

# **LSC Redbook**

**Analysis of the Executive Budget Proposal**

## **Transportation Budget Bill (H.B. 2 of the 128th General Assembly)**

*Jason Phillips, Budget Analyst  
Department of Transportation and Public Works sections*

*Sara D. Anderson, Senior Budget Analyst  
Department of Public Safety section*

*Brian Hoffmeister, Budget Analyst  
Department of Development section*

*Legislative Service Commission*

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- Catalog of Budget Line Items
- Budget Spreadsheet By Line Item



# Transportation Budget Bill

- Total proposed biennial funding is \$7.6 billion
- Transportation to focus more on multi-modal projects and reduce its Major/New Program
- Public Works to boost funding for local infrastructure as a result of Jobs Stimulus Bill
- Public Safety to net \$132 million annually in fee adjustments
- Development to provide \$37.4 million for roadwork development grants

## OVERVIEW

The transportation budget bill contains funding for four agencies that are primarily responsible for the construction and maintenance of the state highway system, funding local infrastructure projects, and ensuring the public's safety. These agencies are the Department of Transportation (DOT), the Department of Public Safety (DPS), the Public Works Commission (PWC), and the Department of Development (DEV). Unlike the main operating appropriations bill, the transportation budget bill does not contain GRF appropriations. Instead, most of the appropriations are backed by motor vehicle fuel taxes and fees.

There are several factors affecting DOT's highway construction and maintenance operations that appear to have shaped the budget recommended by the executive. First, state motor fuel tax revenue is declining while the cost of construction materials continues to be volatile. Second, inflation in the past several fiscal years has significantly reduced the Department's purchasing power for road construction materials. These two factors, as well as the uncertainty of federal funding for transportation system investments, have led to a projected shortfall in funding the infrastructure needs of the state.

DOT has reacted to these pressures in a variety of ways. First, the Department has reduced its emphasis on "Major/New" highway construction projects and increased its emphasis on system preservation and multi-modal transportation projects. Second, within this budget the Department will resume traditional levels of bonding that are repaid with future federal funds – commonly referred to as GARVEE bonds – after having ramped up bonding in FY 2007-FY 2009 to expedite construction projects in the face of high inflation. Finally, the executive budget allows for the creation of new entities and alternative state and local funding mechanisms to pay for transportation projects.

The State Highway Patrol Funding Task Force was created pursuant to Am. Sub. H.B. 67 of the 127th General Assembly in order to address the issues that arose when the Patrol stopped receiving funding via the motor vehicle fuel tax, and to recommend a more permanent solution to the Patrol's funding shortages. The Task Force was required to study the method of funding the Patrol and issue a report, including a

recommendation for a dedicated and stable long-term funding source for the Patrol. The Task Force proposed increases in certain fees and fines collected by DPS, the intended effect being that one of the Department's primary financing mechanisms – the State Highway Safety Fund (Fund 7036) – will remain solvent. The executive budget proposes to implement the Task Force's fee and fine increases, which are expected to generate an estimated \$106.3 million per year.

In contrast to the constraints facing these agencies, funding for local infrastructure projects administered by PWC has increased dramatically as a result of H.B. 554, the Jobs Stimulus Bill that was enacted in the summer of 2008. That bill (1) directed an additional \$200 million toward the Local Transportation Improvement Program (LTIP) for local road and bridge projects, (2) accelerated the State Capital Improvements Program by \$120 million, and (3) provided \$80 million for local infrastructure development and broadband projects, although this last amount is currently unavailable because of pending litigation. Overall, the funding provided in the Jobs Stimulus Bill will substantially increase the volume of infrastructure projects that can be funded.

Finally, the executive recommends continuing the Department of Development's Roadwork Development Grant Program with funding of \$18.7 million in each fiscal year of the FY 2010-FY 2011 biennium. Local governments, port authorities, transportation improvement districts, and companies may apply for these grants to make public road and highway improvements that benefit economic development.

### **FY 2010-FY 2011 Executive Recommendations**

The executive proposes funding of \$4.0 billion in FY 2010 and \$3.6 billion in FY 2011, for a total of \$7.6 billion over the biennium. Overall, this is a decrease of approximately 3.0% from FY 2008-FY 2009 appropriations of \$7.8 billion.

#### **Appropriations by Agency and Fund Group**

Specifically, the executive recommends \$6.0 billion for DOT, accounting for 79.3% of the proposed funding in the bill. DPS funding of \$1.39 billion makes up 18.4% of the total recommended. The proposed outlay for PWC and DEV combined amounts to \$174.5 million, or 2.3% of the funding included in the transportation budget bill. The funding recommendations proposed by the executive are detailed by agency and fund in the table below.

<b>Table 1. FY 2010-FY 2011 Executive Transportation Budget by Department and Fund Group</b>			
<b>Fund Group</b>	<b>FY 2009 Adjusted Appropriations</b>	<b>FY 2010 Recommendation</b>	<b>FY 2011 Recommendation</b>
<b>Department of Transportation</b>			
Highway Operating Fund Group	\$2,551,265,782	\$2,936,108,872	\$2,566,678,728
Highway Capital Improvement Fund Group	\$100,000,000	\$194,000,000	\$163,000,000
Infrastructure Bank Obligations Fund Group	\$400,000,000	\$71,000,000	\$65,000,000
State Special Revenue Fund Group	\$3,445,200	\$3,494,100	\$3,495,800
<b>Subtotal</b>	<b>\$3,054,710,982</b>	<b>\$3,204,602,972</b>	<b>\$2,798,174,528</b>
<b>Department of Public Safety</b>			
State Highway Safety Fund Group	\$517,427,269	\$520,633,559	\$522,404,799
Federal Special Revenue Fund Group	\$149,053,072	\$138,018,865	\$137,856,333
State Special Revenue Fund Group	\$6,569,548	\$13,241,517	\$14,678,004
Liquor Control Fund Group	\$11,546,052	\$12,007,894	\$11,897,178
General Services Fund Group	\$2,084,969	\$6,086,782	\$6,145,624
Holding Account Redistribution Fund Group	\$2,235,000	\$2,235,000	\$2,235,000
Agency Fund Group	\$1,500,000	\$1,500,000	\$1,500,000
Tobacco Master Settlement Agr. Fund Group	\$375,000	\$0	\$0
<b>Subtotal</b>	<b>\$690,790,910</b>	<b>\$693,723,617</b>	<b>\$696,716,938</b>
<b>Public Works Commission</b>			
Local Transportation Improvements Fund Group	\$67,806,178	\$67,616,001	\$67,706,178
Local Infrastructure Fund Group	\$918,912	\$897,383	\$918,912
<b>Subtotal</b>	<b>\$68,725,090</b>	<b>\$68,513,384</b>	<b>\$68,625,090</b>
<b>Department of Development</b>			
Highway Operating Fund Group	\$18,699,900	\$18,699,900	\$18,699,900
<b>Subtotal</b>	<b>\$18,699,900</b>	<b>\$18,699,900</b>	<b>\$18,699,900</b>
<b>TOTAL ALL BUDGET FUND GROUPS</b>			
	<b>\$3,832,926,882</b>	<b>\$3,985,539,873</b>	<b>\$3,582,216,456</b>

### Department of Transportation

The Department of Transportation's recommended transportation budget appropriation is approximately \$3.2 billion in FY 2010 and \$2.8 billion in FY 2011, or \$6.0 billion for the biennium. This is a 4.0% decrease from the \$6.3 billion appropriated for the current biennium. Although the executive recommendation significantly lowers the level of federal GARVEE bonding – contained in the Infrastructure Bank Obligations Fund Group listed above – this planned reduction is more than offset by an increase in FY 2010 in the Highway Operating Fund Group. This is due in large part to the \$340 million in proposed appropriations for the New Generation State Infrastructure Bank Program. Under the recommended budget, there is also a large increase in the amount of state highway bonds issued. The increase is to make DOT whole for the

proposed transfer of \$200 million over the biennium to PWC to boost funding for the Local Transportation Improvement Program (LTIP).

