this program:

Line Item	FY 2006	FY 2007
GRF 717-321, Surface Water	\$155,089	\$0
FED 3F5 715-641, Nonpoint Source Pollution Management	\$7,095,001	\$6,930,000
SSR 4K4 715-650, Surface Water Protection	\$105,425	\$133,832
SSR 5BC 715-624, Surface Water	\$422,935	\$929,418
SSR 699 715-644, Water Pollution Control Administration	\$6,126	\$6,125
<b>Program Total</b>	<b>\$7,784,576</b>	<b>\$7,999,375</b>

**Implication of Executive Recommendation:** Recommended funding is \$7,784,576 in FY 2006 and \$7,999,375 in FY 2007. Funding at the recommended level represents a slight decrease, based on revised estimates of federal funding Ohio EPA expects to receive. Ohio EPA expects no significant impacts on the program as a result of this slight decrease in expected federal funding.

**Temporary and Permanent Law Provisions:** There are no temporary or permanent law provisions affecting this program.

### **Program 06.03, Storm Water Pollution Prevention**

**Program Description:** Although the Division of Surface Water (DSW) budgets the Storm Water Pollution Prevention program separately as its own program for management purposes, it is part of the Clean Water Act National Pollutant Discharge Elimination System (NPDES) permit program. The Storm Water Pollution Prevention program regulates the discharge of storm water into Ohio streams through permitting, compliance, enforcement, and technical assistance at over 16,000 sites. Discharges are controlled through the implementation of land management and treatment practices from municipalities, construction activities, and certain industrial facilities. This program is implemented under a two-phase approach. Phase I of the Storm Water program requires storm water permits for the larger municipalities and construction sites. Phase II, implemented in 2003, extends regulatory requirements to smaller urban areas and construction sites.

Ohio EPA regulates storm water discharges on a statewide basis using five general permits for specific types of storm water discharges. Dischargers seek coverage under the appropriate general permit through submission of a Notice of Intent (NOI) committing to comply with permit requirements. DSW staff prepare rules and permits for program implementation; review storm water management plans; conduct inspections to determine compliance with the general permits; provide technical assistance to permittees and their representatives; initiate enforcement as necessary; perform education and outreach; coordinate with other programs within and outside of Ohio EPA; and process thousands of NOIs annually. As a part of implementing Phase II of the Storm Water program, DSW staff provides education, guidance, and technical assistance to small municipalities and small construction sites.

In FYs 2006-2007, DSW staff will assist local governments in developing local construction and post-construction programs in accordance with U.S. EPA Phase II program requirements. This effort will enable Ohio EPA to delegate the construction plan review, inspection, and enforcement responsibility to local governments.

**Funding Source:** GRF in FY 2006; federal grant moneys (Fund 3J1 and Fund 3K2); various surface permit fees (Fund 4K4); solid waste tipping fees (Fund 5BC); and penalty moneys (Fund 699)

**Line Items:** The following line items are used to fund this program:

<b>Line Item</b>	<b>FY 2006</b>	<b>FY 2007</b>
GRF 717-321, Surface Water	\$62,177	\$0
FED 3J1 715-620, Urban Stormwater	\$6,000	\$15,000
FED 3K2 715-628, Clean Water Act 106	\$0	\$135,000
SSR 4K4 715-650, Surface Water Protection	\$1,381,638	\$1,290,586
SSR 5BC 715-624, Surface Water	\$186,529	\$250,384
SSR 699 715-644, Water Pollution Control Administration	\$9,500	\$9,500
<b>Program Total</b>	<b>\$1,645,844</b>	<b>\$1,700,470</b>

**Implication of Executive Recommendation:** Recommended funding is \$1,654,844 in FY 2006 and \$1,700,470 in FY 2007. Funding at recommended levels will provide for a continuation of current service levels.

**Temporary and Permanent Law Provisions:** There are no temporary or permanent law provisions affecting this program.

**Program 06.04, National Pollutant Discharge Elimination System (NPDES)**

**Program Description:** The National Pollutant Discharge Elimination System (NPDES) is a broad, federally mandated permitting program that regulates point sources of pollution to waters of the state. The program applies to both direct dischargers (municipalities and industries) that discharge directly to surface waters, and to pretreatment dischargers that discharge to public sewer systems. For both programs, Ohio must issue permits and ensure compliance with those permits. Permit issuance involves detailed technical analyses, public participation, evaluation of self-monitoring reports, periodic facility inspections, and enforcement actions when necessary.

This program establishes discharge limits for over 3,000 wastewater treatment facilities. Facilities that discharge directly to waters of the state include 293 major facilities with flows up to approximately 200 million gallons per day with the potential to significantly impact water quality, and another 2,700 minor facilities with flows less than 1 million gallons per day. In addition, there are up to several thousand small facilities that discharge less than 5,000 gallons per day that are neither covered by permit nor inspected because of inadequate staff resources. In the pretreatment program, Ohio regulates 165 industries directly and 103 communities that run their own pretreatment programs. In FY 2004, the NPDES permit backlog was eliminated.

**Operator Assistance, Sewage Sludge, and Wet Weather Programs.** Also included in the NPDES program are the Operator Assistance program, the Sewage Sludge program, and Wet Weather program.

The Operator Assistance program provides technical assistance to small permitted communities to help them improve the operation of their wastewater treatment plans. The Sewage Sludge component regulates the disposal of sewage sludge generated from the treatment of municipal wastewater. Ohio EPA awaits U.S. EPA approval of its final rules package, at which point Ohio EPA will have sole authority to regulate sewage sludge in Ohio.

The Wet Weather program regulates discharges from municipal sewer systems that result from storm flows surcharging and overflowing municipal sewer systems. Storm overflows are a major public health concern because they contain high levels of bacteria and other pollutants and are a major source of aquatic life impairment. Ohio has a large number of communities with overflows that need to be addressed, including 89 communities with combined sewers that were designed originally to overflow during storm events. A challenge facing the NPDES program in the coming biennium is working with Ohio cities and industries to control discharges from Combined Sewer Overflows in the development and review of Long Term Control Plans. The Division of Surface Water will receive about 40 Long Term Control Plans for review and approval in the coming biennium. These plans are complex, span long time frames, and call for municipal infrastructure investment of several billion dollars statewide.

**Funding Source:** GRF in FY 2006; federal grant moneys (Fund 3J1 and Fund 3K2); various surface water permit fees (Fund 4K4); solid waste tipping fees (Fund 5BC); and penalty moneys (Fund 699)

**Line Items:** The following line items are used to fund this program:

Line Item	FY 2006	FY 2007
GRF 717-321, Surface Water	\$567,748	\$0
FED 3J1 715-620, Urban Stormwater	\$700,000	\$695,000
FED 3K2 715-628, Clean Water Act 106	\$1,840,000	\$2,005,001
SSR 4K4 715-650, Surface Water Protection	\$4,561,552	\$4,810,274
SSR 5BC 715-624, Surface Water	\$1,703,241	\$2,260,334
SSR 699 715-644, Water Pollution Control Administration	\$43,123	\$43,125
<b>Program Total</b>	<b>\$9,415,664</b>	<b>\$9,813,734</b>

**Implication of Executive Recommendation:** Recommended funding is \$9,415,664 in FY 2006 and \$9,813,734 in FY 2007. Funding at the recommended levels will allow for the continuation of current service levels.

**Permanent Law Provisions:**

**R.C. 3745.11.** Amendment of this section extends for two years the sunset of the annual discharge fees for holders of NPDES permits. This section also extends for two years the levying of higher fees, and the decrease of those fees at the end of the two years, for applications for permits, variances, and plan approvals. These provisions have the effect of authorizing Ohio EPA to continue collecting current fees; therefore, there is no new fiscal effect.

**Program 06.05, Section 401 Certification/Wetlands Permitting**

**Program Description:** The 401 Certifications/Wetlands Permitting program regulates certain activities in wetlands and streams, such as dredging, relocation of streams, and the filling of wetlands. The waters

addressed by this program include those that fall under the jurisdiction of the Clean Water Act (CWA) and are regulated through the 401 water quality certifications, as well as those wetlands that are isolated from waters of the United States and are regulated through the State of Ohio Isolated Wetlands Permits. The 401 Certification and Wetlands program issues approximately 200 permits annually to private citizens, commercial developers, local communities, the Ohio Department of Transportation (ODOT), and the U.S. Army Corps of Engineers, among others. The issuance of these permits allows the Division of Surface Water to regulate the permitted activities, thereby lessening their impact on the environment. The program also includes wetlands research, which provides technical development for the permitting program and the scientific basis for continuing improvements in wetlands monitoring and assessment procedures used by Ohio EPA.

**Funding Source:** GRF in FY 2006; federal grant moneys (Fund 352); various surface water permit fees (Fund 4K4); solid waste tipping fees (Fund 5BC); isolated wetland permit fees (Fund 5N2); and penalty moneys (Fund 699)

**Line Items:** The following line items are used to fund this program:

Line Item	FY 2006	FY 2007
GRF 717-321, Surface Water	\$129,087	\$0
FED 352 715-611, Wastewater Pollution	\$525,000	\$530,000
SSR 4K4 715-650, Surface Water Protection	\$706,831	\$708,469
SSR 5BC 715-624, Surface Water	\$387,259	\$562,146
SSR 5N2 715-613, Dredge and Fill	\$30,000	\$30,000
SSR 699 715-644, Water Pollution Control Administration	\$7,500	\$7,499
<b>Program Total</b>	<b>\$1,785,677</b>	<b>\$1,838,114</b>

**Implication of Executive Recommendation:** Recommended funding is \$1,785,677 in FY 2006 and \$1,838,114 in FY 2007. Funding at this level will allow the Section 401 Certification/Wetlands Permitting program to maintain current service levels. Specifically, Ohio EPA estimates that 100% of the applications received will be processed within the required timeframes.

**Proposed Fee Change.** Included in the executive recommendation is a Section 401 certification application fee increase and the addition of review fees for Section 401 certifications (described in greater detail in the Overview). Unlike other permitting programs in the Division of Surface Water, the 401 certification program currently receives less than 1% of its funding from fees. The proposed fees are expected to generate \$800,000 per year to fund this program, bringing the source of funding for the program in line with other permitting programs. The proposed fee will reduce the program's reliance on other funds, allowing funds currently used to subsidize the 401 certification program to be used for the Water Quality program, and place most of the program costs on those receiving the certifications.

**Permanent Law Provisions:**

**R.C. 3745.114.** The enactment of this section establishes an application fee of \$200 for a section 401 water quality certification under this program; requires the payment of review fees of \$500 for each acre of wetland to be impacted, \$10 per linear foot of each stream to be impacted, and \$3 per cubic yard of dredged or fill material to be moved with respect to a lake; establishes caps on the total amount of the fee of \$5,000 for applications submitted by counties, townships, and municipal corporations and \$25,000 for all other applicants; requires fee proceeds to be credited to the Surface Water Protection Fund (Fund

4K4); and specifies that the fees do not apply to state agencies or to projects authorized by general or nationwide permits issued by the U.S. Army Corps of Engineers. The proposed fees are expected to generate approximately \$800,000 per year.

**Program 06.06, Lake Erie Restoration and Resource Management**

**Program Description:** The Lake Erie Restoration and Resource Management program implements the requirements of the bi-national Great Lakes Water Quality Agreement and the Great Lakes Critical Programs Act, an amendment to the Clean Water Act, with the overall goal of protecting and restoring Lake Erie and its watershed. The Ohio EPA component of these programs provides technical and coordination expertise to federal, state, and local partners on Lake Erie water quality protection efforts and restoration for near shore areas of significant environmental impairment. A major focus of this program is to protect and restore the Lake Erie areas of concern, which include Maumee, Black, Cuyahoga, and Ashtabula Rivers, through Remedial Action Plans (RAPs). The state has developed targets to track progress and measure when each of the areas of concern has had all impairments to beneficial use mitigated. The program works with public and private sectors on a bi-national Lake Erie Lakewide Management Plan (LaMP). The Lake Erie LaMP has established a future vision for the lake and is developing indicators to measure progress toward achieving that vision. The program also provides technical assistance to the Council of Great Lakes Governors' Priorities Task Force and the Ohio Lake Erie Commission.

**Funding Source:** GRF in FY 2006; federal grant moneys (Fund 3K6); various surface water permit fees (Fund 4K4); solid waste tipping fees (Fund 5BC); and penalty moneys (Fund 699)

**Line Items:** The following line items are used to fund this program:

Line Item	FY 2006	FY 2007
GRF 717-321, Surface Water	\$34,545	\$0
FED 3K6 715-639, Remedial Action Plan	\$320,000	\$319,000
SSR 4K4 715-650, Surface Water Protection	\$41,245	\$51,838
SSR 5BC 715-624, Surface Water	\$104,376	\$144,345
SSR 699 715-644, Water Pollution Control Administration	\$6,129	\$6,128
<b>Program Total</b>	<b>\$506,295</b>	<b>\$521,311</b>

**Implication of Executive Recommendation:** Recommended funding is \$506,295 in FY 2006 and \$521,311 in FY 2007. Funding at the recommended levels will allow for the continuation of current services.

**Temporary and Permanent Law Provisions:** There are no temporary or permanent law provisions affecting this program.

**Program 06.07, Wastewater Construction Plan Approvals**

**Program Description:** This program implements the Permit-to-Install (PTI) and Animal Feeding Operation requirements. The PTI program reviews and approves wastewater treatment and disposal systems for municipalities, industries, and commercial operations. Applicants must obtain a PTI prior to constructing a wastewater treatment or disposal system. This includes sewer extensions, treatment plants, pump stations, and storage tanks. More than 2,400 PTIs are issued annually under this program.

Animal feeding operations are required by state and federal law to obtain National Pollutant Discharge Elimination (NPDES) permits if they are of a certain size or they have discharges to surface waters. The Division of Surface Water conducts inspections, fieldwork, permitting, and enforcement related to the regulation of these operations. While Ohio EPA oversees the water quality issues related to all animal-feeding operations, the Ohio Department of Agriculture regulates the construction and operation of large animal feeding operations.

**Funding Source:** GRF in FY 2006; various surface water permit fees (Fund 4K4); solid waste tipping fees (Fund 5BC); and penalty moneys (Fund 699)

**Line Items:** The following line items are used to fund this program:

Line Item	FY 2006	FY 2007
GRF 717-321, Surface Water	\$553,237	\$0
SSR 4K4 715-650, Surface Water Protection	\$2,516,322	\$2,748,192
SSR 5BC 715-624, Surface Water	\$1,659,708	\$2,063,350
SSR 699 715-644, Water Pollution Control Administration	\$23,376	\$23,375
<b>Program Total</b>	<b>\$4,752,643</b>	<b>\$4,834,917</b>

**Implication of Executive Recommendation:** Recommended funding is \$4,752,643 in FY 2006 and \$4,834,917 in FY 2007. Funding at the recommended levels will allow for the continuation of current service levels.

***Permanent Law Provisions:***

***R.C. 3745.11.*** Amendment of this section extends from June 30, 2006, to June 30, 2008, the levying of higher fees, and the decrease of those fees at the end of the two years, for applications for plan approvals for wastewater treatment works. This has the effect of authorizing the Ohio EPA to continue collecting current fees; therefore, there is no new fiscal effect.

**Program 06.08, Analytical Laboratory Services**

**Program Description:** The Analytical Laboratory Services program, which is part of the Division of Environmental Services (DES), provides analyses of pollutants in matrices such as surface, drinking, and ground waters; wastewater effluents; sediment, soil, and sludge; manure; air filters and air canisters; and fish, plant, and turtle tissue. Analyses range from conventional pollutants such as metals and nutrients to tests for highly toxic organic chemicals, including herbicides, pesticides, and PCBs. The samples analyzed come from site-specific monitoring conducted by Ohio EPA field staff. Site-specific monitoring quantified by laboratory analyses identifies specific sources of known environmental problems and reveals problems that would otherwise go undetected.

The Analytical Laboratory Services program's primary customers are the divisions of Air Pollution Control, Drinking and Ground Waters, and Surface Water within Ohio EPA. The program also provides laboratory services to the divisions of Emergency and Remedial Response and Solid and Infectious Waste Management, as necessary, and provides limited services to other public entities that have analytical needs in keeping with the missions of Ohio EPA and the DES. Over the last eight years, the total number of samples received has averaged 8,000 annually. The total number of inorganic tests needed has grown during this period, reaching levels in excess of 140,000 in FYs 1999 and 2002 and 144,000 tests in

FYs 2001 and 2004. The number of organic scans and toxicity tests needed has declined slightly due to short-term shifts in programmatic priorities; however, on average over the last eight years more than 2,900 organic scans and 108 toxicity tests were provided annually.

**Funding Source:** GRF in FY 2006; payments from entities utilizing laboratory services (Fund 199); federal grant moneys (Fund 3K2); various surface water permit fees (Fund 4K4); and solid waste tipping fees (Fund 5BC)

**Line Items:** The following line items are used to fund this program:

Line Item	FY 2006	FY 2007
GRF 725-321, Laboratory	\$259,859	\$0
GSF 199 715-602, Laboratory Services	\$398,500	\$398,500
FED 3K2 715-628, Clean Water Act 106	\$411,592	\$411,592
SSR 4K4 715-650, Surface Water Protection	\$1,426,000	\$1,460,000
SSR 5BC 715-677, Laboratory	\$779,567	\$1,040,293
<b>Program Total</b>	<b>\$3,275,518</b>	<b>\$3,310,385</b>

**Implication of Executive Recommendation:** Recommended funding is \$3,275,518 in FY 2006 and \$3,310,385 in FY 2007. Funding at the recommended levels will allow for the continuation of current service levels. Specifically, proposed funding will allow the Division of Environmental Services to maintain its current sample capacity of 8,800 samples per year.

