Department of Transportation

(H.B. 95 Portion)

OVERVIEW

The Ohio Department of Transportation (ODOT) is the agency charged with planning, building and maintaining the state's transportation system. Most of the agency's resources are devoted to the state's system of highways, but it also has responsibilities in the areas of rail, aviation, public transportation, and water transportation. Only about 2% of the department's budget comes from the General Revenue Fund (GRF); the rest of the budget derives from federal sources, bond revenue, or the motor vehicle fuel tax. House Bill 95 (H.B. 95) includes only the GRF portion and certain state special revenues and federal special revenues of the ODOT budget. The bulk of the department's budget is contained in H.B. 73. The Redbook for H.B. 73 contains additional details about the department and its budget.

THE BUDGET

The Executive Proposal calls for a budget of $48.86 million in fiscal year (FY) 2002, after excluding budget line items to be considered in H.B. 73, and $47.81 million in FY 2003. The FY 2002 figure represents a 2.1% decrease compared with FY 2001, and the FY 2003 figure represents a 2.2% decrease compared with FY 2002. Nearly 75% of the appropriations in this budget are for the department's Public Transportation program, and nearly 19% of the appropriations are for the Rail Transportation program. The rest of this budget, slightly less than 8%, is for the Aviation program; all appropriations that support highway construction projects are found in H.B. 73. The Rail Transportation program line items are under the administrative control of the Ohio Rail Development Commission (ORDC), which is a separate entity from ODOT. The ORDC was formerly a division of ODOT, but was split off into a separate entity as a result of House Bill 250 of the 120th General Assembly. The ORDC is still located within the ODOT budget for fund appropriation purposes.

AVIATION STUDY

The transportation budget bill enacted during the 123rd General Assembly, Am. Sub. H.B. 163, required ODOT to conduct a study of the amount of aviation fuel sold in Ohio, the amount of tax revenue derived from that fuel, and the condition of the infrastructure at Ohio's public use general aviation airports. The ODOT report was issued in October of 1999, and found that sales of aviation fuel yields approximately $6 million per year in sales tax revenue to the state. The report also indicated that the infrastructure at many airports in Ohio has deteriorated significantly. The report does not address the largest nine publicly-owned airports in the state, as they are regulated by and receive funding assistance from the Federal Aviation Administration. A satisfactory rehabilitation of the infrastructure would require an estimated $8 million per year for 20 years. A supplemental request for $2 million in FY 2002 and $4 million in FY 2003 is intended to step up state spending to the $8 million level required. The Executive Proposal increased the relevant line item, 777-471, Airport Improvements – State, by $5,988, or 0.2% from FY 2001 to FY 2002, and by $34,900, or 1.1%, from FY 2002 to FY 2003.