### **Department of Public Safety**

The Department of Public Safety's recommended budget for FY 2010 totals \$693.7 million, a decrease of approximately \$1.5 million, or 0.2%, from the total FY 2009 appropriation of \$695.2 million, which includes the GRF. For FY 2011, the executive budget recommends a total of \$696.7 million, or 0.4% above the FY 2010 recommendation. Based on the budget request, it appears that the executive budget's funding recommendations will permit DPS to maintain existing programmatic service and activity levels in each of the next two fiscal years, including the payroll expenses associated with approximately 3,950 full-time equivalent (FTE) staff positions. Another notable facet of the executive's proposed DPS budget is the elimination of its GRF funding for certain organizational operating expenses and its replacement with an estimated \$25.8 million in additional revenues to be generated by a \$6 increase over the current \$2 fee charged for driver, vehicle, and certificate of title abstracts.

### **Public Works Commission**

The Public Works Commission's recommended budget is \$137.1 million for the biennium. As noted above, the executive budget proposal permits \$200 million over the FY 2010-FY 2011 biennium in Highway Operating Fund moneys to be transferred to PWC for LTIP. These transfers are intended to fulfill the \$200 million commitment made to LTIP in H.B. 554 of the 127th General Assembly, the Jobs Stimulus Bill.

### **Department of Development**

The executive recommends approximately \$18.7 million in each fiscal year for the Department of Development's Roadwork Development Fund. This is the same level of funding the Department received in the last transportation budget bill. The grants are available to businesses for road improvements in order to retain and attract business in Ohio. The source of funding is transfers from DOT's Highway Operating Fund. As of February 2009, DEV has awarded 36 Roadwork Development Grants from FY 2009 funds, for a total of \$13.9 million.

# Department of Transportation

- Total budget of \$6.0 billion with focus on system preservation and innovative financing methods
- Resumption of normal GARVEE bonding levels
- Increased focus on non-highway modes

## OVERVIEW

### Agency Overview

The Ohio Department of Transportation's (DOT) primary function is to plan, design, construct, and maintain the state's network of highways and bridges. The Department also provides financial and technical assistance to the state's public transit systems, general aviation airports, and railways. DOT's primary funding sources include state and federal motor fuel taxes and bonds. The Department also receives funding from the GRF for non-highway programs, such as rail, transit, and aviation. These GRF appropriations are provided in the main operating budget bill.

The Department has a staff of approximately 5,600 full-time permanent employees located in 12 districts throughout the state, as well as a central office in Columbus. Table 1 illustrates the number of full-time permanent employees since FY 2006. The number of full-time permanent employees has remained relatively stable since FY 2007. In addition to its permanent staff, the Department also employs hundreds of temporary, seasonal, and intermittent employees at any given time. Overall, DOT is the state's second largest agency in terms of employees by headcount.

FY 2006	FY 2007	FY 2008	FY 2009 (estimate)	FY 2010 (estimate)	FY 2011 (estimate)
5,833	5,698	5,617	5,636	5,636	5,636

The Department aims to restructure its staff to reflect the emphasis placed on multi-modal planning and intends to complete this process by the end of FY 2009. This will involve merging the Division of Local Programs with the Division of Planning to create a new Division of Multi-modal Planning. The focus of this Division will be to (1) direct statewide multi-modal planning efforts, (2) coordinate activities in rail, public transit, aviation, maritime, roadway and bridges, and safety and other services with appropriate federal, state, and local partners, and (3) conduct research in these areas.

## Appropriation Overview

The executive recommended budget for DOT is approximately \$3.2 billion in FY 2010, a 4.9% increase over the adjusted FY 2009 appropriation of \$3.0 billion. The recommended FY 2011 appropriation is \$2.8 billion, a decrease of 12.7% from FY 2010, amounting to a biennium total of \$6.0 billion. The Highway Operating Fund Group (made up primarily of motor vehicle fuel and highway use taxes) provides about 91.6% of all the operating and capital support for the agency's programs. The Infrastructure Bank Obligations Fund Group and the Highway Capital Improvement Fund Group receive state and federal bond proceeds. Lastly, the State Special Revenue Fund Group supports rail and aviation projects.

**Table 2. Executive Budget Recommendations by Fund Group, FY 2010-FY 2011**

Fund Group	FY 2009*	FY 2010	% Change, FY 2009-FY 2010	FY 2011	% Change, FY 2010-FY 2011
Highway Operating	\$2,551,255,982	\$2,936,108,872	15.1%	\$2,566,678,728	(12.6%)
Hwy. Capital Improvement	\$100,000,000	\$194,000,000	94.0%	\$163,000,000	(16.0%)
Infrastr. Bank Obligations	\$400,000,000	\$71,000,000	(82.3%)	\$65,000,000	(8.5%)
State Special Revenue	\$3,445,000	\$3,494,100	1.4%	\$3,495,800	<0.1%
Federal Special Revenue	\$10,000	\$0	(100.0%)	\$0	(100.0%)
<b>TOTAL</b>	<b>\$3,054,710,982</b>	<b>\$3,204,602,972</b>	<b>4.9%</b>	<b>\$2,798,174,528</b>	<b>(12.7%)</b>

\* Adjusted appropriations

## Funding Distribution

### By Program Series

Most of DOT's budget goes to programs in the Highway Construction Program series. As always, pavement and bridge construction will continue to be DOT's biggest outlay over the biennium. Table 3 below shows the recommended budget by program series.

**Table 3. FY 2010-FY 2011 Budget by Program Series (in millions)**

Program Series (PS)	FY 2010	% of Total Budget	FY 2011	% of Total Budget
Planning and Research (PS 1)	\$45.0	1.4%	\$45.7	1.6%
Highway Transportation (PS 2)	\$2,716.0	84.8%	\$2,546.5	91.0%
Public Transportation (PS 3)	\$145.7	4.5%	\$35.7	1.3%
Rail Transportation (PS 4)	\$147.9	4.6%	\$17.9	0.6%
Aviation (PS 5)	\$15.5	0.5%	\$15.7	0.6%
Program Management (PS 6)	\$134.5	4.2%	\$136.7	4.9%
<b>Total</b>	<b>\$3,204.6</b>	<b>100%</b>	<b>\$2,798.2</b>	<b>100%</b>

### By Category of Expense

Most of DOT's expenditures over the biennium will be for capital improvements and personnel costs. Capital spending is planned at about \$2.2 billion in FY 2010 and \$1.9 billion in FY 2011. The Department's personnel expenses are estimated to increase 2.0% from FY 2010 to FY 2011. Table 4 below shows the budget by category of expense.

<b>Table 4. FY 2010-FY 2011 Budget by Category of Expense (in millions)</b>				
<b>Category of Expense</b>	<b>FY 2010</b>	<b>% of Total Budget</b>	<b>FY 2011</b>	<b>% of Total Budget</b>
Personal Services	\$460.1	14.4%	\$469.2	16.8%
Purchased Services	\$17.3	0.5%	\$17.7	0.6%
Maintenance	\$145.1	4.5%	\$154.8	5.5%
Equipment	\$34.2	1.1%	\$36.7	1.3%
Subsidy	\$32.0	1.0%	\$31.9	1.1%
Capital Improvements	\$2,155.4	67.3%	\$1,888.4	67.5%
Debt Service	\$160.5	5.0%	\$169.4	6.1%
Transfers and Other	\$200.0	6.2%	\$30.0	1.1%
<b>Total</b>	<b>\$3,204.6</b>	<b>100%</b>	<b>\$2,798.2</b>	<b>100%</b>

Note: Individual category figures may not add to total due to rounding.