**New Laboratory Building.** The Division of Environmental Services plans to move to a new facility in FY 2006. The cost of this move (\$35,000) is covered in the recommended budget. The Division predicts an increase in income to the Laboratory Services Fund (Fund 199) once the move is completed, as the new facility will provide the space and proper air flow needed to handle the more hazardous samples collected by other Ohio EPA divisions that are currently sent to outside labs for analysis due to safety concerns in the current facility.

**Temporary and Permanent Law Provisions:** There are no temporary or permanent law provisions affecting this program.

**Program 06.09, Laboratory Certification and Assistance**

**Program Description:** This program conducts drinking water and Voluntary Action Program (VAP) laboratory certifications, performance audit inspections for the wastewater program, and training and technical assistance within and outside Ohio EPA. Under this program, drinking water laboratories are inspected and certified as having proper equipment, adequate facilities, and trained staff using proper analytical techniques. The Division of Environmental Services (DES) inspects and makes recommendations for VAP laboratories and assists in the development of rules and procedures for both the VAP and drinking water laboratory certification programs. Currently, approximately 350 drinking water laboratories and 21 VAP laboratories participate in the program.

DES also coordinates U.S. EPA's Discharge Monitoring Report-Quality Assurance (DMR-QA) proficiency testing program for wastewater laboratories in Ohio. Based on results of the DMR-QA, as well as requests from the Division of Surface Water, DES conducts performance audit inspections of wastewater laboratories used by the regulated community. DES inspects approximately 15 wastewater

laboratories used by the regulated community annually. DES also interacts extensively with laboratories throughout Ohio, providing technical assistance and on-site training.

**Funding Source:** GRF in FY 2006; payments from entities utilizing laboratory services (Fund 199); and solid waste tipping fees (Fund 5BC)

**Line Items:** The following line items are used to fund this program:

Line Item	FY 2006	FY 2007
GRF 725-321, Laboratory	\$44,227	\$0
GSF 199 715-602, Laboratory Services	\$679,848	\$685,074
SSR 5BC 715-677, Laboratory	\$132,680	\$176,040
<b>Program Total</b>	<b>\$856,755</b>	<b>\$861,114</b>

**Implication of Executive Recommendation:** Recommended funding is \$856,755 in FY 2006 and \$861,114 in FY 2007. Funding at the recommended levels will allow for the continuation of current service levels. Specifically, the proposed budget will cover approximately 500 inspections annually, and current standards for timeliness and quality will be maintained.

**Temporary and Permanent Law Provisions:** There are no temporary or permanent law provisions affecting this program.

**Program Series 7**

**Environmental Education**

**Purpose:** The mission of the Office of Environmental Education (OEE) is to provide accessible environmental education, support interdisciplinary environmental education in higher education, and maintain a credible and fair environmental grant program.

The following table shows the line items that are used to fund the Office of Environmental Education, as well as the Governor’s recommended funding levels.

Fund	ALI	Title	FY 2006	FY 2007
<b>State Special Revenue Fund</b>				
6A1	715-645	Environmental Education	\$1,500,000	\$1,500,000
<b>State Special Revenue Fund Subtotal</b>			<b>\$1,500,000</b>	<b>\$1,500,000</b>
<b>Total Funding: Environmental Education</b>			<b>\$1,500,000</b>	<b>\$1,500,000</b>

**Program 07.01, Environmental Education**

**Program Description:** The Office of Environmental Education (OEE) was created to enhance Ohio EPA's efforts to educate students, the general public, and the regulated community on environmental issues through administration of the Ohio Environmental Education Fund (OEEF). The OEEF uses half the air and water pollution penalties collected by Ohio EPA to provide approximately \$1 million in grants each year for environmental education projects targeting three audiences: pre-school through university students and teachers; the general public; and the regulated community, including small businesses and local government entities. The program provides 18 to 20 large grants (up to \$50,000 each) and 20 to 25 smaller grants (up to \$5,000 each) annually. The remainder of the budget supports partnerships to accomplish strategic education objectives, an environmental science and engineering scholarship program at Ohio universities, and operating expenses.

A major focus in recent years has been providing support to municipalities, county engineers' offices, and regional planning agencies working to meet unfunded federal mandates to provide public education on storm water management. Another current initiative seeks to increase the number of OEEF grants awarded in the 16 counties that have historically received fewer grants through targeted marketing and by providing technical assistance to applicants in these counties.

**Funding Source:** Air and water penalty moneys (Fund 6A1)

**Line Items:** 715-645, Environmental Education

**Implication of Executive Recommendation:** Recommended funding is \$1,500,000 in each of FYs 2006 and 2007. Funding at the recommended level will support 4 FTEs, allowing for the continuation of FY 2005 service levels (4 FTEs). The recommended budget also covers approximately 175 hours annually for Ohio EPA staff in other programs who provide technical assistance during the review of grant applications.

OEE revenues fluctuate significantly from year to year, based on the amount of penalties collected, from less than \$700,000 to more than \$2 million. OEE has a statutory \$1.5 million annual spending limit and strives to maintain a modest cash balance sufficient to ensure adequate oversight of multi-year grant projects during years of reduced revenues. In years of below-average revenues, such as FYs 2002-2003,

OEE's primary response is to reduce the number of new grants awarded in order to maintain stable funding for its multi-year partnership commitments.

***Temporary and Permanent Law Provisions:*** There are no temporary or permanent law provisions affecting this program.

**Program Series 8**

**Pollution Prevention and Compliance Assistance**

**Purpose:** The mission of Pollution Prevention and Compliance Assistance is to help Ohio businesses understand and comply with the environmental regulations that apply to them.

The following table shows the line items that are used to fund Pollution Prevention and Compliance Assistance, as well as the Governor’s recommended funding levels.

Fund	ALI	Title	FY 2006	FY 2007
<b>General Revenue Fund</b>				
GRF	724-321	Pollution Prevention	\$175,076	\$0
<b>General Revenue Fund Subtotal</b>			<b>\$175,076</b>	<b>\$0</b>
<b>State Special Revenue Fund</b>				
4K3	715-649	Solid Waste	\$347,244*	\$342,006*
4T3	715-659	Clean Air – Title V Permit Program	\$320,029*	\$329,274*
5BC	715-676	Assistance and Prevention	\$525,226	\$700,302
<b>State Special Revenue Fund Subtotal</b>			<b>\$1,192,499</b>	<b>\$1,371,582</b>
<b>Total Funding: Pollution Prevention</b>			<b>\$1,367,575</b>	<b>\$1,371,582</b>

\*Amounts do not reflect total funding because line items are used to fund programs in other program series.

**Program 08.01, Pollution Prevention**

**Program Description:** The Office of Compliance Assistance and Pollution Prevention (OCAPP) was created in FY 2005 and combines staff from the Small Business Assistance Office that previously focused on Central Ohio; the Division of Air Pollution Control's Small Business Assistance Program, which dealt only with air issues; and the Office of Pollution Prevention. The Pollution Prevention program provides free technical assistance to help Ohio businesses reduce pollution and/or return operations to compliance through on-site visits, telephone and e-mail consultations, and publications that explain environmental requirements to businesses that often cannot afford to hire environmental experts to interpret complex regulations. These services are free and confidential, helping businesses achieve compliance with environmental regulations; protect workers' health and safety; preserve natural resources; and reduce liability and the potential for violations or penalties. Information obtained by the Office is not shared with Ohio EPA inspection or enforcement staff.

**Funding Source:** GRF in FY 2006; solid waste tipping fees (Funds 4K3 and 5BC); and Title V fees (Fund 4T3)

**Line Items:** 724-321, Pollution Prevention; 715-649, Solid Waste; 715-659, Clean Air – Title V Permit Program; and 715-676, Assistance and Prevention

**Implication of Executive Recommendation:** Recommended funding is \$1,367,575 in FY 2006 and \$1,371,582 in FY 2007. Prior to the creation of the Office of Compliance Assistance and Pollution Prevention, the Pollution Prevention program funded 5 FTEs. Additional staff positions (approximately 11.5 FTEs) in the Pollution Prevention program were funded by the divisions of Air Pollution Control, Hazardous Waste Management, and Solid and Infectious Waste. Creation of the Office of Compliance Assistance and Pollution Prevention combined all of these positions into one program. Funding at the

recommended levels will support 17 FTEs in each fiscal year, allowing for the continuation of FY 2005 service levels.

***Permanent Law Provisions:***

**R.C. 3734.57**. This section specifies that a portion of solid waste disposal fees (Fund 4K3) may be used to provide compliance assistance to small businesses. The recommendation allows for \$347,244 in FY 2006 and \$342,006 in FY 2007 to be used for this program. Prior to the creation of the Office of Compliance Assistance and Pollution Prevention, GRF and federal grant moneys solely funded the Office of Pollution Prevention. However, the Division of Solid and Infectious Waste Management, which is partly funded by Fund 4K3, funded some positions within the Office of Pollution Prevention. This change will have minimal fiscal impact on Fund 4K3.

**Program Series 9**

**Environmental and Financial Assistance**

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**Purpose:** The mission of the Division of Environmental and Financial Assistance (DEFA) is to provide technical and financial assistance for implementable solutions to environmental needs.

The following table shows the line items that are used to fund the Division of Environmental and Financial Assistance, as well as the Governor’s recommended funding levels.

Fund	ALI	Title	FY 2006	FY 2007
<b>State Special Revenue Fund</b>				
676	715-642	Water Pollution Control Loan Administration	\$4,964,625	\$4,964,625
<b>State Special Revenue Fund Subtotal</b>			<b>\$4,964,625</b>	<b>\$4,964,625</b>
<b>Federal Special Revenue Fund</b>				
3F2	715-630	Revolving Loan Fund - Operating	\$152,021	\$293,129
<b>Federal Special Revenue Fund Subtotal</b>			<b>\$152,021</b>	<b>\$293,129</b>
<b>Total Funding: Environmental and Financial Assistance</b>			<b>\$5,116,646</b>	<b>\$5,257,754</b>

Recommended funding will support a total of 47 FTEs in the Division in both fiscal years, allowing for the continuation of FY 2005 service levels (47 FTEs). Funding for Environmental and Financial Assistance supports the following programs:

- **Program 09.01, Water Pollution Control Loan Fund (WPCLF)**
- **Program 09.02, Water Supply Revolving Loan Account (WSRLA)**
- **Program 09.03, Ohio Power Siting Board Reviews**

**Program 09.01, Water Pollution Control Loan Fund (WPCLF)**

**Program Description:** The Water Pollution Control Loan Fund (WPCLF) provides below-market interest rate loans for publicly owned wastewater treatment improvements, and for nonpoint source pollution control actions which implement the state's nonpoint source management program, including those identified in Ohio EPA's Total Maximum Daily Load (TMDL) analyses.

Since its inception in 1989, this program has awarded over \$3 billion in loans. In FY 2004, the WPCLF made 62 new low interest rate loans for over \$370 million to assist municipalities with making improvements to their wastewater treatment systems. The WPCLF provides 51% of all financing for public treatment works projects in Ohio. Surveys indicate that future improvements that are needed for municipal point sources of pollution are in excess of \$8 billion. The WPCLF also provided 64 low interest loans totaling over \$2.6 million through its agricultural linked deposit program. This assistance helps farmers to address nonpoint sources of pollution through implementation of agricultural best management practices, which address manure handling and runoff from cropping practices. Other loans went toward home sewage disposal systems and aquatic habitat protection and restoration. As combined sewer overflow controls have been emerging as major water quality improvement initiatives requiring significant financial resources for Ohio communities to implement, the WPCLF has responded. In FY 2004, the WPCLF awarded \$150 million in loan assistance to four recipients for wet weather control projects.

Included within the WPCLF budget are activities that are not funded through WPCLF administrative funds, but instead through the Division of Surface Water budget. These activities do not support WPCLF administration, but provide assistance for some of the same types of entities that are assisted through WPCLF. These activities include the Village Capital Improvements Fund, Comprehensive Performance Evaluations of Wastewater Facilities, Small Community Environmental Infrastructure Group Staff Support, Brownfields Partnership Group Participation, and Small Community Assistance. In addition, staff within this program provide engineering expertise to the Division of Surface Water for its program of assisting villages by providing comprehensive performance evaluations of their municipal wastewater treatment systems when requested.

**Funding Source:** Federal grant moneys (Fund 3F2) and annual interest on WPCLF loans (Fund 676)

**Line Items:** The following line items are used to fund this program:

Line Item	FY 2006	FY 2007
FED 3F2 715-630, Revolving Loan Fund – Operating	\$152,021	\$293,129
SSR 676 715-642, Water Pollution Control Loan Administration	\$4,552,125	\$4,539,625
<b>Program Total</b>	<b>\$4,704,146</b>	<b>\$4,832,754</b>

**Implication of Executive Recommendation:** Recommended funding is \$4,704,146 in FY 2006 and \$4,832,754 in FY 2007. Funding at the recommended levels will support 42 FTEs in both fiscal years, allowing for the continuation of FY 2005 service levels (42 FTEs).

In the coming biennium, emphasis will be placed on encouraging applicants to proceed with their project development activities in a timely manner. Administrative and financial support will be offered to entities that desire to implement the recommendations of Total Maximum Daily Load (TMDL) plans and local watershed plans. DEFA will also focus on the development of projects for small and low-income systems that will be participating in the upcoming principal subsidy program. With the increasing number of watershed plans, DEFA staff will devote more time to assisting the local implementation groups. This will mean a reduction in time available for responses to general outreach requests from other potential applicants.

A likely change for the upcoming biennium will be the addition of new program responsibilities for the administration of pass-through grants awarded by the U.S. Congress as special annual appropriations. These grants would be similar to the projects currently funded by the WPCLF and Water Supply Revolving Loan Account. Ohio EPA does not assume that the additional effort for this new program will be covered by the funding provided in the Governor's budget proposal. When the scope and requirements of the program are further identified, Ohio EPA may submit a separate funding request.

**Temporary and Permanent Law Provisions:** There are no temporary or permanent law provisions affecting this program.

**Program 09.02, Water Supply Revolving Loan Account (WSRLA)**

**Program Description:** This program provides below-market interest rate loans to municipalities and community water supply systems for improvements to address public health risks and to meet Safe Drinking Water Act standards. It is very similar in its structure and operation to the Water Pollution Control Loan Fund (WPCLF). There are a number of community water systems in Ohio, particularly

smaller systems, that need to replace aging treatment and distribution components in order to maintain a reliable, safe supply of drinking water. In addition, in the coming biennium there will be changes in drinking water standards that will reduce the allowable levels of certain substances, such as arsenic. Public water systems will be required to add treatment capability in order to meet the new standards. The availability of incentive financing will encourage the owners of public water systems to construct the necessary improvements. In FY 2004, the WSRLA provided over \$78.2 million in loan assistance. These below-market interest rate loans saved recipients over \$15.8 million in FY 2004, as compared to market interest rates. In FY 2005 up to \$128.2 million in loans will be made available.

The Division of Environmental and Financial Assistance (DEFA) administers this program jointly with the Division of Drinking and Ground Waters (DDAGW). DEFA is responsible for loan administration, project planning, environmental review activities, and fund management. DDAGW is responsible for project engineering reviews and establishing program and project priorities. Ohio EPA administers the WPCLF and WSRLA using the same DEFA staff. As needed to accomplish WSRLA work, DEFA staff resources are shifted from the WPCLF to WSRLA.

**Funding Source:** Annual interest on WPCLF loans (Fund 676)

**Line Items:** The following line item funds this program:

Line Item	FY 2006	FY 2007
SSR 676 715-642, Water Pollution Control Loan Administration	\$335,000	\$345,000
<b>Program Total</b>	<b>\$335,000</b>	<b>\$345,000</b>

**Implication of Executive Recommendation:** Recommended funding is \$335,000 in FY 2006 and \$345,000 in FY 2007. Funding at the recommended levels will support 4 FTEs in both fiscal years, allowing for the continuation of FY 2005 service levels (4 FTEs).

In the coming biennium, DEFA will work with DDAGW to refine the areas of emphasis for program assistance. This will include identifying small systems that are in need of assistance, as well as systems that will need to comply with new drinking water standards such as the new standard for arsenic. A special program to subsidize the principal portion of WSRLA assistance to benefit low-income communities is being developed and will be implemented during the coming biennium.

**Temporary and Permanent Law Provisions:** There are no temporary or permanent law provisions affecting this program.

### **Program 09.03, Ohio Power Siting Board Reviews**

**Program Description:** The Division of Environmental and Financial Assistance (DEFA) conducts and coordinates the field review and assessment of environmental impacts of projects submitted to the Ohio Power Siting Board (OPSB) for its approval. DEFA review of applications to the OPSB for construction of power utility facilities ensures that all relevant environmental factors are taken into account in OPSB's review of the applications, and that project modifications are recommended that will either reduce or avoid environmental impacts.

Electric utility and gas utility deregulation legislation adopted by the state legislature in the last several years has led to increased competition in these industries, with the result that additional facilities are being constructed by companies to enable them to compete with each other. Consequently, there has been

a significant increase in the number of applications submitted to OPSB. The average number of applications under review is 45 per year, which is significantly higher than earlier annual averages.

**Funding Source:** Annual interest on WPCLF loans (Fund 676)

**Line Items:** The following line item funds this program:

Line Item	FY 2006	FY 2007
SSR 676 715-642, Water Pollution Control Loan Administration	\$77,500	\$80,000
<b>Program Total</b>	<b>\$77,500</b>	<b>\$80,000</b>

**Implication of Executive Recommendation:** Recommended funding is \$77,500 in FY 2006 and \$80,000 in FY 2007. Funding at the recommended levels will support 1 FTE in both fiscal years, allowing for the continuation of FY 2005 service levels (1 FTE). DEFA cross-trains its program and project staff in the review process for the OPSB program. This allows the Division to draw upon the expertise of multiple staff members as needed according to the characteristics of the project under review. The OPSB program is billed for the number of hours spent on its project work.