### By Priority

Another way to view the executive's budget proposal is by funding priorities. As in prior biennia, paying debt service and supporting routine operations are the chief priorities. Major/New construction continues to be DOT's last funding priority. Table 5 below outlines DOT's seven major funding priorities for the FY 2010-FY 2011 biennium.

<b>Table 5. FY 2010-FY 2011 Budget by Priority</b>		
<b>Priority</b>	<b>Function</b>	<b>Function Description</b>
#1	Debt Service	Debt service payments on state and federal bonds
#2	Routine Operations	Payroll, routine roadway maintenance, signal maintenance, guardrail repair, pavement marking, sign replacement, snow and ice control
#3	System Preservation	Pavement resurfacing, bridge repair and replacement
#4	Safety	Intersection improvements, traffic signal updates, turn lanes, other roadway modifications
#5	Miscellaneous Statewide	Railroad warning devices, rest areas, noise walls, Amish buggy lanes, and park road paving projects
#6	Local Programs	Allocation to Metropolitan Planning Organizations, county bridge and paving projects
#7	Major/New Construction	Highway capacity additions

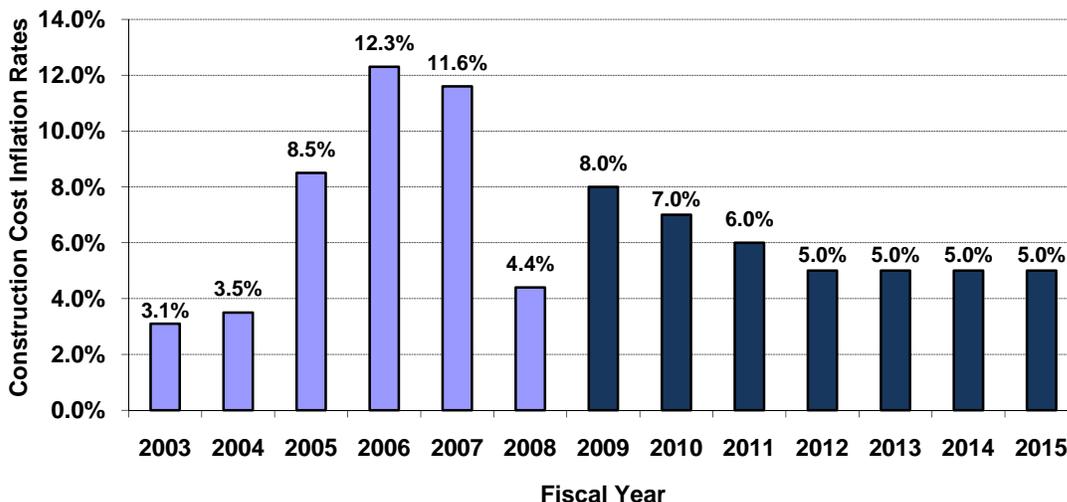
## Transportation Budget Environment

Major factors that were taken into account in developing the executive budget were construction cost inflation and declining state motor fuel tax revenue and uncertain future federal investment. As a result, the Department has adopted a "Fix It First" approach that emphasizes system maintenance. In addition, to augment federal and state funding for projects, the executive budget provides DOT with tolling authority for projects that add capacity to the transportation system. On the local level, the executive proposes a new form of funding mechanism called a transportation innovation authority (TIA) to leverage investment from public and private sources.

### Highway Construction Cost Inflation

Adjusting to construction cost inflation continues to be the Department's primary challenge. Both national and DOT construction cost indices began to show sharp increases in calendar year 2005. These indices reflected the growth of the global economy through the dramatic increase in the price of oil and increased demand for energy, steel, and raw materials. Such inflation has significantly reduced the buying power of the Department and, thus, fewer projects are able to be funded with the same amount of money. As Chart 1 below shows, construction cost inflation was above 10% in both FY 2006 and FY 2007. Between January and December of 2008, DOT has seen inflation rise 7.8%. Inflation rates for FY 2009 and beyond are based on estimates included within DOT's most recent Business Plan.

Chart 1. Construction Cost Inflation Rates, FY 2003-FY 2015



Although inflation slowed in FY 2008, DOT is continuing with the forecasted rates in the Department's 2008-2009 Business Plan because of the volatility in global commodity prices. This uncertainty makes transportation planning difficult and causes project cost estimates to be continually re-evaluated. As a result, DOT has begun

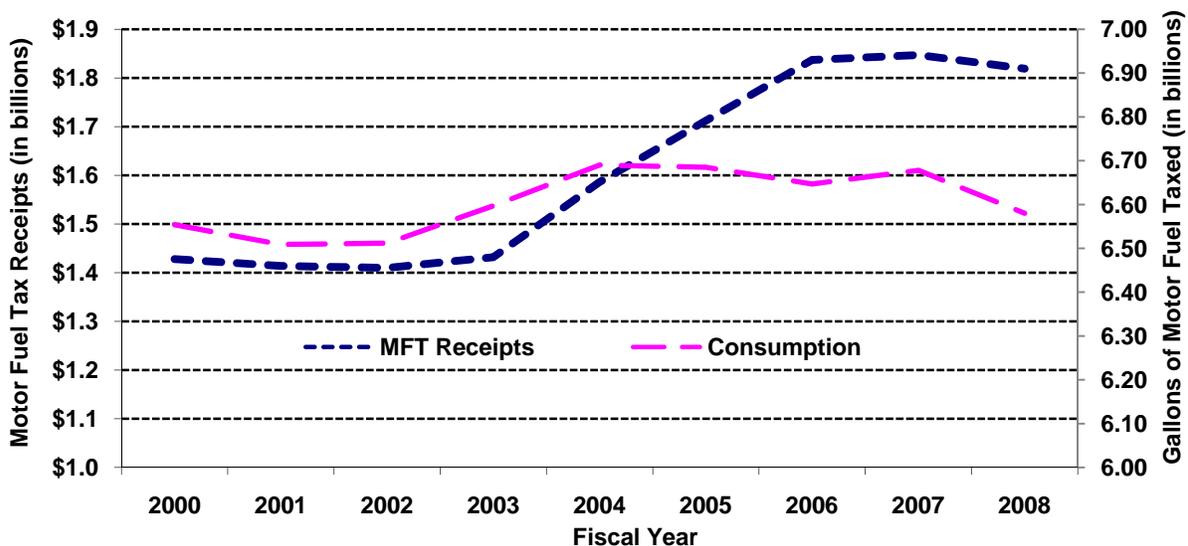
adjusting its financial forecasting methods as is set out in the 2008-2009 Business Plan. Among other activities, the Division of Contract Administration updates its construction cost database on a monthly basis so that trends in major construction bid items can be identified. The Division also produces an updated five-year inflation forecast twice a year. Program managers can use this information to update project construction estimates and program budgets. Furthermore, the Division of Planning and Local Projects will not recommend a project for TRAC Tier I construction until the project has been sufficiently developed and its cost has been appropriately estimated.

**Decline in State Motor Fuel Tax Revenues, Uncertain Federal Revenue**

**Reduction in State Motor Fuel Tax Receipts**

Coupled with high inflation rates that increase the cost of construction and preservation projects, DOT's project funding capabilities have also been hampered by a decline in one of the primary sources of revenue used to pay for those projects, state motor fuel tax revenue. The 28-cent state motor fuel tax (MFT) comprises about 87% of the total state revenue DOT receives. DOT's portion of the tax, about 17 cents, provides roughly \$1.0 billion in revenue for the Department each year (receipts are also dedicated to highway bond retirement, local governments, and certain state agencies). While DOT originally assumed zero growth for FY 2008-FY 2009, motor fuel consumption actually declined by 1.5% in FY 2008. FY 2009 MFT revenue is expected to decline an additional 1.0% to 1.5% while FY 2010 and FY 2011 MFT revenue is expected to be flat with FY 2009 receipts. Chart 2 below illustrates total state motor fuel tax receipts between FY 2000 and FY 2008. The large increase in receipts is due to the cumulative six-cent increase in the gasoline tax earlier this decade. Consumption has remained relatively flat over the period, being between 6.5 billion and 6.7 billion gallons taxed.

**Chart 2. Motor Fuel Tax Revenue vs. Gallons Taxed, FY 2000-FY 2008**



DOT primarily attributes the decline in motor fuel tax receipts in FY 2008 to higher gasoline prices, little growth in Ohio's population, and increasingly fuel-efficient vehicles. Declines in MFT revenue not only impact DOT programs, but also have a ripple effect on the other recipients of the MFT, such as local governments and other state agencies like the Public Works Commission, which operates the Local Transportation Improvement Program using one cent per gallon of the MFT.

### **Uncertainty of Federal Funding**

DOT also relies heavily upon its share of the federal motor fuel tax, which taxes gasoline at 18.4 cents per gallon and diesel at 24.4 cents per gallon. These taxes are deposited into the federal Highway Trust Fund (HTF). Ohio's share of this revenue is approximately \$1.2 billion each year. However, a major concern is that federal gas tax receipts in the Trust Fund are declining. In federal fiscal year (FFY) 2008 (October 2007 to September 2008), the Federal Highway Administration (FHWA) reported that the HTF took in \$31 billion, \$3 billion less than FFY 2007, largely because Americans drove less in the face of high fuel prices. Highway Trust Fund spending, meanwhile, increased by \$2 billion during that same period.

This problem came to a head in September 2008 when the FHWA reported that the HTF would be out of cash sometime in that month unless a short-term fix could be found. To shore up the HTF's balance, Congress transferred approximately \$8 billion from the federal General Fund to the HTF. The transfer should enable FHWA to continue meeting federal commitments through FFY 2009, the last year of the current federal surface transportation reauthorization act, the Safe, Accountable, Flexible, Efficient Transportation Equity Act – A Legacy for Users (SAFETEA-LU), which expires September 30, 2009.

Congressional debate on reauthorization for the surface transportation program will begin this year. This creates some uncertainty in planning for the state's transportation budget for the FY 2010-FY 2011 biennium. Therefore, while DOT is advocating for a significant increase in core federal highway programs as well as a greater share of federal motor fuel tax revenue that is generated by Ohio motorists, the Department is planning conservatively for only 1% growth in federal revenue.

### **Operational Efficiencies New/Increased Revenue Sources**

Over the biennium, DOT has implemented a number of initiatives to either reduce expenses or increase revenue. Among other administrative actions, DOT extended the Governor's hiring control process, delayed filling vacancies until a review of certain positions can be completed, and reduced FY 2009 operating budgets in its central headquarters and district offices by 5% by limiting expenditures in personnel, overtime pay, and equipment and materials purchases. FY 2010-FY 2011 operating

budgets are being held at this lowered FY 2009 operating budget level. These measures are expected to result in a savings of about \$38.5 million in the current biennium.

In addition, process improvements have resulted in a significant decline in the number of noncompetitively bid emergency contracts and costly change orders for major construction projects. Additional operations improvements are likely to be realized in the upcoming biennium as a result of staffing, organization, equipment, systems, and operations reviews that are being conducted this fiscal year. Finally, DOT is reviewing its aircraft fleet to determine the cost effectiveness of reducing the number of aircraft or purchasing newer aircraft to control aircraft maintenance costs. The average age of the ten aircraft in the Department's fleet is over 30 years old.

The Department is also expanding its revenue sources. In October 2008, updated DOT rules concerning its special hauling permit process for oversize or overweight loads became effective. The updates include a revised fee schedule that increases permit fees in three increments between October 2008 and July 2009. These fee increases are expected to generate additional revenue of \$5 million in FY 2009, \$20 million in FY 2010, and \$20 million in FY 2011.

DOT also redesigned the contract for its blue logo highway exit sign program as a result of changes in the statute authorizing the sign program. Previously, the contract specified that the outside vendor kept all of the profits generated by the program. The new contract directs revenue earned, after program expenses have been paid and the vendor has earned a reasonable profit, to the Highway Operating Fund (Fund 7002). DOT estimates are that the program could generate \$3 million for Fund 7002 in the first few years of the program and as much as \$11 million in later years.

## **Major Features of the Budget**

### **Bonding in the Highway Construction Program**

#### **Resumption of Normal GARVEE Bonding**

As noted above, DOT's recommended budget reduces bond appropriations for the FY 2010-FY 2011 biennium. The reductions come in the form of fewer Grant Anticipated Revenue Vehicle (GARVEE) bonds, which are retired with future federal revenues. The executive budget reduces the appropriation of GARVEE bond proceeds to a maximum of \$136 million for FY 2010-FY 2011 (compared to appropriations of \$850 million in the current biennium). The high appropriation in the current biennium was part of a short-term strategy of bonding record amounts to expedite construction projects and counter the effects of construction cost inflation in recent years. The rationale was that the interest rate on the bonds would be lower than construction cost inflation. The executive proposes to return GARVEE bond funding to a more traditional borrowing level.

### Increased State Highway Bonding

The bill also contains \$352 million in state bonding authority over the biennium. However, the \$352 million in issuance authority is related to state bonds only, not GARVEE bonds. Included within this issuance authority is \$200 million that allows DOT to recoup the money proposed to be transferred to the Public Works Commission's Local Transportation Improvement Program as part of the Governor's recommendations. The additional debt service resulting from the added bonding will be offset through the elimination of the motor fuel evaporation discount for wholesalers and retailers.

### Reduction in Major/New Appropriations

In contrast to prior budgets, DOT will use its FY 2010-FY 2011 bond appropriations primarily for pavement and bridge preservation projects that align with the Department's Fix It First mandate. Prior budgets have allocated bonding to the Major/New construction program to add new capacity. Under the executive's recommendation, total appropriations allocated to the Major/New Program for FY 2010-FY 2011 are reduced from around \$500 million annually to \$167.2 million in FY 2010 and \$76.7 million in FY 2011. In the current biennium, the Major/New Program funded 52 construction projects totaling \$1.08 billion. For FY 2010-FY 2011, there are currently 25 projects programmed for construction totaling \$615 million in addition to project development costs. The total program amount is the result of the FY 2010-FY 2011 appropriations in the bill and funds carried forward into FY 2010 from FY 2009.

### State Debt

To provide perspective on the bonding picture, as of January 1, 2009, DOT had outstanding debt (principal and interest) of over \$2.0 billion. The table below displays the total outstanding debt on both state bonds and GARVEE bonds.

<b>Table 5. Total DOT Outstanding Debt (in millions)</b>			
	<b>State Bonds</b>	<b>GARVEE Bonds</b>	<b>Total</b>
Principal	\$837.5	\$863.3	<b>\$1,700.8</b>
Interest	\$134.2	\$204.0	<b>\$338.1</b>
<b>Total</b>	<b>\$971.7</b>	<b>\$1,067.2</b>	<b>\$2,038.9</b>

The most recent issuance of GARVEE bonds occurred in the fall of 2008. Though there was a delay in the planned sale because of the issues in the credit market at the time, the final true interest cost on the \$375 million in GARVEE bonds issued was 4.99%. The last GARVEE bond sale, which occurred a year earlier, yielded a final true interest cost of 3.88%.