**Temporary and Permanent Law Provisions:** There are no temporary or permanent law provisions affecting this program.

**Program Series 10**

**Program Management**

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**Purpose:** The mission of Program Management is to provide customer service to Ohio EPA Divisions and to assist those Divisions in carrying out their missions.

The following table shows the line items that are used to fund Program Management, as well as the Governor’s recommended funding levels.

<b>Fund</b>	<b>ALI</b>	<b>Title</b>	<b>FY 2006</b>	<b>FY 2007</b>
<b>General Services Fund</b>				
219	715-604	Central Support Indirect	\$15,804,913	\$16,345,805
4A1	715-640	Operating Expenses	\$3,369,731	\$3,369,731
<b>General Services Fund Subtotal</b>			<b>\$19,174,644</b>	<b>\$19,715,536</b>
<b>Federal Special Revenue Fund</b>				
3V7	715-606	Agency-wide Grants	\$458,115	\$479,115
<b>Federal Special Revenue Fund Subtotal</b>			<b>\$458,115</b>	<b>\$479,115</b>
<b>Total Funding: Program Management</b>			<b>\$19,632,759</b>	<b>\$20,194,651</b>

**Program 10.01, Program Management**

**Program Description:** Program Management includes five district offices and the central support office. The central support office includes: the Director's Office; Legal Services; the Equal Employment Opportunity Office; the Public Interest Center; Employee Services; Operations and Facilities; Information Technology; and Fiscal Administration. The district and central support offices provide services to external stakeholders and Ohio EPA program divisions and offices in support of Ohio EPA's mission. Management goals include enhancing and protecting the environment and public health, ensuring sound administration of agency resources, and providing high quality customer service.

The Director's Office manages seven program divisions, nine environmental program support offices, and seven administrative support offices. The office also provides direct services such as coordination of enforcement activities, strategic planning, training, labor relations, administrative rules coordination, and liaison activities with the legislature, industry, and state and local governments. The Public Interest Center educates the public about environmental issues and Ohio EPA's activities and encourages public participation in Ohio EPA's decision-making processes. The Office of Fiscal Administration coordinates Ohio EPA's fiscal activities and provides fiscal services. Employee Services administers personnel-related services to Ohio EPA employees and the public, including employment, benefits, classification, and personnel support services. The Legal Office provides assistance on legal issues and activities on a case-by-case basis to divisions and offices within Ohio EPA. The Office of Equal Employment Opportunity assures that Ohio EPA is in compliance with the State of Ohio Equal Employment Opportunity Program and that Ohio EPA abides by all applicable federal, state, and local laws, rules and regulations governing nondiscrimination in employment.

Each district office houses staff from Ohio EPA's program areas and a small contingent of Program Management staff. Program Management staff within the district offices provide managerial, administrative, public information and outreach, information technology, and secretarial support for more than 650 funded program staff positions in the district offices.

**Funding Source:** Indirect charges to all Ohio EPA division payroll allocations (Fund 219); proceeds from the sale of goods and services (Fund 4A1); and federal grant moneys (Fund 3V7)

**Line Items:** 715-604, Central Support Indirect; 715-640, Operating Expenses; 715-606, Agency-wide Grants

**Implication of Executive Recommendation:** Recommended funding is \$19,632,759 in FY 2006 and \$20,194,651 in FY 2007. Funding at the recommended level will support 173.8 FTEs, allowing for the continuation of FY 2005 service levels (173.8 FTEs).

The following table shows FY 2005 staffing levels for the district offices. The executive budget supports the same level of district office staffing in the coming biennium.

District Office	FTEs	Program Management FTEs
Northeast – Twinsburg	185	9
Northwest – Bowling Green	144	13
Southeast – Logan	128	9
Southwest – Dayton	128	13.8
Central – Columbus	88	11*
*Slated for consolidation at Ohio EPA headquarters in downtown Columbus		

**Temporary and Permanent Law Provisions:** There are no temporary or permanent law provisions affecting this program.

## REQUESTS NOT FUNDED

The following tables highlight programs that did not receive full funding at requested levels. These programs received adjusted appropriations primarily as a result of revised spending estimates. In summary, these adjustments amount to \$4,312,729 in FY 2006 and \$4,421,746 in FY 2007. None of the programs are significantly impacted by the decreased recommendations.

<b>Division of Emergency and Remedial Response – Program 02.03, Clean Ohio</b>						
<b>Line Item</b>	<b>FY 2006 Requested</b>	<b>FY 2006 Recommended</b>	<b>Difference</b>	<b>FY 2007 Requested</b>	<b>FY 2007 Recommended</b>	<b>Difference</b>
715-403	\$741,646	\$185,413	(\$556,233)	\$741,646	\$0	(\$741,646)
715-617	\$0	\$556,233	\$556,233	\$0	\$741,646	\$741,646
715-674	\$1,179,249	\$104,500	(\$1,074,749)	\$1,179,249	\$109,725	(\$1,069,524)
715-607	\$208,174	\$208,174	\$0	\$208,174	\$208,174	\$0
<b>TOTALS</b>	<b>\$2,129,069</b>	<b>\$1,054,320</b>	<b>(\$1,074,749)</b>	<b>\$2,129,069</b>	<b>\$1,059,545</b>	<b>(\$1,069,524)</b>

The reduction in the Clean Ohio program is entirely attributable to a reduced funding recommendation in the Clean Ohio Environmental Review Fund (Fund 505), which consists of start-up funding provided from ALI 715-623, Hazardous Waste Cleanup (also Fund 505). Ohio EPA historically uses very little of the Clean Ohio Environmental Review Fund, so the recommended appropriation was adjusted to better reflect actual use of the line item. This reduction is predicted to have no impact on the Clean Ohio program.

<b>Division of Solid and Infectious Waste Management – Program 04.01, Solid Waste Management</b>						
<b>Fund Line Item</b>	<b>FY 2006 Requested</b>	<b>FY 2006 Recommended</b>	<b>Difference</b>	<b>FY 2007 Requested</b>	<b>FY 2007 Recommended</b>	<b>Difference</b>
715-649	\$14,415,286	\$12,997,740	(\$1,417,546)	\$14,919,540	\$13,347,481	(\$1,572,059)
<b>TOTALS</b>	<b>\$14,415,286</b>	<b>\$12,997,740</b>	<b>(\$1,417,546)</b>	<b>\$14,919,540</b>	<b>\$13,347,481</b>	<b>(\$1,572,059)</b>

The reduced funding recommendation is a result of a revised estimate of actual spending levels in the 715-649, Solid Waste, line item (Fund 4K3). This reduction is predicted to have no impact on the Solid Waste Management program.

<b>Division of Drinking and Ground Waters – Program 05.02, Public Drinking Water Systems Plan Review</b>						
<b>Fund Line Item</b>	<b>FY 2006 Requested</b>	<b>FY 2006 Recommended</b>	<b>Difference</b>	<b>FY 2007 Requested</b>	<b>FY 2007 Recommended</b>	<b>Difference</b>
721-321	\$160,006	\$40,002	(\$120,004)	\$160,006	\$0	(\$160,006)
715-651	\$1,758,228	\$1,408,229	(\$349,999)	\$1,813,683	\$1,463,683	(\$350,000)
715-673	\$0	\$120,005	\$120,005	\$0	\$160,006	\$160,006
<b>TOTALS</b>	<b>\$1,918,234</b>	<b>\$1,568,236</b>	<b>(\$349,998)</b>	<b>\$1,973,689</b>	<b>\$1,623,689</b>	<b>(\$350,000)</b>

The reduced funding recommendation is a result of a revised estimate of actual spending levels in the 715-651, Drinking Water Protection, line item (Fund 4K5). This reduction is predicted to have no impact on the Public Drinking Water Systems Plan Review program.

<b>Division of Drinking and Ground Waters – Program 05.07, Drinking Water Source Protection</b>						
<b>Fund Line Item</b>	<b>FY 2006 Requested</b>	<b>FY 2006 Recommended</b>	<b>Difference</b>	<b>FY 2007 Requested</b>	<b>FY 2007 Recommended</b>	<b>Difference</b>
715-669	\$1,825,708	\$1,344,655	(\$481,053)	\$1,868,050	\$1,384,947	(\$483,103)
715-651	\$190,447	\$190,447	\$0	\$192,859	\$192,859	\$0
<b>TOTALS</b>	<b>\$2,016,155</b>	<b>\$1,535,102</b>	<b>(\$481,053)</b>	<b>\$2,060,909</b>	<b>\$1,577,806</b>	<b>(\$483,103)</b>

The reduced funding recommendation is the result of a revised estimate of actual spending levels in the 715-669, Drinking Water State Revolving Fund, line item (Fund 3T3). This reduction is predicted to have no impact on the Drinking Water Source Protection program.

<b>Division of Drinking and Ground Waters – Program 05.08, Drinking Water Assistance Fund</b>						
<b>Fund Line Item</b>	<b>FY 2006 Requested</b>	<b>FY 2006 Recommended</b>	<b>Difference</b>	<b>FY 2007 Requested</b>	<b>FY 2007 Recommended</b>	<b>Difference</b>
715-669	\$1,564,044	\$1,066,959	(\$497,085)	\$1,595,056	\$1,097,963	(\$497,093)
<b>TOTALS</b>	<b>\$1,564,044</b>	<b>\$1,066,959</b>	<b>(\$497,085)</b>	<b>\$1,595,056</b>	<b>\$1,097,963</b>	<b>(\$497,093)</b>

The reduced funding recommendation is a result of a revised estimate of actual spending levels in the 715-669, Drinking Water State Revolving Fund, line item (Fund 3T3). This reduction is predicted to have no impact on the Drinking Water Assistance Fund program.

<b>Division of Surface Water – Program 06.02, Nonpoint Source Pollution Control</b>						
<b>Fund Line Item</b>	<b>FY 2006 Requested</b>	<b>FY 2006 Recommended</b>	<b>Difference</b>	<b>FY 2007 Requested</b>	<b>FY 2007 Recommended</b>	<b>Difference</b>
717-321	\$620,349	\$155,089	(\$465,260)	\$929,418	\$0	(\$929,418)
715-641	\$7,545,001	\$7,095,001	(\$450,000)	\$7,380,000	\$6,930,000	(\$450,000)
715-650	\$105,425	\$105,425	\$0	\$133,832	\$133,832	\$0
715-624	\$0	\$422,935	\$422,939	\$0	\$929,418	\$928,418
715-644	\$6,099	\$6,126	\$27	\$6,092	\$6,125	\$33
<b>TOTALS</b>	<b>\$8,276,874</b>	<b>\$7,784,576</b>	<b>(\$492,298)</b>	<b>\$8,449,342</b>	<b>\$7,999,375</b>	<b>(\$449,967)</b>

The reduced funding recommendation is a result of a revised estimate of federal funding Ohio EPA expects to receive in the Nonpoint Source Pollution Management Fund (Fund 3F5). However, the agency does not expect the reduced federal funding to significantly impact the Nonpoint Source Pollution Control program.

## General Revenue Fund

### GRF 715-403 Clean Ohio

2002	2003	2004	2005 Estimate	2006 House Passed	2007 House Passed
\$217,944	\$565,599	\$706,434	\$741,646	\$92,707	\$0
	159.5%	24.9%	5.0%	-87.5%	-100.0%

**Source:** GRF

**Legal Basis:** Section 47 of Am. Sub. H.B. 95 of the 125th G.A. (originally established by Am. Sub. H.B. 3 of the 124th G.A.)

**Purpose:** Moneys appropriated to this line item support the administrative expenses of the agency related to its oversight of brownfields remediation projects funded under Clean Ohio.

### GRF 715-501 Local Air Pollution Control

2002	2003	2004	2005 Estimate	2006 House Passed	2007 House Passed
\$1,263,030	\$1,178,818	\$1,075,083	\$1,026,369	\$128,297	\$0
	-6.7%	-8.8%	-4.5%	-87.5%	-100.0%

**Source:** GRF moneys provided to local air pollution control agencies under contract with EPA based upon: the projected amounts of local funds available for the program; the number of pollution sources; the size of population exposed; and, the geographical area within the jurisdiction of each local air pollution control agency

**Legal Basis:** Section 47 of Am. Sub. H.B. 95 of the 125th G.A.; ORC 3704

**Purpose:** EPA monitors air quality, issues permits, and investigates complaints through this program. GRF moneys are provided to Local Air Agencies (LAA) under contract with EPA based upon the following: projected amounts of local funds available for the program; the number of pollution sources; the size of population exposed; and, the geographical area within the jurisdiction of each LAA.

### GRF 716-321 Central Administration

2002	2003	2004	2005 Estimate	2006 House Passed	2007 House Passed
\$16,205	\$0	\$0	\$0	\$0	\$0
	-100.0%	N/A	N/A	N/A	N/A

**Source:** GRF

**Legal Basis:** Discontinued line item (originally established in ORC 3745.01)

**Purpose:** Moneys appropriated to this line item were used by Ohio EPA Administration in support of all of the agency's operating divisions. In FY 2002, appropriations were redistributed among the agency's other operating funds and used to cover payments made, via an indirect charge, to General Services Fund 219, Central Support Indirect.

**Environmental Protection Agency - Catalog of Budget Line Items**

**GRF 717-321 Surface Water**

2002	2003	2004	2005 Estimate	2006 House Passed	2007 House Passed
\$9,209,457	\$9,408,806	\$8,940,839	\$8,797,413	<b>\$1,112,342</b>	<b>\$0</b>
	2.2%	-5.0%	-1.6%	<b>-87.4%</b>	<b>-100.0%</b>

**Source:** GRF

**Legal Basis:** Section 47 of Am. Sub. H.B. 95 of the 125th G.A.; ORC 6111

**Purpose:** The line item partially funds the Division of Surface Water's efforts to implement the programs and objectives of the federal Clean Water Act (CWA) with the goal of all of Ohio's lakes, rivers, and streams attaining fishable and swimmable standards.

**GRF 718-321 Groundwater**

2002	2003	2004	2005 Estimate	2006 House Passed	2007 House Passed
\$1,321,747	\$1,315,038	\$1,152,502	\$1,093,741	<b>\$136,719</b>	<b>\$0</b>
	-0.5%	-12.4%	-5.1%	<b>-87.5%</b>	<b>-100.0%</b>

**Source:** GRF

**Legal Basis:** Section 47 of Am. Sub. H.B. 95 of the 125th G.A.; ORC 3745

**Purpose:** The line item partially funds the Division of Drinking and Ground Waters' efforts to characterize ground water quality conditions, provide geologic and hydrogeologic technical support to Ohio EPA's other divisions, coordinate ground water monitoring and protection efforts with other state programs, and administer the underground injection control program.

**GRF 719-321 Air Pollution Control**

2002	2003	2004	2005 Estimate	2006 House Passed	2007 House Passed
\$2,623,948	\$2,606,998	\$2,439,981	\$2,390,664	<b>\$311,494</b>	<b>\$0</b>
	-0.6%	-6.4%	-2.0%	<b>-87.0%</b>	<b>-100.0%</b>

**Source:** GRF

**Legal Basis:** Section 47 of Am. Sub. H.B. 95 of the 125th G.A.; ORC 3704

**Purpose:** This line item provides partial funding for the Division of Air Pollution Control, which oversees the regulation and control of air pollution through surveillance of pollution sources, permit issuance and review, and long-range comprehensive planning.

**Environmental Protection Agency - Catalog of Budget Line Items**

**GRF 721-321 Drinking Water**

2002	2003	2004	2005 Estimate	2006 House Passed	2007 House Passed
\$2,818,150	\$2,713,163	\$2,604,438	\$2,550,250	<b>\$318,783</b>	<b>\$0</b>
	-3.7%	-4.0%	-2.1%	<b>-87.5%</b>	<b>-100.0%</b>

**Source:** GRF

**Legal Basis:** Section 47 of Am. Sub. H.B. 95 of the 125th G.A.; ORC 3745

**Purpose:** This line item partially funds the Division of Drinking and Ground Waters' efforts to implement and enforce the Safe Drinking Water Act in Ohio and to ensure Ohio's public water systems provide adequate quantities of safe drinking water. Responsibilities include reviewing engineering plans, conducting inspections, reviewing chemical compliance data, and administering the operator and laboratory certification programs.

**GRF 723-321 Hazardous Waste**

2002	2003	2004	2005 Estimate	2006 House Passed	2007 House Passed
\$107,370	\$119,086	\$105,777	\$100,847	<b>\$12,606</b>	<b>\$0</b>
	10.9%	-11.2%	-4.7%	<b>-87.5%</b>	<b>-100.0%</b>

**Source:** GRF

**Legal Basis:** Section 47 of Am. Sub. H.B. 95 of the 125th G.A. (originally established by Am. Sub. H.B. 283 of the 123rd G.A.)

**Purpose:** This line item funds the Cessation of Regulated Operations program within the Division of Hazardous Waste Management. The goal of the program is to prevent threats to human health and the environment when businesses close where hazardous substances were produced, used, or stored.

**GRF 724-321 Pollution Prevention**

2002	2003	2004	2005 Estimate	2006 House Passed	2007 House Passed
\$929,679	\$770,169	\$716,219	\$700,302	<b>\$87,538</b>	<b>\$0</b>
	-17.2%	-7.0%	-2.2%	<b>-87.5%</b>	<b>-100.0%</b>

**Source:** GRF

**Legal Basis:** Section 47 of Am. Sub. H.B. 95 of the 125th G.A.; ORC 3704

**Purpose:** This line item partially funds the Office of Compliance Assistance and Pollution Prevention, which provides technical assistance to businesses on pollution reduction and prevention.

**Environmental Protection Agency - Catalog of Budget Line Items**

**GRF 725-321 Laboratory**

2002	2003	2004	2005 Estimate	2006 House Passed	2007 House Passed
\$1,307,939	\$1,336,002	\$1,238,526	\$1,216,333	<b>\$152,043</b>	<b>\$0</b>
	2.1%	-7.3%	-1.8%	<b>-87.5%</b>	<b>-100.0%</b>

**Source:** GRF

**Legal Basis:** Section 47 of Am. Sub. H.B. 95 of the 125th G.A. (originally established by Am. Sub. H.B. 111 of the 118th G.A.)

**Purpose:** The line item partially funds the Division of Environmental Services within the Surface Water program series and supports laboratory services for programs within Ohio EPA.

**GRF 726-321 Corrective Actions**

2002	2003	2004	2005 Estimate	2006 House Passed	2007 House Passed
\$1,799,983	\$1,812,750	\$1,238,391	\$1,179,775	<b>\$147,473</b>	<b>\$0</b>
	0.7%	-31.7%	-4.7%	<b>-87.5%</b>	<b>-100.0%</b>

**Source:** GRF

**Legal Basis:** Section 47 of Am. Sub. H.B. 95 of the 125th G.A.; ORC 3734 and 3750

**Purpose:** This line item provides funds to the Division of Emergency and Remedial Response and supports its efforts to prevent, respond to, remove and clean up releases of hazardous waste, hazardous substances and pollutants in Ohio.

## **General Services Fund Group**

**199 715-602 Laboratory Services**

2002	2003	2004	2005 Estimate	2006 House Passed	2007 House Passed
\$913,935	\$829,485	\$948,820	\$1,045,654	<b>\$1,078,348</b>	<b>\$1,083,574</b>
	-9.2%	14.4%	10.2%	<b>3.1%</b>	<b>0.5%</b>

**Source:** GSF: Payments from entities utilizing laboratory services

**Legal Basis:** Section 47 of Am. Sub. H.B. 95 of the 125th G.A. (originally established by Controlling Board in September 1988)

**Purpose:** This line item provides funding for laboratory services for programs within Ohio EPA as well as agencies located outside of Ohio EPA.

**Environmental Protection Agency - Catalog of Budget Line Items**

**219 715-604 Central Support Indirect**

2002	2003	2004	2005 Estimate	2006 House Passed	2007 House Passed
\$13,256,831	\$14,266,874	\$14,284,290	\$15,544,406	<b>\$15,804,913</b>	<b>\$16,345,805</b>
	7.6%	0.1%	8.8%	1.7%	3.4%

**Source:** GSF: Indirect charge assessed to all of Ohio EPA's operating funds, including federal funds, based on the amount of object code 10 appropriation in each fund. The rate at which federal funds are assessed is negotiated with U.S. EPA and reflects the degree to which the resources of Ohio EPA's Administration Program Series are used to support the administrative efforts of the agency as a whole.

**Legal Basis:** Section 47 of Am. Sub. H.B. 95 of the 125th G.A. (originally established by Am. Sub. H.B. 94 of the 124th G.A.)

**Purpose:** Moneys credited to this fund are used by Ohio EPA Administration (Program Management) in support of all of the agency's operating divisions. Fund 219 is supported by indirect charges assessed to all agency operating funds, moneys from which are transferred via an intrastate transfer voucher.

**4A1 715-640 Operating Expenses**

2002	2003	2004	2005 Estimate	2006 House Passed	2007 House Passed
\$2,482,418	\$2,804,332	\$3,039,919	\$3,369,731	<b>\$3,369,731</b>	<b>\$3,369,731</b>
	13.0%	8.4%	10.8%	0.0%	0.0%

**Source:** GSF: Proceeds from the sale of goods and services including: (1) moneys received pursuant to service agreements between programs or activities within the agency; (2) moneys received pursuant to service agreements between the agency and other state agencies; and (3) moneys received by the agency from the salvaging of equipment through the Department of Administrative Services' Investment Recovery Program

**Legal Basis:** ORC 3745.013

**Purpose:** Moneys are credited to the fund pursuant to service agreements, and must be used to defray the costs of the agency's programs and activities. Funds derived from the salvage of the agency's equipment must be used to purchase new agency equipment or to reimburse U.S. EPA for the portion of the salvage amount due it because federal moneys were used to make the original equipment purchase.

**5BZ 715-681 Auto Emissions Test**

2002	2003	2004	2005 Estimate	2006 House Passed	2007 House Passed
\$0	\$0	\$0	\$0	<b>\$8,100,000</b>	<b>\$15,200,000</b>
	N/A	N/A	N/A	N/A	87.7%

**Source:** GSF: Transfers of \$8,100,000 in FY 2006 and \$15,200,000 in FY 2007 from the Tobacco Master Settlement Agreement Fund (Fund 087)

**Legal Basis:** Proposed under Section 206.27 of Am. Sub. H.B. 66 of the 126th General Assembly

**Purpose:** This line item will be used to pay up to \$19.50 per automobile emissions test in counties required to continue the testing from January 1, 2006 through December 31, 2007.

## Federal Special Revenue Fund Group

### 352 715-611 Wastewater Pollution

2002	2003	2004	2005 Estimate	2006 House Passed	2007 House Passed
\$140,533	\$383,342	\$264,441	\$415,002	<b>\$525,000</b>	<b>\$530,000</b>
	172.8%	-31.0%	56.9%	<b>26.5%</b>	<b>1.0%</b>

**Source:** FED: CFDA 66.435, Water Pollution Control - Lake Restoration Cooperative Agreements; CFDA 66.461, Wetlands Protection - State Development Grants; CFDA 66.463, National Pollutant Discharge Elimination System Related State Program Grants

**Legal Basis:** ORC 6111

**Purpose:** This line item supports actions to prevent or abate water pollution. These activities include water quality studies, wetlands protection studies, permitting, pollution control studies, planning, surveillance, and enforcement.

### 353 715-612 Public Water Supply

2002	2003	2004	2005 Estimate	2006 House Passed	2007 House Passed
\$2,416,755	\$2,446,852	\$2,666,211	\$2,916,174	<b>\$3,384,959</b>	<b>\$3,388,619</b>
	1.2%	9.0%	9.4%	<b>16.1%</b>	<b>0.1%</b>

**Source:** FED: CFDA 66.432, State Public Water System Supervision

**Legal Basis:** ORC 3745

**Purpose:** This line item partially funds the Division of Drinking and Ground Waters' efforts to implement and enforce the Safe Drinking Water Act in Ohio and to ensure Ohio's public water systems provide adequate quantities of safe drinking water. Responsibilities include conducting inspections, reviewing chemical compliance data, and administering the operator certification program.

### 354 715-614 Hazardous Waste Management-Federal

2002	2003	2004	2005 Estimate	2006 House Passed	2007 House Passed
\$3,898,777	\$3,844,828	\$4,039,092	\$4,203,891	<b>\$4,203,891</b>	<b>\$4,203,891</b>
	-1.4%	5.1%	4.1%	<b>0.0%</b>	<b>0.0%</b>

**Source:** FED: CFDA 66.801, Hazardous Waste Management State Program Support; CFDA 66.808, RCRA Integrated Training and Technical Assistance

**Legal Basis:** ORC 3734 and 3745

**Purpose:** Moneys deposited in this fund are used to develop and maintain a statewide hazardous waste management program. The purpose of the program is to control the generation, transportation, treatment, storage, and disposal of hazardous wastes.

**Environmental Protection Agency - Catalog of Budget Line Items**

**356 715-616 Indirect Costs**

2002	2003	2004	2005 Estimate	2006 House Passed	2007 House Passed
\$94,066	\$0	\$0	\$0	\$0	\$0
	-100.0%	N/A	N/A	N/A	N/A

**Source:** FED: Various federal grants assessed a federal indirect rate negotiated annually with U.S. EPA; the charge is applied only to actual federal payroll disbursements (to reflect the degree to which the resources of Ohio EPA's Administration Program Series are used to support the administrative effort of the agency as a whole)

**Legal Basis:** Discontinued line item (originally established in ORC 3745.01)

**Purpose:** Moneys deposited in this fund were used by Ohio EPA Administration in support of agency operating divisions. In FY 2002, a new system for assessing indirect rates to all of Ohio EPA's operating funds was implemented and this line item was replaced with General Services Fund 219, Central Support Indirect.

**357 715-619 Air Pollution Control-Federal**

2002	2003	2004	2005 Estimate	2006 House Passed	2007 House Passed
\$5,124,407	\$5,159,034	\$6,208,316	\$6,801,601	\$6,966,337	\$7,243,950
	0.7%	20.3%	9.6%	2.4%	4.0%

**Source:** FED: CFDA 66.001, Air Pollution Control Program Support; CFDA 66.606, Particulate Matter 2.5 Ambient Air Monitoring Network; CFDA 66.606, Great Lakes Mercury Deposition Program

**Legal Basis:** ORC 3704

**Purpose:** Funds are used to support agency activities which establish, maintain, or improve programs for the prevention and control of air pollution.

**362 715-605 Underground Injection Control-Federal**

2002	2003	2004	2005 Estimate	2006 House Passed	2007 House Passed
\$109,049	\$105,135	\$101,833	\$101,874	\$111,874	\$111,874
	-3.6%	-3.1%	0.0%	9.8%	0.0%

**Source:** FED: CFDA 66.433, State Underground Water Source Protection

**Legal Basis:** ORC 3745

**Purpose:** Funds are used to administer the Underground Injection Well Program, including Class I, Class IV, and Class V wells. Wells are used for storage of both hazardous and non-hazardous fluids that are located away from underground sources of drinking water.

**Environmental Protection Agency - Catalog of Budget Line Items**

**363 715-610 Construction Grants**

2002	2003	2004	2005 Estimate	2006 House Passed	2007 House Passed
\$11,518	\$0	\$0	\$0	\$0	\$0
	-100.0%	N/A	N/A	N/A	N/A

**Source:** FED: CFDA 66.438, Construction Management Assistance (receives approximately 4% of all federal funds allocated to Ohio communities for the construction of municipal wastewater treatment facilities)

**Legal Basis:** Discontinued line item (originally established in ORC 6111.035)

**Purpose:** Ohio EPA used this set-aside to administer a construction grants program in Ohio.

**3F2 715-630 Revolving Loan Fund-Operating**

2002	2003	2004	2005 Estimate	2006 House Passed	2007 House Passed
\$11,101	\$36,092	\$31,848	\$80,000	\$152,021	\$293,129
	225.1%	-11.8%	151.2%	90.0%	92.8%

**Source:** FED: CFDA 66.458, Capitalization Grants for State Revolving Funds; CFDA 66.600, Environmental Protection Consolidated Grants - Program Support

**Legal Basis:** ORC 6111.036

**Purpose:** This account holds federal funds for program management and administration of the state's Water Pollution Control Loan Fund (WPCLF). The WPCLF provides below-market interest rate loans for municipal wastewater treatment improvements and nonpoint source pollution activities.

**3F3 715-632 Federally Supported Cleanup & Response**

2002	2003	2004	2005 Estimate	2006 House Passed	2007 House Passed
\$2,563,191	\$1,932,840	\$2,413,686	\$2,326,434	\$2,792,648	\$2,777,648
	-24.6%	24.9%	-3.6%	20.0%	-0.5%

**Source:** FED: CFDA 66.701, Toxic Substances Compliance Monitoring Program; CFDA 66.802, Hazardous Substance Response Trust Fund; CFDA 66.809, Core Program Cooperative Agreements

**Legal Basis:** ORC 3745

**Purpose:** This line item provides funding for toxic substance enforcement programs. The fund segregates federal dollars used by the Division of Emergency and Remedial Response -- which engages in emergency response and environmental cleanups -- from those used by the Division of Hazardous Waste Management -- which supports the state's hazardous waste management program.

**Environmental Protection Agency - Catalog of Budget Line Items**

**3F4 715-633 Water Quality Management**

2002	2003	2004	2005 Estimate	2006 House Passed	2007 House Passed
\$680,952	\$648,945	\$765,481	\$712,850	<b>\$710,000</b>	<b>\$710,000</b>
	-4.7%	18.0%	-6.9%	<b>-0.4%</b>	<b>0.0%</b>

**Source:** FED: CFDA 66.505, Water Pollution Control - Research, Development and Demonstration; CFDA 66.454, Water Quality Management Planning

**Legal Basis:** ORC 6111

**Purpose:** This line item helps to fund Ohio EPA's statewide water quality management program. Forty percent of the funds are passed through to Areawide Planning Agencies designated by the Governor for water quality management plan development and implementation.

**3F5 715-641 Nonpoint Source Pollution Management**

2002	2003	2004	2005 Estimate	2006 House Passed	2007 House Passed
\$4,763,587	\$5,241,523	\$4,998,229	\$8,155,000	<b>\$7,815,000</b>	<b>\$7,810,000</b>
	10.0%	-4.6%	63.2%	<b>-4.2%</b>	<b>-0.1%</b>

**Source:** FED: CFDA 66.460, Nonpoint Source Implementation Grants

**Legal Basis:** ORC 6111.037

**Purpose:** This line item funds incentive-based pollution control for land management techniques that prevent unregulated polluted runoff from reaching streams. More than \$5 million annually is granted to local and state agencies, universities, and watershed groups for pollution control projects.

**3J1 715-620 Urban Stormwater**

2002	2003	2004	2005 Estimate	2006 House Passed	2007 House Passed
\$386,202	\$363,052	\$311,827	\$956,001	<b>\$706,000</b>	<b>\$710,000</b>
	-6.0%	-14.1%	206.6%	<b>-26.2%</b>	<b>0.6%</b>

**Source:** FED: CFDA 66.463, National Pollutant Discharge Elimination System Related State Program Grants; CFDA 66.505, Water Pollution Control - Research, Development and Demonstration

**Legal Basis:** Section 47 of Am. Sub. H.B. 95 of the 125th G.A. (originally established by Controlling Board in February 1992)

**Purpose:** The storm water program is required under the Federal Water Quality Act of 1987. This program develops and implements the necessary point and nonpoint permitting procedures, policy/guidance framework, and compliance and enforcement procedures to address urban stormwater pollution.

**Environmental Protection Agency - Catalog of Budget Line Items**

**3J5 715-615 Maumee River**

2002	2003	2004	2005 Estimate	2006 House Passed	2007 House Passed
\$74,698	\$0	\$0	\$0	\$0	\$0
	-100.0%	N/A	N/A	N/A	N/A

**Source:** FED: CFDA 66.505, Water Pollution Control - Research, Development and Demonstration

**Legal Basis:** Discontinued line item (originally established by Controlling Board in September 1992)

**Purpose:** Grant moneys were used to establish baseline conditions of the Maumee Area Of Concern (AOC) to document existing ecosystem impairment and future ecosystem improvement as a result of remedial efforts. The Maumee is one of four Ohio rivers designated as an AOC.

**3K2 715-628 Clean Water Act 106**

2002	2003	2004	2005 Estimate	2006 House Passed	2007 House Passed
\$4,078,897	\$4,084,321	\$4,407,155	\$4,525,992	\$4,723,845	\$5,023,846
	0.1%	7.9%	2.7%	4.4%	6.4%

**Source:** FED: CFDA 66.600, Environmental Protection Consolidated Grants - Program Support

**Legal Basis:** Section 47 of Am. Sub. H.B. 95 of the 125th G.A. (originally established by Controlling Board in October 1992)

**Purpose:** Moneys credited to this fund are used to protect Ohio's surface and ground water resources. Funding assists Ohio EPA in carrying out its mandated responsibilities to issue permits, bring dischargers into compliance, set water quality standards, monitor and assess the quality of Ohio's water, and develop programs for the control of water pollution from point and nonpoint sources.

**3K4 715-634 DOD Monitoring and Oversight**

2002	2003	2004	2005 Estimate	2006 House Passed	2007 House Passed
\$726,129	\$728,216	\$899,151	\$1,450,333	\$1,450,333	\$1,450,333
	0.3%	23.5%	61.3%	0.0%	0.0%

**Source:** FED: CFDA 12.113, State Memorandum of Agreement for the Reimbursement of Technical Services

**Legal Basis:** Section 47 of Am. Sub. H.B. 95 of the 125th G.A. (originally established by Controlling Board in March 1994)

**Purpose:** Funding is in the form of cost recovery grants from the Department of Defense (DOD) through a Defense/State Memorandum of Agreement. The grant is intended to fund oversight activities related to the investigation, cleanup, and reuse of DOD sites in Ohio, as well as to support public participation and education activities and to ensure compliance with applicable state laws and regulations.

**Environmental Protection Agency - Catalog of Budget Line Items**

**3K6 715-639 Remedial Action Plan**

2002	2003	2004	2005 Estimate	2006 House Passed	2007 House Passed
\$313,657	\$383,196	\$390,684	\$385,001	<b>\$320,000</b>	<b>\$319,000</b>
	22.2%	2.0%	-1.5%	<b>-16.9%</b>	<b>-0.3%</b>

**Source:** FED: CFDA 66.505, Water Pollution Control - Research, Development and Demonstration; CFDA 66.606, Survey, Studies, Investigations and Special Purpose Grants

**Legal Basis:** Section 47 of Am. Sub. H.B. 95 of the 125th G.A. (originally established by Controlling Board in October 1992)

**Purpose:** These grants are used to coordinate water quality efforts for Lake Erie and its surrounding watersheds and to support the agency's base program for Remedial Action Plan (RAP) development, including production of Stage 1 and Stage 2 RAP reports.

**3M5 715-652 Haz Mat Transport Uniform Safety**

2002	2003	2004	2005 Estimate	2006 House Passed	2007 House Passed
\$807	\$0	\$0	\$0	<b>\$0</b>	<b>\$0</b>
	-100.0%	N/A	N/A	<b>N/A</b>	<b>N/A</b>

**Source:** FED: CFDA 20.703, Interagency Hazardous Materials Public Sector Training and Planning Grants

**Legal Basis:** Discontinued line item (originally established by Controlling Board in August 1993)

**Purpose:** Moneys were used for the implementation of the Community Right-to-Know Act (ORC 3750). The U.S. Department of Transportation required that at least 75% of these funds be passed along to Local Emergency Planning Committees for plan development and training. The remainder could be used by the State Emergency Response Commission (SERC). These funds were matched at a 1:4 ratio by the state.