### **Elimination of Motor Fuel Evaporation Discount for Fuel Dealers/Retailers**

The bill makes a change to the tax base under the motor fuel tax (MFT). Specifically, the bill eliminates any credit on motor fuel taxes that a motor fuel dealer (i.e., wholesaler) or retailer may claim. The executive budget explains that this credit is unnecessary in light of new technology that has emerged to prevent errant fuel evaporation. This change is estimated to yield the Highway Operating Fund approximately an additional \$54 million in revenue in each fiscal year.

Current law requires motor fuel dealers to report and pay the MFT on the number of gallons of taxable fuel handled. Statutorily, motor fuel dealers are allowed to subtract 3% of those gallons as an allowance for shrinkage (except that only 2% could be claimed for fuel sold to a retail dealer) while retail dealers of motor fuel are permitted to apply for a refund under the tax base of 1% of the gallons that they handle on which tax has been paid.

Recent budgets have temporarily reduced the amount of this credit. The current transportation budget allows wholesalers to subtract 1.9% of those gallons as an allowance for shrinkage, while retail dealers, with some exceptions, may apply for a refund of 0.5% of the gallons that they handle. Retail dealers in motor fuel do not pay the MFT directly, but they purchase fuel from wholesalers who have paid the tax. The price that retailers pay to wholesalers therefore includes the MFT.

The bill specifies that the first 3% of monthly motor fuel tax receipts are to be deposited into the Highway Operating Fund (Fund 7002). These amounts will be used to offset the impact of certain funding requirements that the executive proposal imposes on DOT. In general, the plan is for DOT to use flexible federal dollars for non-highway modes and other transportation purposes since state motor fuel tax proceeds are constitutionally restricted to certain highway purposes. In order to prevent DOT from having to redirect funds from other projects to pay for the investment in other modes, the moneys generated by the elimination of the evaporation discount would be available to backfill the federal dollars directed toward non-highway modes.

Specifically, the executive budget requires DOT to spend \$24.35 million in FY 2010 and \$14.35 million in FY 2011 to support various non-highway modes of transportation, such as rail, public transit, aviation and maritime as well as any planning and design activity related to those modes. In addition, up to \$19.65 million in each fiscal year must be spent for other "transportation purposes."

A portion of the \$54 million generated each year will also be used to offset the debt service on state highway bonds that are issued to recoup the \$200 million that DOT is required to transfer to the Public Works Commission over the FY 2010-FY 2011 biennium. OBM has estimated that this debt service will likely be up to \$10 million in FY 2010 and up to \$20 million in FY 2011.

### **Tolling Authority for New Capacity Projects**

The executive budget provides the authority for the Department of Transportation to use tolling on new capacity projects such as new highways, interchanges, bridges, bypasses, intermodal facilities, airports, canals, ports, rail lines, and so forth. DOT would not be able to use tolls for existing roadway infrastructure unless it was for adding lanes on existing freeways. Under the proposal, toll revenues could be pledged for the repayment of bond obligations or used to pay debt service on such obligations.

### **Transportation Innovation Authorities**

In addition to tolling, the bill provides the authority for specified political subdivisions to form transportation innovation authorities (TIAs). The purpose would be to leverage investment from public and private sources in order to enhance the state's transportation system. Under the proposal, DOT could support TIAs with grants for planning and project development, as well as through the State Infrastructure Bank. No state dollars could be used for TIA operating expenses. That would be the responsibility of participating political subdivisions.

Only the individual government agencies forming the authority may use their own authority to levy fees, assessments, or taxes to fund projects. However, the bill does give TIAs the ability to obtain loans or grants and issue bonds to fund the costs of transportation projects. TIAs may also charge tolls or fees for the use of the transportation projects or facilities pursuant to the proposed new tolling authority granted in the bill.

### **New Generation State Infrastructure Bank Program**

The bill creates the New Generation State Infrastructure Bank Program to provide financial assistance to local governments and TIAs for qualified road, bridge, transit, freight, and passenger rail projects. The goal of the New Generation Infrastructure Bank Fund is to encourage local governments and TIAs to invest in transportation facilities that contribute to the multi-modal and intermodal transportation capabilities of the state, and to develop a variety of financing tools to maximize funding resources and reduce direct state costs. Financial assistance may be provided in various forms, such as loans, loan guarantees, letters of credit, leases, interest rate subsidies, debt service reserves, and other forms of assistance the Director of Transportation considers appropriate.

According to DOT, New Generation State Infrastructure Bank funds will come from a variety of sources. The portion of funding dedicated to TIA loans would come from state motor fuel tax revenues. The portions of funding for passenger rail and public transit will come from nongas tax revenue sources. Bonds issued under the

program may be supported by tolling revenues or other revenue sources that are identified by a TIA.

### **Investment in Passenger Rail**

The executive budget also proposes to fund the first phase of the Ohio "3-C Corridor" start-up passenger rail service. The Ohio Rail Development Commission is currently working with DOT, the Office of Budget and Management, and other state agencies to identify resources available to fund the beginning phase of passenger rail service. One potential source would be the New Generation State Infrastructure Bank Program. TIAs could also play a role in the project. Any federal funding obtained to support the project would likely require a 20% state match.

Terminals in the first phase are likely to include downtown and suburban Cleveland, Columbus, and Cincinnati with stops in Dayton and Springfield. Additional stops would be added based on routing and population centers. Preliminary estimates indicate that Ohio will need \$250 million for the equipment, rail line improvements, and station construction to complete the full 260-mile 3-C Corridor. The Ohio Rail Development Commission (ORDC) is working with Amtrak to produce detailed estimates of all project costs, which will help to determine the extent of the first phase.

## ANALYSIS OF EXECUTIVE PROPOSAL

### Introduction

This section provides an analysis of the Governor's recommended funding for each non-GRF appropriation item in DOT's budget. GRF appropriations are provided in the main operating budget bill. In this analysis, DOT's line items are grouped into six major categories. For each category a table is provided listing the recommended appropriation in each year of the biennium. Following the table, a narrative describes how the appropriation is used and any changes affecting the appropriation that are proposed by the Governor. If the appropriation is earmarked, the earmarks are listed and described. The six categories used in this analysis are as follows:

1. Highway Construction;
2. Transportation Planning and Research;
3. Public Transportation;
4. Rail Transportation;
5. Aviation; and
6. Administration.

To aid the reader in finding each item in the analysis, the following table shows the category in which each appropriation has been put, listing the line items in order within their respective fund groups and funds. This is the same order the items appear in the transportation budget bill.