**3N1 715-655 Pollution Prevention Grants**

2002	2003	2004	2005 Estimate	2006 House Passed	2007 House Passed
\$5,594	\$73,311	\$10,172	\$0	<b>\$0</b>	<b>\$0</b>
	1210.5%	-86.1%	-100.0%	<b>N/A</b>	<b>N/A</b>

**Source:** FED: CFDA 66.501, Water Pollution Control - Research, Development and Demonstration

**Legal Basis:** Discontinued line item (originally established by Controlling Board in October 1993)

**Purpose:** The funds were administered by Ohio EPA's Office of Pollution Prevention to carry out pollution prevention activities across the state.

**Environmental Protection Agency - Catalog of Budget Line Items**

**3N4 715-657 DOE Monitoring and Oversight**

2002	2003	2004	2005 Estimate	2006 House Passed	2007 House Passed
\$2,199,791	\$2,455,318	\$2,488,346	\$3,203,735	\$3,181,736	\$3,231,963
	11.6%	1.3%	28.7%	-0.7%	1.6%

**Source:** FED: CFDA 81.103, DOE Agreement in Principle

**Legal Basis:** Section 47 of Am. Sub. H.B. 95 of the 125th G.A. (originally established by Controlling Board in February 1994)

**Purpose:** Moneys deposited to this fund support regulatory monitoring of the three Department of Energy (DOE) work sites located within Ohio. On October 27, 1993, the state of Ohio signed the Agreement in Principle (AIP) with DOE, the owner of the three sites: (1) the Fernald Environmental Management Project; (2) the Mound Plant; and (3) the Portsmouth Gaseous Diffusion Plant. Moneys in this fund provide up-front and reimbursement moneys for regulatory monitoring provided by Ohio EPA.

**3T1 715-668 Rural Hardship Grant**

2002	2003	2004	2005 Estimate	2006 House Passed	2007 House Passed
\$566,399	\$648,474	\$424,273	\$0	\$0	\$0
	14.5%	-34.6%	-100.0%	N/A	N/A

**Source:** FED: CFDA 66.470, Rural Hardship Grant Program

**Legal Basis:** Discontinued line item (originally established by Controlling Board in October 1998)

**Purpose:** Funding provided for small community wastewater treatment system activities in rural areas experiencing financial challenges.

**3V7 715-606 Agency-wide Grants**

2002	2003	2004	2005 Estimate	2006 House Passed	2007 House Passed
\$221,583	\$410,426	\$73,416	\$458,115	\$458,115	\$479,115
	85.2%	-82.1%	524.0%	0.0%	4.6%

**Source:** FED: CFDA 66.608, One Stop Reporting

**Legal Basis:** Section 47 of Am. Sub. H.B. 95 of the 125th G.A. (originally established by Controlling Board in January 2001)

**Purpose:** This fund contains grants to Ohio EPA's Office of Information Technology for projects which support burden reduction, data integration, stake holder involvement, electronic reporting and public access to environmental information. The fund is not division-specific and therefore can be used in support of multi-division activities.

## State Special Revenue Fund Group

### 3T3 715-669 Drinking Water SRF

2002	2003	2004	2005 Estimate	2006 House Passed	2007 House Passed
\$2,863,835	\$2,349,295	\$1,999,685	\$2,516,777	\$2,411,614	\$2,482,910
	-18.0%	-14.9%	25.9%	-4.2%	3.0%

**Source:** SSR: Capitalization grant from U.S. EPA

**Legal Basis:** ORC 6109.22 (originally established by Controlling Board in November 1998)

**Purpose:** Section 130 of the 1996 Amendments to the Safe Drinking Water Act established the Drinking Water State Revolving Fund program to provide below market loans for the planning, design, and construction of new public water systems and improvements to existing public water systems. Funds in this account support administration of the loan program as well as completion of drinking water source assessments.

### 4C3 715-647 Central Support Indirect

2002	2003	2004	2005 Estimate	2006 House Passed	2007 House Passed
\$200,403	\$0	\$0	\$0	\$0	\$0
	-100.0%	N/A	N/A	N/A	N/A

**Source:** SSR: An administrative charge (not to exceed 12% of the total appropriation of a fund) assessed against the agency's State Special Revenue and General Services Fund accounts

**Legal Basis:** Discontinued line item (originally established by Controlling Board in September 1990; ORC 3745.014)

**Purpose:** Moneys appropriated to this line item were used by Ohio EPA Administration in support of agency operating divisions. In FY 2002, a new system for assessing indirect rates to all of Ohio EPA's operating funds was implemented, and this funding was replaced with General Services Fund 219, Central Support Indirect.

### 4J0 715-638 Underground Injection Control

2002	2003	2004	2005 Estimate	2006 House Passed	2007 House Passed
\$332,203	\$375,414	\$378,704	\$394,385	\$438,285	\$458,418
	13.0%	0.9%	4.1%	11.1%	4.6%

**Source:** SSR: (1) An operating or renewal permit fee for Class I injection wells; (2) a \$1.00/ton fee levied on the disposal of non-hazardous waste into a Class I injection well; and (3) any late fees associated with the \$1.00/ton disposal fee just noted; and (4) moneys in excess of \$50,000 collected in a fiscal year for fees levied on the disposal of hazardous waste via deep well injection (at on-site disposal facilities that dispose of more than 100,000 tons of hazardous waste in a year)

**Legal Basis:** ORC 6111.046 (originally established by Sub. H.B. 147 of the 119th G.A.)

**Purpose:** Fifteen percent of the moneys in this fund are transferred annually to the Department of Natural Resources' Injection Well Review Fund. The remainder of the fund is used solely to administer and enforce Ohio EPA's underground injection control program which affects Class I injection wells.

**Environmental Protection Agency - Catalog of Budget Line Items**

**4K2 715-648 Clean Air - Non Title V**

2002	2003	2004	2005 Estimate	2006 House Passed	2007 House Passed
\$3,464,796	\$2,025,688	\$1,815,429	\$2,633,002	<b>\$3,234,278</b>	<b>\$3,178,062</b>
	-41.5%	-10.4%	45.0%	<b>22.8%</b>	-1.7%

**Source:** SSR: Non-Title V fees, based upon the sum of the actual annual emissions of the regulated pollutants particulate matter, sulfur dioxide, nitrogen oxides, organic compounds, and lead; moneys from permits for asbestos removal

**Legal Basis:** ORC 3704.035; fees described under ORC 3745.11

**Purpose:** Moneys deposited to this fund are used to support administrative and enforcement expenses of Ohio EPA's Division of Air Pollution Control, including non-Title V permitting, state implementation plan development, operation and testing of ambient air monitoring systems, and the asbestos program. A portion is also directed to Local Air Agencies (LAA) for non-Title V Permit-to-Install and asbestos programs.

Am. Sub. H.B. 95 of the 125th G.A. increased several of the permit-to-install and permit-to-operate fees deposited to this fund. The amounts of these fees vary according to the type of facility and the amount of emissions.

**4K3 715-649 Solid Waste**

2002	2003	2004	2005 Estimate	2006 House Passed	2007 House Passed
\$11,572,775	\$11,724,485	\$11,695,633	\$13,478,360	<b>\$13,800,377</b>	<b>\$14,282,845</b>
	1.3%	-0.2%	15.2%	<b>2.4%</b>	<b>3.5%</b>

**Source:** SSR: A \$1.00 tipping fee assessed to every ton of solid waste disposed of in the state. This fee is in addition to the \$1.00 tipping fee that is split between State Special Revenue Funds 503, Hazardous Waste Facility Management, and 505, Hazardous Waste Cleanup and separate from the fee of \$1.75 per ton on solid waste that is used to fund the Environmental Protection Fund (Fund 5BC).

**Legal Basis:** ORC 3734.57

**Purpose:** Moneys deposited to this fund are used for personnel and contractual expenses, training and support of staff, equipment, and agency administrative costs associated with the administration and enforcement of laws pertaining to solid wastes, infectious wastes, and construction and demolition debris. Moneys are also used to support staff in the Division of Drinking and Ground Waters and the Office of Pollution Prevention for solid waste activities.

Am. Sub. H.B. 95 of the 125th G.A. increased the solid waste tipping fee to \$1.00. Formerly, the tipping fee was \$0.75.

**Environmental Protection Agency - Catalog of Budget Line Items**

**4K4 715-650 Surface Water Protection**

2002	2003	2004	2005 Estimate	2006 House Passed	2007 House Passed
\$7,895,171	\$8,723,941	\$8,604,618	\$10,580,181	<b>\$11,606,000</b>	<b>\$12,420,000</b>
	10.5%	-1.4%	23.0%	<b>9.7%</b>	<b>7.0%</b>

**Source:** SSR: NPDES application, discharge, and surcharge fees; water pollution control certification fees; wastewater treatment plan approval fees; sewage sludge fees; 401 certification fees; and non-NPDES water pollution control permit fees

**Legal Basis:** ORC 6111.038; fees described under ORC 3745.11

**Purpose:** Moneys credited to this fund provide administrative funding for programs required under the Federal Water Pollution Control Act, including the development of water quality standards, waste load allocations, and effluent limits, water-quality monitoring, surface water discharge permitting, permit enforcement, technical assistance, and operator certification.

**4K5 715-651 Drinking Water Protection**

2002	2003	2004	2005 Estimate	2006 House Passed	2007 House Passed
\$4,816,221	\$5,255,743	\$5,377,491	\$6,255,946	<b>\$7,202,901</b>	<b>\$7,492,035</b>
	9.1%	2.3%	16.3%	<b>15.1%</b>	<b>4.0%</b>

**Source:** SSR: Public water system license fees, public water system plan approval fees, laboratory evaluation fees, operator certification fees, and safe drinking water permit fees; monetary penalty moneys for non-compliance; civil penalty moneys

**Legal Basis:** ORC 6109.30; fees described under ORC 3745.11, 6109.23, and 6109.33

**Purpose:** Moneys credited to this fund provide administrative funding for programs required under the Federal Safe Drinking Water Act. These programs ensure that Ohio's public water systems comply with all federal and state drinking water laws and provide adequate supplies of safe drinking water. Activities supported by these moneys include public water system operator certifications, laboratory evaluations and certifications, plan approvals, permitting, inspections and tracking of compliance, permit enforcement, and technical assistance.

Am. Sub. H.B. 95 of the 125th G.A. increased several of the Drinking Water program fees deposited to this account, including public water system license fees, plan approval fees, operator certification fees, and laboratory evaluation fees.

**Environmental Protection Agency - Catalog of Budget Line Items**

**4P5 715-654 Cozart Landfill**

2002	2003	2004	2005 Estimate	2006 House Passed	2007 House Passed
\$44,070	\$33,220	\$60,845	\$149,728	<b>\$149,728</b>	<b>\$149,728</b>
	-24.6%	83.2%	146.1%	<b>0.0%</b>	<b>0.0%</b>

**Source:** SSR: \$3.9 million in settlement moneys, placed in a trust fund, for the Cozart Landfill in Athens County; as Ohio EPA requires funds for remediation, they are transferred from the trust into this line item

**Legal Basis:** Section 47 of Am. Sub. H.B. 95 of the 125th G.A. (originally established by Controlling Board in August 1993)

**Purpose:** The funds are administered by Ohio EPA for purposes of remediation and post-closure at the Cozart Landfill, a non-permitted solid waste landfill.

**4R5 715-656 Scrap Tire Management**

2002	2003	2004	2005 Estimate	2006 House Passed	2007 House Passed
\$2,975,090	\$4,174,642	\$4,888,561	\$6,000,000	<b>\$6,000,000</b>	<b>\$6,000,000</b>
	40.3%	17.1%	22.7%	<b>0.0%</b>	<b>0.0%</b>

**Source:** SSR: Civil penalties; scrap tire facility application, permit, and license fees; all federal moneys received for the scrap tire management program; all grants, gifts, and contributions to that program; scrap tire transporter registration fees; scrap tire abatement recovery moneys; a \$0.50 per tire fee placed on the sale of new tires in Ohio through June 30, 2006; an additional \$0.50 per tire fee placed on the sale of new tires in Ohio through June 30, 2011; and registration certificate and scrap tire permit fees

**Legal Basis:** ORC 3734.82; fees described under ORC 3734.13, 3734.79, 3734.81 through 3734.83, 3734.85, 3734.901, and 3745.11(R) (originally established by Am. Sub. S.B. 165 of the 120th G.A.)

**Purpose:** The services funded by this line item include: (1) administering and enforcing scrap tire provisions; (2) the Ohio EPA Scrap Tire Abatement and Removal program; and (3) providing grants for recycling alternatives and transfers to other agency's recycling and resource recovery grant programs.

Specifically, moneys in the fund are statutorily required to be used in the following ways: expend not more than \$750,000 each fiscal year to implement, administer, and enforce scrap tire provisions; transfer \$1 million each fiscal year to the Department of Natural Resources' Scrap Tire Grant Fund; expend not more than \$4.5 million each fiscal year to conduct removal actions and to provide grants to local boards of health; and obligate at least 65% of the moneys derived from the \$0.50 fee outlined in ORC 3734.901(A)(2) toward cleanup and removal activities at the Kirby tire site in Wyandot County.

**Environmental Protection Agency - Catalog of Budget Line Items**

**4R9 715-658 Voluntary Action Program**

2002	2003	2004	2005 Estimate	2006 House Passed	2007 House Passed
\$299,000	\$458,737	\$605,248	\$795,671	<b>\$1,008,765</b>	<b>\$1,032,098</b>
	53.4%	31.9%	31.5%	<b>26.8%</b>	<b>2.3%</b>

**Source:** SSR: Voluntary Action Program (VAP) fees derived from the estimated direct and indirect costs associated with VAP applications and activities; fees are based on 1) the estimated typical time to complete each task, duty or service; 2) the applicable hourly rate and fringe benefits for the persons performing the task, duty or service; and 3) the estimated frequency of the task, duty or service

**Legal Basis:** ORC 3746 (originally established by Am. Sub. S.B. 221 of the 120th G.A.)

**Purpose:** Moneys deposited to this fund support the administrative costs of the Voluntary Action Program. This includes the certification of professionals who conduct cleanups of contaminated sites, certification of laboratories that analyze environmental media samples from those sites, reviewing and approving sites that require "No Further Action" by issuing covenants not to sue, monitoring cleanup activities, enforcement, and technical assistance.

**4T3 715-659 Clean Air - Title V Permit Program**

2002	2003	2004	2005 Estimate	2006 House Passed	2007 House Passed
\$15,542,352	\$16,069,926	\$15,363,603	\$16,361,500	<b>\$16,960,373</b>	<b>\$17,180,980</b>
	3.4%	-4.4%	6.5%	<b>3.7%</b>	<b>1.3%</b>

**Source:** SSR: Fees, calculated based on a base fee of \$25 per ton in 1989 dollars, assessed on the actual emissions of the regulated pollutants particulate matter, sulfur dioxide, nitrogen oxides, organic compounds, and lead; fees are subject to annual increases as measured against the 1989 Consumer Price Index

**Legal Basis:** ORC 3704.035; fees described under ORC 3745.11

**Purpose:** Under Title V of the Federal Clean Air Act, major sources of air pollution are required to obtain permits to operate and certify compliance with the terms of their Title V permits. The fees assessed and deposited to this fund provide funding for the Title V permit program, which is administered by Ohio EPA and Local Air Agencies.

**Environmental Protection Agency - Catalog of Budget Line Items**

**4U7 715-660 Construction & Demolition Debris**

2002	2003	2004	2005 Estimate	2006 House Passed	2007 House Passed
\$136,145	\$139,768	\$217,434	\$220,000	<b>\$586,797</b>	<b>\$582,305</b>
	2.7%	55.6%	1.2%	<b>166.7%</b>	<b>-0.8%</b>

**Source:** SSR: A disposal fee of \$.30 per cubic yard or \$.60 per ton on construction and demolition debris disposed at a licensed construction and demolition debris or solid waste facility. This fee is shared between Ohio EPA and approved local health districts. Where there is no approved local health district, Ohio EPA retains the entire fee. A portion of this fee also may be appropriated by municipalities or townships and counties.

**Legal Basis:** ORC 3714.07

**Purpose:** Funding supports rule training, policy/guidance crafting, technical assistance efforts, health department oversight, and licensing activities related to the Construction and Demolition Debris program.

**500 715-608 Immediate Removal Special Account**

2002	2003	2004	2005 Estimate	2006 House Passed	2007 House Passed
\$310,698	\$388,834	\$309,787	\$482,000	<b>\$482,000</b>	<b>\$482,000</b>
	25.1%	-20.3%	55.6%	<b>0.0%</b>	<b>0.0%</b>

**Source:** SSR: Cost recoveries constitute the fund's sole source of revenue: the entity responsible for a spill, release, or discharge is liable for emergency action costs; the owner or operator of a facility where a remedial action is undertaken is liable for the total cost of the remedial action

**Legal Basis:** ORC 3745.12

**Purpose:** Moneys are used to pay costs incurred by Ohio EPA in investigating, mitigating, minimizing, removing, or abating any unauthorized spill, release, or discharge of material that requires emergency action and for conducting remedial actions within the Emergency Response program.

**503 715-621 Hazardous Waste Facility Management**

2002	2003	2004	2005 Estimate	2006 House Passed	2007 House Passed
\$9,072,184	\$9,942,133	\$10,014,021	\$10,686,728	<b>\$11,270,231</b>	<b>\$11,711,473</b>
	9.6%	0.7%	6.7%	<b>5.5%</b>	<b>3.9%</b>

**Source:** SSR: Hazardous waste disposal and treatment fees; hazardous waste facility installation and operation permit fees; a portion of the tipping fee assessed to every ton of solid waste disposed of in the state

**Legal Basis:** ORC 3734.02, 3734.18 and 3734.57 (originally established by Am. Sub. H.B. 117 of the 121st G.A.)

**Purpose:** This fund supports the administration of the hazardous waste program, which includes providing for compliance assurance through site inspections, oversight, technical assistance, and enforcement and the long-term operation and maintenance costs of remediated facilities.

**Environmental Protection Agency - Catalog of Budget Line Items**

**503 715-662 Hazardous Waste Facility Board**

2002	2003	2004	2005 Estimate	2006 House Passed	2007 House Passed
\$385,819	\$333,249	\$95,865	\$0	\$0	\$0
	-13.6%	-71.2%	-100.0%	N/A	N/A

**Source:** SSR: Hazardous waste disposal and treatment fees; hazardous waste facility installation and operation permit fees; a portion of the tipping fee assessed to every ton of solid waste disposed of in the state

**Legal Basis:** Discontinued line item (originally established by Am. Sub. H.B. 117 of the 121st G.A.)

**Purpose:** Appropriations in this fund financed the activities of the Hazardous Waste Facility Board, which had exclusive responsibility for acting on permit applications for new hazardous waste facilities and applications for modifications of existing facilities.

Am. Sub. H.B. 95 of the 125th G.A. eliminated the Hazardous Waste Facility Board and transferred its duties to Ohio EPA.

**505 715-623 Hazardous Waste Cleanup**

2002	2003	2004	2005 Estimate	2006 House Passed	2007 House Passed
\$9,235,885	\$10,687,286	\$10,354,392	\$11,557,987	\$11,482,988	\$11,482,988
	15.7%	-3.1%	11.6%	-0.6%	0.0%

**Source:** SSR: (1) A portion of the tipping fee assessed to every ton of solid waste disposed of in the state; (2) civil penalties imposed for violations of any solid and hazardous waste law; (3) proceeds from the sale of cleaned sites; (4) natural resource damages collected under the federal Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA); and (5) expenses collected pertaining to hazardous waste site remediation

**Legal Basis:** ORC 3734.28; moneys collected under ORC 3734.122, 3734.13, 3734.20, 3734.22, 3734.24, 3734.26, and 3734.57

**Purpose:** This line item provides money for: (1) the clean-up of sites contaminated with polychlorinated biphenyls (PCB's); (2) the inspection, investigation and conducting of enforcement actions where hazardous waste has been treated, stored, or disposed of; (3) the planning and implementation of site remediation; (4) purchasing hazardous waste sites; and (5) making grants to a political subdivision or the owner of a facility for a portion of the costs associated with closing a facility or abating pollution.

**Environmental Protection Agency - Catalog of Budget Line Items**

**505 715-674 Clean Ohio Environmental Review**

2002	2003	2004	2005 Estimate	2006 House Passed	2007 House Passed
\$0	\$0	\$32,500	\$1,179,249	<b>\$104,500</b>	<b>\$109,725</b>
	N/A	N/A	3528.5%	<b>-91.1%</b>	<b>5.0%</b>

**Source:** SSR: Start-up funding provided from appropriation item 715-623, Hazardous Waste Clean-up

**Legal Basis:** Section 47 of Am. Sub. H.B. 95 of the 125th G.A. (originally established by Am. Sub. H.B. 3 of the 124th G.A.)

**Purpose:** This line item is intended to support the administrative expenses of the agency related to its oversight of brownfields remediation projects funded under Clean Ohio. These expenses may include, without limitation, the cost of technical assistance, of participating with and supporting the Clean Ohio Council, and of reviewing No Further Action letters and issuing covenants not to sue for brownfields and public health projects funded under the Clean Ohio Program.

**541 715-670 Site Specific Cleanup**

2002	2003	2004	2005 Estimate	2006 House Passed	2007 House Passed
\$157	\$551	\$8,166	\$30,000	<b>\$33,000</b>	<b>\$34,650</b>
	250.0%	1382.0%	267.4%	<b>10.0%</b>	<b>5.0%</b>

**Source:** SSR: Enforcement orders

**Legal Basis:** Section 47 of Am. Sub. H.B. 95 of the 125th G.A. (originally established by Am. Sub. H.B. 283 of the 123rd G.A.)

**Purpose:** Moneys that are specifically designated for cleaning up a particular site under the Remedial Response program, in many cases as a result of bankruptcy, are placed in this separate account for easier tracking and greater accountability.

**542 715-671 Risk Management Reporting**

2002	2003	2004	2005 Estimate	2006 House Passed	2007 House Passed
\$158,494	\$122,512	\$134,365	\$146,188	<b>\$146,188</b>	<b>\$146,188</b>
	-22.7%	9.7%	8.8%	<b>0.0%</b>	<b>0.0%</b>

**Source:** SSR: Risk management plan reporting fees; civil penalties

**Legal Basis:** ORC 3753

**Purpose:** The Division of Air Pollution Control administers the 112r program (Section 112(r) of the Clean Air Act Amendments) for air chemical emergency preparedness and protection. Fees associated with the program are deposited into this fund.

**Environmental Protection Agency - Catalog of Budget Line Items**

**592 715-627 Anti Tampering Settlement**

2002	2003	2004	2005 Estimate	2006 House Passed	2007 House Passed
\$1,096	\$1,097	\$0	\$0	\$17,203	\$9,707
	0.1%	-100.0%	N/A	N/A	-43.6%

**Source:** SSR: Settlement payments

**Legal Basis:** As needed line item (originally established in ORC 3704.161)

**Purpose:** This fund was created to collect settlement payments when it was determined that auto emissions control equipment had been tampered with. Moneys in the fund are to be used solely for public education concerning anti-tampering laws, and for administration and enforcement of those laws.

**5BC 715-617 Clean Ohio**

2002	2003	2004	2005 Estimate	2006 House Passed	2007 House Passed
\$0	\$0	\$0	\$0	\$648,939	\$741,646
	N/A	N/A	N/A	N/A	14.3%

**Source:** SSR: Environmental Protection Fee - \$1.75 per ton on solid waste disposed in Ohio's landfills

**Legal Basis:** New line item; H.B. 66 of the 126th General Assembly

**Purpose:** Moneys in this fund will support the administrative expenses of the agency related to its oversight of brownfields remediation projects funded under Clean Ohio.

**5BC 715-622 Local Air Pollution Control**

2002	2003	2004	2005 Estimate	2006 House Passed	2007 House Passed
\$0	\$0	\$0	\$0	\$898,072	\$1,026,369
	N/A	N/A	N/A	N/A	14.3%

**Source:** SSR: Environmental Protection Fee - \$1.75 per ton on solid waste disposed in Ohio's landfills

**Legal Basis:** New line item; H.B. 66 of the 126th General Assembly

**Purpose:** EPA monitors air quality, issues permits, and investigates complaints through this program. Moneys from this fund will be provided to Local Air Agencies (LAA) under contract with EPA based upon the following: projected amounts of local funds available for the program; the number of pollution sources; the size of population exposed; and the geographical area within the jurisdiction of each LAA.

**Environmental Protection Agency - Catalog of Budget Line Items**

**5BC 715-624 Surface Water**

2002	2003	2004	2005 Estimate	2006 House Passed	2007 House Passed
\$0	\$0	\$0	\$0	\$7,685,071	\$8,797,413
	N/A	N/A	N/A	N/A	14.5%

**Source:** SSR: Environmental Protection Fee - \$1.75 per ton on solid waste disposed in Ohio's landfills

**Legal Basis:** New line item; H.B. 66 of the 126th General Assembly

**Purpose:** This line item will partially fund the Division of Surface Water's efforts to implement the programs and objectives of the federal Clean Water Act (CWA) with the goal of all of Ohio's lakes, rivers, and streams attaining fishable and swimmable standards.

**5BC 715-667 Groundwater**

2002	2003	2004	2005 Estimate	2006 House Passed	2007 House Passed
\$0	\$0	\$0	\$0	\$957,022	\$1,093,741
	N/A	N/A	N/A	N/A	14.3%

**Source:** SSR: Environmental Protection Fee - \$1.75 per ton on solid waste disposed in Ohio's landfills

**Legal Basis:** New line item; H.B. 66 of the 126th General Assembly

**Purpose:** This line item will partially fund the Division of Drinking and Ground Waters' efforts to characterize ground water quality conditions, provide geologic and hydrogeologic technical support to Ohio EPA's other divisions, coordinate ground water monitoring and protection efforts with other state programs, and administer the underground injection control program.

**5BC 715-672 Air Pollution Control**

2002	2003	2004	2005 Estimate	2006 House Passed	2007 House Passed
\$0	\$0	\$0	\$0	\$4,234,681	\$5,199,290
	N/A	N/A	N/A	N/A	22.8%

**Source:** SSR: Environmental Protection Fee - \$1.75 per ton on solid waste disposed in Ohio's landfills

**Legal Basis:** New line item; H.B. 66 of the 126th General Assembly

**Purpose:** This line item will provide partial funding for the Division of Air Pollution Control, which oversees the regulation and control of air pollution through surveillance of pollution sources, permit issuance and review, and long-range comprehensive planning.

**Environmental Protection Agency - Catalog of Budget Line Items**

**5BC 715-673 Drinking Water**

2002	2003	2004	2005 Estimate	2006 House Passed	2007 House Passed
\$0	\$0	\$0	\$0	\$2,231,467	\$2,550,250
	N/A	N/A	N/A	N/A	14.3%

**Source:** SSR: Environmental Protection Fee - \$1.75 per ton on solid waste disposed in Ohio's landfills

**Legal Basis:** New line item; H.B. 66 of the 126th General Assembly

**Purpose:** This line item will partially fund the Division of Drinking and Ground Waters' efforts to implement and enforce the Safe Drinking Water Act in Ohio and to ensure Ohio's public water systems provide adequate quantities of safe drinking water. Responsibilities include reviewing engineering plans, conducting inspections, reviewing chemical compliance data, and administering the operator and laboratory certification programs.

**5BC 715-675 Hazardous Waste**

2002	2003	2004	2005 Estimate	2006 House Passed	2007 House Passed
\$0	\$0	\$0	\$0	\$88,241	\$100,847
	N/A	N/A	N/A	N/A	14.3%

**Source:** SSR: Environmental Protection Fee - \$1.75 per ton on solid waste disposed in Ohio's landfills

**Legal Basis:** New line item; H.B. 66 of the 126th General Assembly

**Purpose:** This line item will fund the Cessation of Regulated Operations program within the Division of Hazardous Waste Management. The goal of the program is to prevent threats to human health and the environment when businesses close where hazardous substances were produced, used, or stored.

**5BC 715-676 Assistance and Prevention**

2002	2003	2004	2005 Estimate	2006 House Passed	2007 House Passed
\$0	\$0	\$0	\$0	\$612,764	\$700,302
	N/A	N/A	N/A	N/A	14.3%

**Source:** SSR: Environmental Protection Fee - \$1.75 per ton on solid waste disposed in Ohio's landfills

**Legal Basis:** New line item; H.B. 66 of the 126th General Assembly

**Purpose:** This line item will partially fund the Office of Compliance Assistance and Pollution Prevention, which provides confidential technical assistance to businesses on pollution prevention and compliance issues.

**Environmental Protection Agency - Catalog of Budget Line Items**

**5BC 715-677 Laboratory**

2002	2003	2004	2005 Estimate	2006 House Passed	2007 House Passed
\$0	\$0	\$0	\$0	\$1,064,290	\$1,216,333
	N/A	N/A	N/A	N/A	14.3%

**Source:** SSR: Environmental Protection Fee - \$1.75 per ton on solid waste disposed in Ohio's landfills

**Legal Basis:** New line item; H.B. 66 of the 126th General Assembly

**Purpose:** This line item will partially fund the Division of Environmental Services within the Surface Water program series and will support laboratory services for programs within Ohio EPA.

**5BC 715-678 Corrective Actions**

2002	2003	2004	2005 Estimate	2006 House Passed	2007 House Passed
\$0	\$0	\$0	\$0	\$1,032,302	\$1,179,775
	N/A	N/A	N/A	N/A	14.3%

**Source:** SSR: Environmental Protection Fee - \$1.75 per ton on solid waste disposed in Ohio's landfills

**Legal Basis:** New line item; H.B. 66 of the 126th General Assembly

**Purpose:** This line item will partially fund to the Division of Emergency and Remedial Response and supports its efforts to prevent, respond to, remove, and clean up releases of hazardous waste, hazardous substances, and pollutants in Ohio.

**5H4 715-664 Groundwater Support**

2002	2003	2004	2005 Estimate	2006 House Passed	2007 House Passed
\$1,405,867	\$1,615,640	\$1,634,938	\$1,797,036	\$2,325,922	\$2,408,871
	14.9%	1.2%	9.9%	29.4%	3.6%

**Source:** SSR: Other Ohio EPA divisions

**Legal Basis:** Section 47 of Am. Sub. H.B. 95 of the 125th G.A.

**Purpose:** The Division of Drinking and Ground Waters provides geologic and hydrogeologic technical support to other Ohio EPA divisions when requested. After the work is completed and charges have been made, the Division bills for the work and moneys are credited to this fund.

**Environmental Protection Agency - Catalog of Budget Line Items**

**5N2 715-613 Dredge and Fill**

2002	2003	2004	2005 Estimate	2006 House Passed	2007 House Passed
\$350	\$30,743	\$28,408	\$30,000	<b>\$30,000</b>	<b>\$30,000</b>
	8683.7%	-7.6%	5.6%	<b>0.0%</b>	<b>0.0%</b>

**Source:** SSR: State isolated wetland permit fees and permit review fees

**Legal Basis:** ORC 3745.113 (originally established by Sub. H.B. 231 of the 124th G.A.)

**Purpose:** Moneys in the fund are used for the administration of the state isolated wetlands permit program. Persons proposing to fill an isolated wetland must apply to Ohio EPA for coverage under a general or an individual state isolated wetlands permit. The permit application fee is \$200, plus a review fee of \$500 per acre of isolated wetland to be impacted, up to \$5,000 per application. These fees do not apply to agencies or departments of the state, nor to any county, township, or municipality of the state.

**602 715-626 Motor Vehicle Inspection and Maintenance**

2002	2003	2004	2005 Estimate	2006 House Passed	2007 House Passed
\$2,377,414	\$2,315,980	\$1,424,248	\$1,437,398	<b>\$1,190,944</b>	<b>\$250,000</b>
	-2.6%	-38.5%	0.9%	<b>-17.1%</b>	<b>-79.0%</b>

**Source:** SSR: A portion of the current \$19.50 emissions test fee, which vehicle owners are required to pay every two years for emissions inspections, beginning January 1996 (the majority of the testing fee goes to the contractor responsible for conducting emissions tests); civil penalties assessed to a facility owner, operator, or certified inspector for violation of program requirements

**Legal Basis:** ORC 3704.14

**Purpose:** Moneys are used solely for administration, supervision, and enforcement of the Enhanced Motor Vehicle Inspection and Maintenance program (E-Check), and for public education concerning the program. The current E-Check contract will expire December 31, 2005.

**Environmental Protection Agency - Catalog of Budget Line Items**

**644 715-631 ER Radiological Safety**

2002	2003	2004	2005 Estimate	2006 House Passed	2007 House Passed
\$185,587	\$184,519	\$182,754	\$286,114	<b>\$286,114</b>	<b>\$286,114</b>
	-0.6%	-1.0%	56.6%	<b>0.0%</b>	<b>0.0%</b>

**Source:** SSR: Assessments against each nuclear electric utility in Ohio in an amount no greater than the appropriation specified in the applicable main operating appropriations act

**Legal Basis:** ORC 4937.05 authorizes the Utility Radiological Safety Board to assess fees and deposit them into any nuclear safety fund for which appropriations are specified (Fund 644 under Ohio EPA originally established by Controlling Board in February 1990)

**Purpose:** Ohio EPA is one of six member state agencies on the Utility Radiological Safety Board (USRB). The USRB supports various activities intended to ensure that nuclear power plants are operated safely and that contingency plans are prepared in the event of a nuclear accident. The Board annually assesses nuclear utilities a total amount that is no greater than each agency's appropriation authority (as outlined in the current main operating appropriations act).

Note: Each of the six member agency's nuclear safety funds originally received disbursements from the Public Utilities Commission's Utility Radiological Safety Fund, pursuant to Section 88 of Am. Sub. H.B. 111 of the 118th G.A. Am. Sub. H.B. 215 of the 122nd G.A. ended PUCO's involvement with the funding of this program and provided for the assessment procedures outlined above.

**660 715-629 Infectious Waste Management**

2002	2003	2004	2005 Estimate	2006 House Passed	2007 House Passed
\$106,657	\$130,645	\$157,067	\$160,000	<b>\$160,000</b>	<b>\$100,000</b>
	22.5%	20.2%	1.9%	<b>0.0%</b>	<b>-37.5%</b>

**Source:** SSR: (1) A \$300 registration fee (renewable triennially) for large generators (those who produce fifty or more pounds of infectious wastes during any one month); and (2) a \$300 registration fee (renewable triennially) for each vehicle used to transport untreated infectious wastes

**Legal Basis:** ORC 3734.021 (originally established by Sub. S.B. 243 of the 117th G.A.)

**Purpose:** Fifty percent of the collected fees are shared with the local health boards where the generators and transporters are registered. The remaining portion is used by Ohio EPA to administer the state's infectious waste management program.

**Environmental Protection Agency - Catalog of Budget Line Items**

**676 715-642 Water Pollution Control Loan Administration**

2002	2003	2004	2005 Estimate	2006 House Passed	2007 House Passed
\$3,667,757	\$4,038,343	\$4,428,982	\$4,964,625	<b>\$4,964,625</b>	<b>\$4,964,625</b>
	10.1%	9.7%	12.1%	<b>0.0%</b>	<b>0.0%</b>

**Source:** SSR: 0.2% annual interest on loans administered through the Water Pollution Control Loan program, via Federal Special Revenue Fund 3F2, Revolving Loan Fund - Operating

**Legal Basis:** ORC 6111.036

**Purpose:** Moneys in this fund are used for administrative costs associated with the Water Pollution Control Loan Fund (WPCLF) program.