Categorization of DOT's Appropriation Line Items for Analysis of Executive Proposal			
Fund	ALI	ALI Name	Category
<b>Highway Operating Fund Group</b>			
2120	772426	Highway Infrastructure Bank – Federal	1: Highway Construction
2120	772427	Highway Infrastructure Bank – State	1: Highway Construction
2120	772429	Highway Infrastructure Bank – Local	1: Highway Construction
2120	772430	Infrastructure Debt Reserve Title 23-49	1: Highway Construction
2120	775408	Transit Infrastructure Bank – Local	3: Public Transportation
2120	775455	Title 49 Infrastructure Bank – State	3: Public Transportation
2130	772431	Roadway Infrastructure Bank – State	1: Highway Construction
2130	772432	Roadway Infrastructure Bank – Local	1: Highway Construction
2130	772433	Infrastructure Debt Reserve – State	1: Highway Construction
2130	775457	Transit Infrastructure Bank – State	3: Public Transportation
2130	775460	Transit Infrastructure Bank – Local	3: Public Transportation
2130	777477	Aviation Infrastructure Bank – State	5: Aviation
2130	777478	Aviation Infrastructure Bank – Local	5: Aviation
2160	772439	New Generation Highway Loan	1: Highway Construction
2160	772440	New Generation Highway Bond	1: Highway Construction

<b>Categorization of DOT's Appropriation Line Items for Analysis of Executive Proposal</b>			
<b>Fund</b>	<b>ALI</b>	<b>ALI Name</b>	<b>Category</b>
2180	775461	New Generation Multi Modal Loan	3: Public Transp. and 4: Rail Transp.
2180	775462	New Generation Multi Bond	3: Public Transp. and 4: Rail Transp.
7002	770003	Administration – State – Debt Service	6: Administration
7002	771411	Planning and Research – State	2: Transportation Planning and Research
7002	771412	Planning and Research – Federal	2: Transportation Planning and Research
7002	772421	Highway Construction – State	1: Highway Construction
7002	772422	Highway Construction – Federal	1: Highway Construction
7002	772424	Highway Construction – Other	1: Highway Construction
7002	772437	GARVEE Debt Service – State	1: Highway Construction
7002	772438	GARVEE Debt Service – Federal	1: Highway Construction
7002	773431	Highway Maintenance – State	1: Highway Construction
7002	775452	Public Transportation – Federal	3: Public Transportation
7002	775454	Public Transportation – Other	3: Public Transportation
7002	775459	Elderly and Disabled Special Equipment	3: Public Transportation
7002	776462	Grade Crossings – Federal	4: Rail Transportation
7002	777472	Airport Improvements – Federal	5: Aviation
7002	777475	Aviation Administration	5: Aviation
7002	779491	Administration – State	6: Administration
<b>State Special Revenue Fund Group</b>			
4N40	776663	Panhandle Lease Reserve Payments	4: Rail Transportation
4N40	776664	Rail Transportation – Other	4: Rail Transportation
5W90	777615	County Airport Maintenance	5: Aviation
<b>Infrastructure Bank Obligations Fund Group</b>			
7045	772428	Highway Infrastructure Bank – Bonds	1: Highway Construction
<b>Highway Capital Improvement Fund Group</b>			
7042	772723	Highway Construction – Bonds	1: Highway Construction

## Category 1: Highway Construction

This category of appropriations includes the major sources of state and federal funding for the design, purchase of right-of-way, building, and rehabilitation of the highway system.

<b>Governor's Recommended Amounts for Highway Construction</b>				
<b>Fund</b>	<b>ALI and Name</b>		<b>FY 2010</b>	<b>FY 2011</b>
<b>Highway Operating Fund Group</b>				
7002	772422	Highway Construction – Federal	\$1,091,378,700	\$1,065,737,629
7002	772421	Highway Construction – State	\$542,801,332	\$517,419,558
7002	773431	Highway Maintenance – State	\$405,633,542	\$425,329,858
7002	772438	GARVEE Debt Service – Federal	\$131,814,700	\$136,513,200
7002	772424	Highway Construction – Other	\$121,377,011	\$109,694,836
2160	772439	New Generation Highway Loan	\$50,000,000	\$0
2160	772440	New Generation Highway Bond	\$50,000,000	\$0
7002	772437	GARVEE Debt Service – State	\$21,778,200	\$27,547,900
2120	772429	Highway Infrastructure Bank – Local	\$11,499,999	\$11,499,999
2120	772427	Highway Infrastructure Bank – State	\$10,209,272	\$10,209,272
2130	772432	Roadway Infrastructure Bank – Local	\$6,000,000	\$6,000,000
2120	772426	Highway Infrastructure Bank – Federal	\$4,018,649	\$4,018,649
2130	772433	Infrastructure Debt Reserve – State	\$2,000,000	\$2,000,000
2120	772430	Infrastructure Debt Reserve Title 23-49	\$1,500,000	\$1,500,000
2130	772431	Roadway Infrastructure Bank – State	\$1,000,000	\$1,000,000
<b>Highway Operating Fund Group Subtotal</b>			<b>\$2,451,011,405</b>	<b>\$2,318,470,901</b>
<b>Highway Capital Improvement Fund Group</b>				
7042	772723	Highway Construction – Bonds	\$194,000,000	\$163,000,000
<b>Highway Capital Improvement Fund Group Subtotal</b>			<b>\$194,000,000</b>	<b>\$163,000,000</b>
<b>Infrastructure Bank Obligations Fund Group</b>				
7045	772428	Highway Infrastructure Bank – Bonds	\$71,000,000	\$65,000,000
<b>Infrastructure Bank Obligations Fund Group Subtotal</b>			<b>\$71,000,000</b>	<b>\$65,000,000</b>
<b>Total Funding: Highway Construction</b>			<b>\$2,716,011,405</b>	<b>\$2,546,470,901</b>

### Highway Construction and Maintenance (772421, 772422, 772424, and 773431)

#### Summary

Appropriation items 772421, Highway Construction – State, and 772422, Highway Construction – Federal, provide state and federal dollars for pavement and bridge preservation, local government road projects, major new construction, road safety, special discretionary programs, construction and rehabilitation of public access roads, and construction of grade crossing separations. Appropriation item 772424,

Highway Construction – Other, provides for local highway and bridge design, resurfacing, restoration, replacement, and upgrading, new construction, noise walls and barriers, and pedestrian/bicycle facilities. Highway construction funding from state and federal sources comes primarily from the state and federal motor fuel taxes. An average of \$350 million per year (about 85%) of appropriation item 773431, Highway Maintenance – State, funds a portion of the Highway Operating Program and the balance funds the Department's maintenance contracts, both of which are discussed in greater detail below.

These four line items total approximately \$2.1 billion to \$2.2 billion in each fiscal year and form the majority of the agency's budget. These levels are consistent with FY 2009 appropriations. The majority of funding in these line items is devoted to system preservation and operating expenses. Major/New construction, which covers projects involving \$5 million or more and that add capacity, reduce congestion, or provide connectivity, which had been funded around \$500 million or more per year in past biennia, has been recommended funding at a much lower level for the current biennium. DOT issued bonds during the FY 2008-FY 2009 biennium to accelerate projects as a hedge against inflation in construction material costs.

The table below summarizes the proposed appropriations by program. Please note that the figures listed in the table below may represent only a portion of the total for that program if it is funded by other line items.

<b>Highway Construction &amp; Maint. Programs (ALIs 772421, 772422, 772424, 773431) – in millions</b>		
<b>Program</b>	<b>FY 2010</b>	<b>FY 2011</b>
Preservation of Pavement and Bridges	\$837.2	\$832.8
Highway Operating	\$509.9	\$527.0
Local Government Programs	\$386.2	\$375.1
Other Construction Programs	\$180.7	\$167.8
Safety Programs	\$94.3	\$69.9
Major/New Construction	\$89.9	\$76.7
Highway Maintenance Contracts	\$63.0	\$68.8
<b>Total</b>	<b>\$2,161.2</b>	<b>\$2,118.2</b>

### **Program Details**

#### ***Pavement Preservation and Bridges***

This program, also known as "Fix It First," provides funds to DOT districts in order to maintain the existing programs on two-lane state routes (the General System); interstate routes, freeways, and multi-lane roads (the Priority System); and U.S. and state routes within municipal boundaries (the Urban System). In addition, program dollars can be used to remedy deficiencies in bridge paint condition, wearing surfaces,

and deck condition. All of the program's funds are budgeted for capital expenditures, such as engineering and design services, right-of-way acquisition, utility relocation, construction, and construction inspection. All of the funding allocated to the 12 districts throughout the state is goal-driven and based on roadway condition indicators.