**678 715-635 Air Toxic Release**

2002	2003	2004	2005 Estimate	2006 House Passed	2007 House Passed
\$336,053	\$259,448	\$288,872	\$210,662	<b>\$210,621</b>	<b>\$210,622</b>
	-22.8%	11.3%	-27.1%	<b>0.0%</b>	<b>0.0%</b>

**Source:** SSR: Toxic chemical release form filing fees (\$50 filing fee, plus \$15 per release form, not to exceed \$500) and civil penalties

**Legal Basis:** ORC 3751.05 (originally established by Sub. S.B. 367 of the 117th G.A.) and 3751.10

**Purpose:** Moneys in this fund are used to implement, administer, and enforce the Toxic Release Inventory (TRI) program mandated by Title III of the federal Superfund Amendments and Reauthorization Act of 1986 (SARA).

**Environmental Protection Agency - Catalog of Budget Line Items**

**679 715-636 Emergency Planning**

2002	2003	2004	2005 Estimate	2006 House Passed	2007 House Passed
\$1,601,522	\$2,367,733	\$2,857,963	\$2,828,647	<b>\$2,828,647</b>	<b>\$2,828,647</b>
	47.8%	20.7%	-1.0%	<b>0.0%</b>	<b>0.0%</b>

**Source:** SSR: Annual filing fees (due on March 1 of every year) for reporting inventories of extremely hazardous substances and hazardous chemicals; civil penalties

**Legal Basis:** ORC 3750.14; fees described under ORC 3750.13 and 3750.20 (originally established by Sub. S.B. 367 of the 117th G.A.)

**Purpose:** Moneys in Fund 679 are used to implement, administer, and enforce emergency planning and community right-to-know programs mandated by Title III of the federal Superfund Amendments and Reauthorization Act of 1986 (SARA). The State Emergency Planning Commission (SERC) administers Fund 679, from which grants are made to state agencies supporting SERC: Ohio EPA, Ohio Emergency Management Agency, 87 Local Emergency Planning Committees (LEPC), and fire departments. The majority of statewide LEPCs receive no additional financial support from their respective counties and therefore, rely on SERC grant awards for 100% of their funding. Within Ohio EPA, the community right-to-know program became part of the Division of Air Pollution Control in FY 2003. The agency retains 10% of the fees collected by this program in order to administer it. Activities include maintaining Chemical Inventory Reports from approximately 7,000 facilities, operating the fee program, and providing technical assistance to the regulated community.

**696 715-643 Air Pollution Control Administration**

2002	2003	2004	2005 Estimate	2006 House Passed	2007 House Passed
\$508,830	\$554,550	\$1,249,070	\$1,228,664	<b>\$750,000</b>	<b>\$750,000</b>
	9.0%	125.2%	-1.6%	<b>-39.0%</b>	<b>0.0%</b>

**Source:** SSR: Fifty percent of the moneys collected from enforcement actions and civil penalties imposed for violations of state air pollution control regulations (civil penalties may not exceed \$25,000 for each day of each violation)

**Legal Basis:** ORC 3704.06

**Purpose:** Funding supplements other sources available for the administration and enforcement of the state's air pollution control law. None of the moneys in the fund may be used to meet state matching fund requirements for the receipt of any federal grant funds. The agency is statutorily permitted to expend not more than \$750,000 in any fiscal year from the fund (without approval from the Controlling Board to expend more than that amount).

**Environmental Protection Agency - Catalog of Budget Line Items**

**699 715-644 Water Pollution Control Administration**

2002	2003	2004	2005 Estimate	2006 House Passed	2007 House Passed
\$499,967	\$476,715	\$545,597	\$625,000	<b>\$750,000</b>	<b>\$750,000</b>
	-4.7%	14.4%	14.6%	<b>20.0%</b>	<b>0.0%</b>

**Source:** SSR: Fifty percent of the moneys collected from enforcement actions and civil penalties imposed for violations of state water pollution control regulations

**Legal Basis:** ORC 6111.09

**Purpose:** Funding supplements other sources available for the administration and enforcement of the state's water pollution control law. None of the moneys in the fund may be used to meet state matching fund requirements for the receipt of any federal grant funds. The agency is statutorily permitted to expend not more than \$750,000 in any fiscal year from the fund (without approval from the Controlling Board to expend more than that amount).

**6A1 715-645 Environmental Education**

2002	2003	2004	2005 Estimate	2006 House Passed	2007 House Passed
\$1,359,758	\$1,531,911	\$1,428,008	\$1,500,000	<b>\$1,500,000</b>	<b>\$1,500,000</b>
	12.7%	-6.8%	5.0%	<b>0.0%</b>	<b>0.0%</b>

**Source:** SSR: Fifty percent of the moneys collected from enforcement actions and civil penalties imposed for violations of state air and water pollution control regulations laws (the fund was seeded by a \$1 million settlement with CECOS International for a violation of the state's hazardous waste program); gifts, grants, and contributions

**Legal Basis:** ORC 3745.22; civil penalties collected under ORC 3704.06 and 6111.09

**Purpose:** Moneys in the fund are used exclusively to develop, implement, and administer environmental education and public awareness programs. The fund is used to award approximately \$1 million annually in general grants of \$5,000 to \$50,000 and mini-grants of \$500 to \$5,000 to primary and secondary schools, colleges, universities, environmental advocacy groups, industry associations, and others for projects that increase awareness and understanding of environmental issues throughout Ohio. The agency is statutorily permitted to expend not more than \$1.5 million in any fiscal year from the fund (without approval from the Controlling Board to expend more than that amount).

## Clean Ohio Revitalization Fund

### 5S1 715-607 Clean Ohio - Operating

2002	2003	2004	2005 Estimate	2006 House Passed	2007 House Passed
\$0	\$0	\$41,887	\$208,174	\$208,174	\$208,174
	N/A	N/A	397.0%	0.0%	0.0%

**Source:** CLF: Excess investment earnings from the Clean Ohio Revitalization Fund (created under ORC 122.658 and under the administration of the Department of Development) transferred to the Clean Ohio Operating Fund in an amount not exceeding the fund's annual appropriation

**Legal Basis:** ORC 122.658 and 3745.40 (originally established by Am. Sub. H.B. 3 of the 124th G.A.)

**Purpose:** Moneys in this fund support the administrative expenses of the Division of Emergency and Remedial Response related to its oversight of brownfields remediation projects funded under the Clean Ohio Program.

## LSC Budget Spreadsheet by Line Item, FY 2006 - FY 2007

<i>Fund ALI ALI Title</i>	<i>Estimated 2005</i>	<i>As Introduced 2006</i>	<i>House Passed 2006</i>	<i>% Change Est. 2005 to House 2006</i>	<i>As Introduced 2007</i>	<i>House Passed 2007</i>	<i>% Change House 2006 to House 2007</i>
<b><i>EPA Environmental Protection Agency</i></b>							
GRF 715-403 Clean Ohio	\$741,646	\$ 185,413	\$ 92,707	-87.5%	\$ 0	\$ 0	-100.0%
GRF 715-501 Local Air Pollution Control	\$1,026,369	\$ 256,594	\$ 128,297	-87.5%	\$ 0	\$ 0	-100.0%
GRF 717-321 Surface Water	\$8,797,413	\$ 2,224,683	\$ 1,112,342	-87.4%	\$ 0	\$ 0	-100.0%
GRF 718-321 Groundwater	\$1,093,741	\$ 273,437	\$ 136,719	-87.5%	\$ 0	\$ 0	-100.0%
GRF 719-321 Air Pollution Control	\$2,390,664	\$ 622,988	\$ 311,494	-87.0%	\$ 0	\$ 0	-100.0%
GRF 721-321 Drinking Water	\$2,550,250	\$ 637,566	\$ 318,783	-87.5%	\$ 0	\$ 0	-100.0%
GRF 723-321 Hazardous Waste	\$100,847	\$ 25,212	\$ 12,606	-87.5%	\$ 0	\$ 0	-100.0%
GRF 724-321 Pollution Prevention	\$700,302	\$ 175,076	\$ 87,538	-87.5%	\$ 0	\$ 0	-100.0%
GRF 725-321 Laboratory	\$1,216,333	\$ 304,086	\$ 152,043	-87.5%	\$ 0	\$ 0	-100.0%
GRF 726-321 Corrective Actions	\$1,179,775	\$ 294,945	\$ 147,473	-87.5%	\$ 0	\$ 0	-100.0%
<b>General Revenue Fund Total</b>	<b>\$ 19,797,340</b>	<b>\$ 5,000,000</b>	<b>\$ 2,500,002</b>	<b>-87.4%</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>-100.0%</b>
199 715-602 Laboratory Services	\$1,045,654	\$ 1,078,348	\$ 1,078,348	3.1%	\$ 1,083,574	\$ 1,083,574	0.5%
219 715-604 Central Support Indirect	\$15,544,406	\$ 15,804,913	\$ 15,804,913	1.7%	\$ 16,345,805	\$ 16,345,805	3.4%
4A1 715-640 Operating Expenses	\$3,369,731	\$ 3,369,731	\$ 3,369,731	0.0%	\$ 3,369,731	\$ 3,369,731	0.0%
5BZ 715-681 Auto Emissions Test		\$ 0	\$ 8,100,000	N/A	\$ 0	\$ 15,200,000	87.7%
<b>General Services Fund Group Total</b>	<b>\$ 19,959,791</b>	<b>\$ 20,252,992</b>	<b>\$ 28,352,992</b>	<b>42.1%</b>	<b>\$ 20,799,110</b>	<b>\$ 35,999,110</b>	<b>27.0%</b>
352 715-611 Wastewater Pollution	\$415,002	\$ 525,000	\$ 525,000	26.5%	\$ 530,000	\$ 530,000	1.0%
353 715-612 Public Water Supply	\$2,916,174	\$ 3,384,959	\$ 3,384,959	16.1%	\$ 3,388,619	\$ 3,388,619	0.1%
354 715-614 Hazardous Waste Management-Federal	\$4,203,891	\$ 4,203,891	\$ 4,203,891	0.0%	\$ 4,203,891	\$ 4,203,891	0.0%
357 715-619 Air Pollution Control-Federal	\$6,801,601	\$ 6,966,337	\$ 6,966,337	2.4%	\$ 7,243,950	\$ 7,243,950	4.0%
362 715-605 Underground Injection Control-Federal	\$101,874	\$ 111,874	\$ 111,874	9.8%	\$ 111,874	\$ 111,874	0.0%
3F2 715-630 Revolving Loan Fund-Operating	\$80,000	\$ 152,021	\$ 152,021	90.0%	\$ 293,129	\$ 293,129	92.8%
3F3 715-632 Federally Supported Cleanup & Response	\$2,326,434	\$ 2,792,648	\$ 2,792,648	20.0%	\$ 2,777,648	\$ 2,777,648	-0.5%
3F4 715-633 Water Quality Management	\$712,850	\$ 710,000	\$ 710,000	-0.4%	\$ 710,000	\$ 710,000	0.0%
3F5 715-641 Nonpoint Source Pollution Management	\$8,155,000	\$ 7,815,000	\$ 7,815,000	-4.2%	\$ 7,810,000	\$ 7,810,000	-0.1%
3J1 715-620 Urban Stormwater	\$956,001	\$ 706,000	\$ 706,000	-26.2%	\$ 710,000	\$ 710,000	0.6%
3K2 715-628 Clean Water Act 106	\$4,525,992	\$ 4,723,845	\$ 4,723,845	4.4%	\$ 5,023,846	\$ 5,023,846	6.4%

## LSC Budget Spreadsheet by Line Item, FY 2006 - FY 2007

<i>Fund ALI ALI Title</i>	<i>Estimated 2005</i>	<i>As Introduced 2006</i>	<i>House Passed 2006</i>	<i>% Change Est. 2005 to House 2006</i>	<i>As Introduced 2007</i>	<i>House Passed 2007</i>	<i>% Change House 2006 to House 2007</i>
<b>EPA Environmental Protection Agency</b>							
3K4 715-634 DOD Monitoring and Oversight	\$1,450,333	\$ 1,450,333	\$ 1,450,333	0.0%	\$ 1,450,333	\$ 1,450,333	0.0%
3K6 715-639 Remedial Action Plan	\$385,001	\$ 320,000	\$ 320,000	-16.9%	\$ 319,000	\$ 319,000	-0.3%
3N1 715-655 Pollution Prevention Grants	\$0	\$ 0	\$ 0	N/A	\$ 0	\$ 0	N/A
3N4 715-657 DOE Monitoring and Oversight	\$3,203,735	\$ 3,181,736	\$ 3,181,736	-0.7%	\$ 3,231,963	\$ 3,231,963	1.6%
3T1 715-668 Rural Hardship Grant	\$0	\$ 0	\$ 0	N/A	\$ 0	\$ 0	N/A
3V7 715-606 Agency-wide Grants	\$458,115	\$ 458,115	\$ 458,115	0.0%	\$ 479,115	\$ 479,115	4.6%
<b>Federal Special Revenue Fund Group Total</b>	<b>\$ 36,692,003</b>	<b>\$ 37,501,759</b>	<b>\$ 37,501,759</b>	<b>2.2%</b>	<b>\$ 38,283,368</b>	<b>\$ 38,283,368</b>	<b>2.1%</b>
3T3 715-669 Drinking Water SRF	\$2,516,777	\$ 2,411,614	\$ 2,411,614	-4.2%	\$ 2,482,910	\$ 2,482,910	3.0%
4J0 715-638 Underground Injection Control	\$394,385	\$ 438,285	\$ 438,285	11.1%	\$ 458,418	\$ 458,418	4.6%
4K2 715-648 Clean Air - Non Title V	\$2,633,002	\$ 3,234,278	\$ 3,234,278	22.8%	\$ 3,178,062	\$ 3,178,062	-1.7%
4K3 715-649 Solid Waste	\$13,478,360	\$ 13,800,377	\$ 13,800,377	2.4%	\$ 14,282,845	\$ 14,282,845	3.5%
4K4 715-650 Surface Water Protection	\$10,580,181	\$ 11,606,000	\$ 11,606,000	9.7%	\$ 12,420,000	\$ 12,420,000	7.0%
4K5 715-651 Drinking Water Protection	\$6,255,946	\$ 7,202,901	\$ 7,202,901	15.1%	\$ 7,492,035	\$ 7,492,035	4.0%
4P5 715-654 Cozart Landfill	\$149,728	\$ 149,728	\$ 149,728	0.0%	\$ 149,728	\$ 149,728	0.0%
4R5 715-656 Scrap Tire Management	\$6,000,000	\$ 6,000,000	\$ 6,000,000	0.0%	\$ 6,000,000	\$ 6,000,000	0.0%
4R9 715-658 Voluntary Action Program	\$795,671	\$ 1,008,765	\$ 1,008,765	26.8%	\$ 1,032,098	\$ 1,032,098	2.3%
4T3 715-659 Clean Air - Title V Permit Program	\$16,361,500	\$ 16,960,373	\$ 16,960,373	3.7%	\$ 17,180,980	\$ 17,180,980	1.3%
4U7 715-660 Construction & Demolition Debris	\$220,000	\$ 586,797	\$ 586,797	166.7%	\$ 582,305	\$ 582,305	-0.8%
500 715-608 Immediate Removal Special Account	\$482,000	\$ 482,000	\$ 482,000	0.0%	\$ 482,000	\$ 482,000	0.0%
503 715-621 Hazardous Waste Facility Management	\$10,686,728	\$ 11,270,231	\$ 11,270,231	5.5%	\$ 11,711,473	\$ 11,711,473	3.9%
503 715-662 Hazardous Waste Facility Board	\$0	\$ 0	\$ 0	N/A	\$ 0	\$ 0	N/A
505 715-623 Hazardous Waste Cleanup	\$11,557,987	\$ 11,482,988	\$ 11,482,988	-0.6%	\$ 11,482,988	\$ 11,482,988	0.0%
505 715-674 Clean Ohio Environmental Review	\$1,179,249	\$ 104,500	\$ 104,500	-91.1%	\$ 109,725	\$ 109,725	5.0%
541 715-670 Site Specific Cleanup	\$30,000	\$ 33,000	\$ 33,000	10.0%	\$ 34,650	\$ 34,650	5.0%
542 715-671 Risk Management Reporting	\$146,188	\$ 146,188	\$ 146,188	0.0%	\$ 146,188	\$ 146,188	0.0%
592 715-627 Anti Tampering Settlement	\$0	\$ 17,203	\$ 17,203	N/A	\$ 9,707	\$ 9,707	-43.6%
5BC 715-617 Clean Ohio	\$0	\$ 556,233	\$ 648,939	N/A	\$ 741,646	\$ 741,646	14.3%

## LSC Budget Spreadsheet by Line Item, FY 2006 - FY 2007

<i>Fund ALI ALI Title</i>	<i>Estimated 2005</i>	<i>As Introduced 2006</i>	<i>House Passed 2006</i>	<i>% Change Est. 2005 to House 2006</i>	<i>As Introduced 2007</i>	<i>House Passed 2007</i>	<i>% Change House 2006 to House 2007</i>
<b><i>EPA Environmental Protection Agency</i></b>							
5BC 715-622 Local Air Pollution Control	\$0	\$ 769,775	\$ 898,072	N/A	\$ 1,026,369	\$ 1,026,369	14.3%
5BC 715-624 Surface Water	\$0	\$ 6,572,730	\$ 7,685,071	N/A	\$ 8,797,413	\$ 8,797,413	14.5%
5BC 715-667 Groundwater	\$0	\$ 820,304	\$ 957,022	N/A	\$ 1,093,741	\$ 1,093,741	14.3%
5BC 715-672 Air Pollution Control	\$0	\$ 3,923,187	\$ 4,234,681	N/A	\$ 5,199,290	\$ 5,199,290	22.8%
5BC 715-673 Drinking Water	\$0	\$ 1,912,684	\$ 2,231,467	N/A	\$ 2,550,250	\$ 2,550,250	14.3%
5BC 715-675 Hazardous Waste	\$0	\$ 75,635	\$ 88,241	N/A	\$ 100,847	\$ 100,847	14.3%
5BC 715-676 Assistance and Prevention	\$0	\$ 525,226	\$ 612,764	N/A	\$ 700,302	\$ 700,302	14.3%
5BC 715-677 Laboratory	\$0	\$ 912,247	\$ 1,064,290	N/A	\$ 1,216,333	\$ 1,216,333	14.3%
5BC 715-678 Corrective Actions	\$0	\$ 884,830	\$ 1,032,302	N/A	\$ 1,179,775	\$ 1,179,775	14.3%
5H4 715-664 Groundwater Support	\$1,797,036	\$ 2,325,922	\$ 2,325,922	29.4%	\$ 2,408,871	\$ 2,408,871	3.6%
5N2 715-613 Dredge and Fill	\$30,000	\$ 30,000	\$ 30,000	0.0%	\$ 30,000	\$ 30,000	0.0%
602 715-626 Motor Vehicle Inspection and Maintenance	\$1,437,398	\$ 1,190,944	\$ 1,190,944	-17.1%	\$ 250,000	\$ 250,000	-79.0%
644 715-631 ER Radiological Safety	\$286,114	\$ 286,114	\$ 286,114	0.0%	\$ 286,114	\$ 286,114	0.0%
660 715-629 Infectious Waste Management	\$160,000	\$ 160,000	\$ 160,000	0.0%	\$ 100,000	\$ 100,000	-37.5%
676 715-642 Water Pollution Control Loan Administration	\$4,964,625	\$ 4,964,625	\$ 4,964,625	0.0%	\$ 4,964,625	\$ 4,964,625	0.0%
678 715-635 Air Toxic Release	\$210,662	\$ 210,621	\$ 210,621	0.0%	\$ 210,622	\$ 210,622	0.0%
679 715-636 Emergency Planning	\$2,828,647	\$ 2,828,647	\$ 2,828,647	0.0%	\$ 2,828,647	\$ 2,828,647	0.0%
696 715-643 Air Pollution Control Administration	\$1,228,664	\$ 750,000	\$ 750,000	-39.0%	\$ 750,000	\$ 750,000	0.0%
699 715-644 Water Pollution Control Administration	\$625,000	\$ 750,000	\$ 750,000	20.0%	\$ 750,000	\$ 750,000	0.0%
6A1 715-645 Environmental Education	\$1,500,000	\$ 1,500,000	\$ 1,500,000	0.0%	\$ 1,500,000	\$ 1,500,000	0.0%
<b>State Special Revenue Fund Group Total</b>	<b>\$ 98,535,848</b>	<b>\$ 118,884,952</b>	<b>\$ 121,384,950</b>	<b>23.2%</b>	<b>\$ 125,920,957</b>	<b>\$ 125,920,957</b>	<b>3.7%</b>
5S1 715-607 Clean Ohio - Operating	\$208,174	\$ 208,174	\$ 208,174	0.0%	\$ 208,174	\$ 208,174	0.0%
<b>Clean Ohio Revitalization Fund Total</b>	<b>\$ 208,174</b>	<b>\$ 208,174</b>	<b>\$ 208,174</b>	<b>0.0%</b>	<b>\$ 208,174</b>	<b>\$ 208,174</b>	<b>0.0%</b>
<b><i>Total All Budget Fund Groups</i></b>							
	<b>\$ 175,193,156</b>	<b>\$ 181,847,877</b>	<b>\$ 189,947,877</b>	<b>8.4%</b>	<b>\$ 185,211,609</b>	<b>\$ 200,411,609</b>	<b>5.5%</b>

As Introduced (Executive)

As Passed by the House

(CD-924-EPA) Construction and Demolition Debris Disposal Fees

No provision.

R.C. 3714.07

Specifies that the fee levied on the disposal of construction and demolition debris (C&DD) at a solid waste facility under the Construction and Demolition Debris Law does not apply if there is no licensed C&DD facility within 35 miles of the solid waste facility as determined by a facility's property boundaries rather than within 40 miles as in current law.

Fiscal effect: None.

(See item entitled "State Solid Waste Disposal Fee; Recycling and Litter Prevention Fund; Soil and Water" in the Department of Natural Resources for the fiscal effect of the new \$0.25 per-ton fee on the disposal of C&DD.)

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As Introduced (Executive)

As Passed by the House

(CD-435-EPA) Infectious Waste Management

R.C. 3734.021, 3734.01, 3734.02, 3734.022, 3734.05

Eliminates certain state requirements governing generators and transporters pertaining to shipping and packaging of infectious waste that must be included in rules adopted by the Director of EPA, and instead requires the Director to adopt rules that include standards established by the United States Department of Transportation under federal law; amends the definition of "infectious waste" by adding certain items to the list of "sharps"; and amends the definition of "infectious agent" by adding proteinaceous particles, prions, plasmids, and other genetic elements to the definition.

No Provision.

Fiscal effect: None.

(CD-431-EPA) Repayment of Costs to the Hazardous Waste Cleanup Fund

R.C. 3734.28, 3745.12

R.C. 3734.28, 3745.12

Specifies that money from the Hazardous Waste Cleanup Fund (Fund 505) within the state special revenue fund group used to pay the costs of clean-up activities and subsequently recovered in a civil action must be repaid to that fund instead of to the Immediate Removal Fund (Fund 500) within the state special revenue fund group as required in current law.

Same as the Executive.

Fiscal effect: Potential increased revenue in the Hazardous Waste Cleanup Fund and reduced revenue in the Immediate Removal Fund.

## As Introduced (Executive)

## As Passed by the House

## (CD-501-EPA) Solid Waste Management

## R.C. 3734.57, 3745.015

Extends from June 30, 2006, to June 30, 2008, the expiration date of the fee on the disposal of solid waste that is deposited into the Solid Waste Fund (Fund 4K3); allows the Ohio EPA to use the fund to provide compliance assistance to small businesses; continues the monthly reporting requirement for owners and operators of solid waste facilities, but also specifies that the monthly return indicate the total tonnage of solid waste received for disposal during that month and the total amount of fees required to be collected during that month; specifies how fees are to be calculated; establishes a discount for the timely submission of a return of fees; and specifies that the late submission of the return and fees results in a loss of the .75% payment discount and a charge of 10%, rather than 50%, of the amount of the fees for each month the fees are late.

No provision.

Fiscal effect: Extends the current fee on disposal of solid waste that is deposited into the Solid Waste Fund (Fund 4K3) through the coming biennium; therefore, there is no new fiscal effect associated with this part of the provision. The establishment of the timely submission discount and the change in late submission charges will have minimal fiscal effect. Allowing Fund 4K3 to be used to provide compliance assistance to small businesses will have minimal fiscal effect.

## R.C. 3734.57, 3734.01, 3745.015

Same as the Executive, but also specifies that if solid waste is first deposited at a transfer facility, disposal fees shall be collected at the transfer facility and that if solid waste first goes to a solid waste disposal facility, fees shall be collected at the disposal facility. Also specifies that fees levied on this waste do not apply to materials separated from a mixed waste stream for recycling by a generator or materials removed from the solid waste stream through recycling.

Excludes from the definition of solid wastes certain shale and clay products.

Fiscal effect: Results in 360,000 more tons of solid waste for fee collection. Potential increased revenue of approximately \$360,000 for the Solid Waste Fund (4K3) and potential increased revenue of approximately \$360,000 that will be split between the Hazardous Waste Facility Management Fund (Fund 503) and the Hazardous Waste Cleanup Fund (Fund 505).

(See the item entitled "Environmental Protection Fund" for

**As Introduced (Executive)**

(See item entitled "Environmental Protection Fund" for the fiscal effect on that fund.)

**As Passed by the House**

the fiscal effect on that fund.)

**(CD-484-EPA) Scrap Tire Management Program Funding****R.C. 3734.901, 3734.9010**

Extends the sunset of the fee on the sale of new tires that is used to fund the Scrap Tire Management program from June 30, 2006, to June 30, 2011. Reduces the amount of money that the Department of Taxation receives to pay its costs in administering the fee on new tires that is used to fund the Scrap Tire Management program from 4% to 2%. (See the item entitled "Tire Tax Administration" in the Department of Taxation)

Fiscal effect: The extension of the fee sunset authorizes Ohio EPA to continue collecting current fees; therefore, there is no new fiscal effect associated with this provision. The reduction in the amount of new tire fees paid to the Department of Taxation will result in Ohio EPA receiving 98% rather than 96% of the fee on new tire sales, resulting in slightly increased revenue in the Scrap Tire Management Fund (Fund 4R5) within the state special revenue fund group.

**R.C. 3734.901, 3734.9010**

Same as the Executive.

(See the item entitled "State Solid Waste Disposal Fee; Recycling and Litter Prevention Fund; Soil and Water" in the Department of Natural Resources for the fiscal effect of the newly proposed \$1.00 per tire fee on the sale of new tires, which is in addition to the \$1.00 used to fund Ohio EPA's Scrap Tire Management program.)

## As Introduced (Executive)

(CD-483-EPA) Environmental Protection Fund

R.C. 3745.015, 3734.57

Creates the Environmental Protection Fund (Fund 5BC) to be used to administer certain programs and establishes an additional fee of \$1.75 per ton on the disposal of solid waste beginning October 1, 2005, the proceeds of which must be deposited into the fund.

Fiscal effect: Estimated revenue of \$25.2 million annually, which is to fully replace Ohio EPA's GRF funding by FY 2007.

## As Passed by the House

R.C. 3745.015, 3734.57, Section 206.27

Reduces the per ton fee on the disposal of solid waste from \$1.75 to \$1.50. Also specifies that fees will be collected on solid waste at either a solid waste or transfer facility, depending on where the waste arrives first. Results in fees being collected on an estimated additional 360,000 tons of solid waste.

Starts collection of the new \$1.50 fee on the disposal of solid waste on July 1, 2005 rather than October 1, 2005.

Fiscal effect: Estimated revenue gain of \$22.3 million instead of \$25.2 million from the lower \$1.50 fee.

## As Introduced (Executive)

## As Passed by the House

(CD-488-EPA) Extension of Various Fee Sunsets

R.C. 3745.11, 6109.21

R.C. 3745.11, 6109.21

Extends the sunset on various Ohio EPA fees, including annual emissions fees for synthetic minor facilities; various water pollution control and safe drinking water fees; fees for certification of operators of water supply systems or wastewater systems; and application fees for permits under the Water Pollution Control Law and Safe Drinking Water Law. Some of the water pollution control and safe drinking water fees are on a tiered structure. The fee extension continues the first tier fee, which is higher. At the end of the extension the fee reverts to a lower fee. The tiers are the same as in current law.

Same as the Executive.

Fiscal effect: Authorizes Ohio EPA to continue collecting current fees; therefore, there is no new fiscal effect.

(CD-429-EPA) Revision of Industrial Classifications in the Air Pollution Control Fee Schedule

R.C. 3745.11

R.C. 3745.11

Revises the industrial classifications in the air pollution control permit fee schedule based on process weight rates by eliminating seven classifications and adding nine classifications.

Same as the Executive.

Fiscal effect: None.

## As Introduced (Executive)

(CD-437-EPA) Surface Water Protection Fee

## R.C. 3745.114

Establishes an application fee of \$200 for a section 401 water quality certification under the Section 401 Certification/Wetlands Permitting program; requires the payment of review fees of \$500 for each acre of wetland to be impacted, \$10 per linear foot of each stream to be impacted, and \$3 per cubic yard of dredged or fill material to be moved with respect to a lake; establishes caps on the total amount of the fee of \$5,000 for applications submitted by counties, townships, and municipal corporations and \$25,000 for all other applicants; requires fee proceeds to be credited to the Surface Water Protection Fund (Fund 4K4); and specifies that the fees do not apply to state agencies or to projects authorized by general or nationwide permits issued by the United States Army Corps of Engineers.

Fiscal effect: Approximately \$800,000 per year in revenue to the Surface Water Protection Fund (Fund 4K4).

## As Passed by the House

## R.C. 3745.114

Exempts coal mining and reclamation operations from the new section 401 water quality certification fees. (See the item entitled "Exemption for Coal Mining from Section 401 Water Quality Certification Fees" in the Department of Natural Resources)

Fiscal effect: A loss of approximately \$100,000 from the Executive's proposal in annual revenue to the Surface Water Protection Fund (Fund 4K4) for a net effect of \$700,000 in annual revenue to that fund.

## As Introduced (Executive)

## As Passed by the House

(CD-432-EPA) Certification of Certified Professionals under the Voluntary Action Program (VAP) Law

R.C. 3746.04, 3746.071

R.C. 3746.04, 3746.071

Requires the issuance, denial, renewal, suspension, and revocation of certifications of certified professionals under the Voluntary Action Program (VAP) Law to be published on the Ohio EPA web site and in the agency's weekly review, rather than in newspapers of general circulation as in current law, not later than 15 days after the date of the action regarding a certification and not later than 30 days prior to a hearing or public meeting concerning the action. Also allows the Director of Ohio EPA to suspend or revoke the certification of certain certified professionals in accordance with the VAP Law rather than the EPA Law.

Same as the Executive.

Fiscal effect: Potential savings for the VAP program, estimated to be approximately \$180,000 in the coming biennium, associated with using electronic rather than paper notice of certifications.

As Introduced (Executive)

(CD-1128-EPA) Section 401 Water Quality Certifications

No provision.

As Passed by the House

R.C. 6111.0210, 6111.02, 6111.028, 6111.0211,  
6111.0212, 6111.0213

Establishes requirements governing the issuance of section 401 water quality certifications for wetlands that are not isolated wetlands and for three categories of streams, including different levels of review and criteria for the issuance or denial of certifications depending on the category and size of the wetland or stream that is subject to dredging and filling and pre-activity notice requirements; establishes requirements for public notice prior to the issuance of a section 401 water quality certification; and requires all standards, methods, processes, procedures, and policies that are used to determine the approval or denial of a mitigation proposal to be established or identified in accordance with specified provisions of the Administrative Procedure Act in order to have the force of law.

Fiscal effect: The amendment does not exempt bodies of water from 401 certification, but provides for a different form of review; no new fiscal effect, but will likely accelerate permitting process.

**As Introduced (Executive)****(CD-412-EPA) Cash Transfer for Environmental Protection Fund****Section: 206.27**

Requires the transfer of cash (a total of \$11 million) from the following funds to the newly created Environmental Protection Fund (Fund 5BC) within the state special revenue fund group to use as start-up money until revenue can be generated by the proposed Environmental Protection Fee: Central Support Indirect Fund (Fund 219), Hazardous Waste Facility Management Fund (Fund 503), Solid Waste Fund (Fund 4K3), and Hazardous Waste Cleanup Fund (Fund 505), all within the state special revenue fund group. Also requires that a portion of the borrowed money (a total of \$6.5 million) be repaid to Fund 503, Fund 4K3, and Fund 505 by the end of FY 2007.

Fiscal effect: Reductions in the balances of the various funds being borrowed from, and start-up capitalization for the Environmental Protection Fund (Fund 5BC).

**As Passed by the House****Section: 206.27**

Permits, rather than requires, cash to be transferred from these funds to the Environmental Protection Fund (Fund 5BC) and eliminates the requirement that cash transferred from certain Ohio EPA funds be repaid to those funds.

Fiscal effect: Potential, though not required, decrease in the balance of the various Ohio EPA funds from which cash may be transferred to the Environmental Protection Fund (Fund 5BC) and a potential increase in that fund. Potentially, less cash will need to be transferred as a result of the new \$1.50 fee on the disposal of solid waste being collected beginning July 1, 2005 rather than October 1, 2005.

As Introduced (Executive)

(CD-936-EPA) Automobile Emissions Tests

No provision.

As Passed by the House

Section: 206.27

Creates the Auto Emissions Test Fund (Fund 5BZ) and transfers \$8,100,000 in FY 2006 and \$15,200,000 in FY 2007 from the Tobacco Master Settlement Agreement Fund (Fund 087) to this newly created fund; and specifies that the fund shall be used to pay up to \$19.50 per automobile emissions test in counties required to continue the testing.

Fiscal effect: Decrease of \$8,100,00 in fiscal year 2006 and \$15,200,000 in fiscal year 2007 in the Tobacco Master Settlement Fund and corresponding increase in the newly created Auto Emissions Test Fund, which will be offset by expenditures from the fund for automobile emissions tests.

(See the item entitled, "Automobile Emissions Tests" in the Tobacco Use Prevention and Control Foundation.)

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As Introduced (Executive)

(CD-1127-EPA) National Pollution Discharge Elimination System Funding Transfer

No provision.

As Passed by the House

Section: 206.27

Transfers federal moneys for agriculture-related aspects of the National Pollution Discharge Elimination System (NPDES) from Ohio EPA to the Ohio Department of Agriculture through the Controlling Board once the Department of Agriculture's state program is submitted and approved by the United States EPA, and the federal moneys are disbursed.

Fiscal effect: Upon future transfer by the Controlling Board, decreased federal moneys for Ohio EPA and an associated increase in federal moneys for the Department of Agriculture to issue NPDES permits.

(See item entitled National Pollution Discharge Elimination System Funding Transfer in the Department of Agriculture for the fiscal effect on that agency.)

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## As Introduced (Executive)

(CD-701-EPA) Utility Radiological Safety Board Assessments

## Section: 306.03

Specifies that the maximum amount that may be assessed against nuclear electric utilities for the purpose of funding appropriation item 715-631, ER Radiological Safety (Fund 644), in the state special revenue fund group is \$286,114 in each fiscal year.

(See the item entitled "Utility Radiological Safety Board Assessments" in the Public Utilities Commission)

Fiscal effect: The specified maximum amount is the same as the proposed appropriation for both fiscal years; no new fiscal effect.

## As Passed by the House

## Section: 306.03

Same as the Executive.