Within the core highway construction and maintenance line items mentioned above, the executive recommendation provides \$837.2 million in FY 2010 and \$832.8 million in FY 2011. However, the executive recommendation also supplements the Fix It First Program with an additional \$187.8 million in FY 2010 and \$228.0 million generated from bond proceeds (in line items 772428 and 772723). This brings the total Fix It First recommendation to \$1.03 billion in FY 2010 and \$1.06 billion in FY 2011. The total FY 2010 recommendation for the program is 16.6% higher than FY 2009 program estimates of \$879.1 million while the FY 2011 recommended budget is 3.5% higher than that for FY 2010.

### ***Highway Operating***

This program covers the operating costs, such as payroll, supplies, and equipment, for all of DOT's highway construction programs. Specifically, this program funds both district and central office personnel that administer DOT operations, such as facilities and equipment management, aerial and geotechnical engineering, real estate management, snow and ice control, special hauling permits, coordination with federal authorities, traffic policies and procedures, chief legal counsel and contract administration, and construction project administration. Over 5,000 FTEs are funded with the executive recommendations of \$509.9 million in FY 2010 and \$527.0 million in FY 2011. The FY 2010 amount is slightly above the FY 2009 program amount of \$508 million for this purpose. The FY 2011 appropriations are 3.4% above FY 2010 appropriations. The increase in FY 2011 recommended appropriations is attributable to 2.0% growth in payroll to account for increased health care and longevity/step increases and an increase of 8.4% for supplies, which is primarily driven by increased salt, fuel, and utility prices.

Payroll drives the costs of the highway operating program. Over the biennium, \$773.3 million will be directed to wages and fringe benefits, \$192.0 million to supplies and maintenance, \$50.0 million to equipment, and \$9.5 million to purchased services.

### ***Local Government Programs***

This program allocates federal funds for several local government programs. These programs and their estimated budgeted amounts over the biennium are listed in the table below, followed by a brief description of each program. The executive recommendation provides \$386.2 million in FY 2010 and \$375.1 million in FY 2011 for these programs. These funding levels are generally consistent with those for FY 2009 and will allow current service levels to be maintained.

<b>Budgeted Amounts for Local Government Programs (in millions)</b>		
<b>Earmarks</b>	<b>FY 2010</b>	<b>FY 2011</b>
Metropolitan Planning Organizations	\$178.3	\$178.3
Local Participation	\$121.4	\$109.7
County Bridge and Surface Program	\$58.9	\$59.5
Transportation Enhancement Projects	\$11.0	\$11.0
Small Cities Program	\$8.3	\$8.3
City Bridge Program	\$8.3	\$8.3
<b>Total</b>	<b>\$386.2</b>	<b>\$375.1</b>

**Metropolitan Planning Organizations.** This program provides funds to each of the 17 Metropolitan Planning Organizations (MPOs) and four large cities for multi-modal transportation system improvement projects and programs in Ohio's urban areas. DOT sub-allocates a portion of federal Surface Transportation Program (STP) funds each year to urbanized areas with populations over 200,000. DOT also provides Transportation Enhancement funds to MPOs and Congestion Mitigation and Air Quality (CMAQ) funds to eligible MPOs based on U.S. EPA air quality criteria. STP funding can be used for a wide variety of multi-modal maintenance, operational, and new construction projects within urban areas. Overall, DOT reports that Ohio's share of federal transportation funds have been provided to MPOs at levels greater than required by federal standards.

**Local Participation.** Local participation funding represents the local share of construction projects to be awarded and administered by DOT. Funding could be supplied entirely by the local government or funded 80% by the federal government with the local government supplying the 20% match.

**County Bridge and Surface Program.** This program consists of the County Local Bridge (CLB) Program and the County Surface Transportation (CST) Program. For both programs, the County Engineers Association of Ohio (CEAO) serves as the program manager and is responsible for project selection, funding criteria, and program priorities. The CLB Program provides counties with \$32 to \$35 million in federal money annually for bridge replacement or rehabilitation. Each county has a \$5 million federal funding limit for projects within any four-year program period, subject to a six-year statewide programming limit.

The CST Program has two components, a regular construction funding program for eligible roadway improvements and a program administered by the Ohio Department of Public Safety (DPS) for safety studies. The CST Program is funded at approximately \$20 million annually, of which \$750,000 is set aside for safety studies. Specific project funding limits under the CST Program are \$200,000 per county for each

guardrail project, \$100,000 per county for each pavement marking project, and \$50,000 per county for each raised pavement marker project.

**Transportation Enhancement Program.** This is a federally funded program that provides \$11 million each fiscal year to local governments. The program is designed to preserve historic transportation sites, provide landscaping and other scenic enhancements to local roadways, and add pedestrian bicycle and walking paths throughout Ohio. Generally, local governments outside the boundaries of Metropolitan Planning Organizations are eligible for funding.

**Small Cities Program.** This federally funded program provides roughly \$8 million each fiscal year to cities with populations between 5,000 and 24,999. Currently, 58 small cities statewide meet this criterion. This program may be used by incorporated localities for any road, safety, or signal project on the Federal-aid highway system.

**City Bridge Program.** This program provides approximately \$8 million annually in federal funds for municipal bridge projects. DOT will provide up to 80% of the eligible costs for construction only. The municipality is responsible for the balance of the construction costs and also for all costs associated with preliminary engineering, environmental studies and documents, final design, and right-of-way. The local match for construction is required to be cash.

#### **Other Construction Programs**

There are a number of programs that fall under the Other Construction Program banner, for which the executive recommendation provides \$180.7 million in FY 2010 and \$167.8 million in FY 2011 from state and federal motor fuel tax sources. The programs are listed, along with their budgeted amounts, in the table below.

<b>Budgeted Amounts for Other Construction Programs (in millions)</b>		
<b>Earmarks</b>	<b>FY 2010</b>	<b>FY 2011</b>
Earmarks	\$84.4	\$84.4
Appalachian Development	\$18.3	\$18.3
Geological Site Management	\$16.0	\$16.3
Emergency Program	\$11.0	\$11.0
Direct Investment in Public Transit	\$10.0	\$10.0
Roadside Rest Areas	\$10.0	\$8.5
Railroad Grade Separation Initiative	\$10.0	\$0
ODNR/Metro Park Paving Program	\$7.2	\$7.2
Statewide Miscellaneous	\$5.0	\$5.1
Noise Walls	\$5.0	\$5.1
Other	\$2.8	\$0.8
Amish Buggy	\$1.0	\$1.1
<b>Total</b>	<b>\$180.7</b>	<b>\$167.8</b>

*Earmarks.* This program allocates federally earmarked funds to the appropriate local governments. Federal law requires that in order to access earmarked funding, local governments that are to receive these dollars must provide a 20% nonfederal match. Instead of local governments providing 20%, DOT uses Toll Revenue Credit (TRC) authority to make up the locals' 20% matching requirement. The effect is to allow local governments to secure 100% of their earmarked funds.

The TRC is a federal program that allows states to use certain toll revenue expenditures as a credit toward the nonfederal share of programs authorized by Title 23 of the U.S. Code. The amount of the credit is based on the revenue generated by the toll authority (toll receipts, concession sales, right-of-way leases, interest, and bond and loan proceeds) that are expended by the Ohio Turnpike Commission to build, improve, or maintain its highways, bridges, or tunnels that serve interstate commerce.

*Appalachian Development.* The Appalachian Development Program is a federal program that provides funding for the construction of the Appalachian corridor highways in 13 states, including Ohio. The program promotes economic development and establishes a state-federal framework to meet the needs of the region. Funds are apportioned among the 13 states based on the latest available cost to complete estimates prepared by the Appalachian Regional Commission.

*Geological Site Management.* This program provides funding for slopes and slides, rockfalls, underground mines, and erosion projects.

*Emergency Program.* This program provides emergency funds for the repair or reconstruction of Federal-aid highways and roads on federal lands that have suffered serious damage by natural disasters or catastrophic failures from an external cause. Repairs accomplished within 180 days after the occurrence of a disaster are eligible for a 100% federal reimbursement.

*Direct Investment in Public Transit.* This program will provide \$10 million each fiscal year to local transit authorities specifically for the purchase of new public transit vehicles or the upgrading of existing vehicles. New vehicles and upgrades must foster the goals of increased fuel efficiency, reduced emissions, and use of alternative fuels when appropriate.

*Roadside Rest Areas.* This program provides funding for the replacement and rehabilitation for the rest areas on the state and national highway system.

*Railroad Grade Separation Initiative.* This program provides funding to construct railroad grade crossing separations in communities affected by an increased level of train traffic throughout the state. Most of the increased traffic occurred when CSX and Norfolk Southern acquired Conrail's rail lines. In order to increase safety at crossings, the separation program was created to provide \$200 million over ten years

for construction of overpasses and underpasses so motor vehicles do not have to cross railroad tracks.

***ODNR/Metropark Paving Program.*** This program provides funds for the construction, reconstruction, and maintenance of public access roads to and within facilities owned or operated by the Department of Natural Resources and within the boundaries of metropolitan parks. Funds can be used for the materials and labor necessary for construction, reconstruction, improvement, repair, and maintenance of park drives, park roads, park access roads, parking lots, and for purchase and hauling of materials, and for equipment rental.

***Noise Walls.*** This program provides funding for retrofitting roadways with noise barriers statewide. Specifically targeted are residential areas in existence prior to the construction of a roadway. Project selection is based on a statewide priority list. The proposed project must be in a noncommercial and noise-sensitive area. Primarily, these are residential areas, but they also may contain schools, nursing homes, hospitals, churches, libraries, parks, and recreation areas. In order for an area to qualify for a noise wall, a noise analysis must be conducted.

***Amish Buggy.*** The Amish Buggy Safety Program provides funding for transportation improvement projects on priority state routes and off-road trails adjacent to priority state routes that improve safety for motorists and horse drawn vehicles. The following types of projects are eligible: widening paved shoulders to six to eight feet, paving graded shoulders during scheduled reconstruction or repaving of roadway, construction of buggy pull-off or hill-climbing lanes, widening shoulders on the downhill side of roadways, and construction of separate buggy/bicycle trails. Funding for this program has historically been \$1 million each fiscal year.

### ***Safety Programs***

This program provides funding for safety projects that contribute to improving safety and reducing the severity, frequency, and rate of crashes on the state highway system and local roads. The program's goals are to reduce the state's 2007 crash fatality rate from the 1.13 fatalities per 100 million vehicle miles traveled (mvmt) to 1.0 fatality per 100 mvmt. The national average for 2007 was 1.37 per 100 mvmt. Long-term program goals include a 10% decline in the number of serious crashes by 2015. Eligible projects include signing, striping, clearing brush, traffic signal coordination, two-way left-turn lanes, additional lanes, and other roadway modifications.

The executive recommends \$94.3 million in FY 2010 and \$69.9 million in FY 2011. The executive recommendation provides an increase of \$22.6 million over FY 2009 recommendations for this program, which is due to an increase in the program's federal funding attributable to the federal incentive grant for the adoption of the primary seat belt law. DOT would use these funds to support additional roadway and bridge safety

improvements, work zone safety efforts, and public education campaigns to promote driver safety.

### ***Highway Maintenance Contracts***

These contracts provides for the maintenance of the state highway system, including keeping the system in a safe and attractive condition, providing tourist information and clean rest areas for the motoring public, and maintaining DOT facilities and equipment. Line item 773431, Highway Maintenance – State, provides the following with \$63.0 million in FY 2010 and \$68.8 million in FY 2011.

***Rest Area Maintenance/District Cleaning.*** The program employs people with disabilities to clean roadside rest areas and DOT facilities along the highway system. DOT uses contracted cleaning services to carry out this work. DOT currently has 110 rest areas, 88 central county garages, 12 district headquarters, and one central office headquarters.

***Traffic System Maintenance.*** This program maintains traffic control signals on the state highway system. Examples of traffic control signals include highway lighting, signage, striping, and raised pavement markers.

***Guardrail Maintenance.*** This program upgrades guardrail systems to meet current standards and reconstructs or replaces damaged or deteriorating guardrails. The replacement schedule for a guardrail is 20 years. DOT invoices drivers for damage caused if cited by the State Highway Patrol.

***Roadside Maintenance.*** This program includes the removal of vegetation obstructions, mowing, tree/flower planting, erosion control, drainage ditch obstructions, litter, and repairing of pavement drop-offs.

***Pavement Maintenance.*** This program consists of pothole patching, chip and crack sealing, surface paving and treatment, spot berming and restoration, and full depth repair of roadways to repair isolated damages.

### ***Major/New Construction***

This program provides funding for projects that increase mobility, provide connectivity, increase the accessibility of a region for economic development, increase the capacity of a transportation facility, and reduce congestion throughout the state. These projects must have costs of \$5 million or more. Funds are dedicated to Major/New construction only after DOT assures it is meeting basic system maintenance and operational needs. Once a Major/New project is approved by the Transportation Review Advisory Council (TRAC), the project moves through a series of phases before completion. These phases include planning and engineering, design, right-of-way acquisition, and construction. Since the Major/New Program is funded last on DOT's list of funding priorities, the program ends up absorbing the brunt of the impact if state and federal revenue decreases or if other program costs increase.

The executive budget scales back appropriations allocated to the Major/New Program to \$167.2 million in FY 2010. This is down nearly 67% from the FY 2009 program appropriations of about \$507 million. For FY 2011, the Major/New recommendation is further reduced to \$76.7 million, or over 54% over the FY 2010 amount. The reduction means that fewer large-scale projects will be funded. For instance, the Major/New Program funded 52 construction projects totaling \$1.08 billion in FY 2008 and FY 2009. For FY 2010 and FY 2011, there are currently 25 projects programmed for construction totaling \$615 million in addition to project development costs. The total FY 2010-FY 2011 Major/New Program includes the appropriations allocated to the program in the bill and funds carried forward from FY 2009.

In FY 2010, \$89.9 million (53.8%) of the Major/New appropriations come from state and federal motor fuel taxes while bond proceeds make up the remaining portion, \$77.2 million. In FY 2011, all of the Major/New appropriations will be derived from state and federal motor fuel taxes.

*Changes to the TRAC Scoring Criteria.* On December 18, 2008, the Transportation Review Advisory Council (TRAC) adopted a new project scoring method. The former method used a 130-point scoring system, including 70 points (54%) for Transportation factors, 30 points (23%) for Economic Development factors, and 30 points (23%) for Other factors. Under the new method's 100-point scoring system, Transportation, Economic Development, and Other factors account for 55 (55%), 30 (30%), and 15 (15%) points, respectively. The Transportation category now includes criteria such as Public Return on Investment (20 points), Air Quality (5 points), and Intermodal Connectivity (5 points). The latter was previously included in the Other category. Although the total points for Economic Development remain the same at 30 under both methods, the new method awards these points based on very different criteria, taking into account the Urban Revitalization criterion that was previously included in the Other category. Finally, the only factor included in the Other category under the new method is Project Sponsor Investment, weighted at 15 points.

In keeping with the administration's more multi-modal approach, the new project scoring criteria will enable TRAC to grade projects of any mode more equally. The various factors that contribute to a project's score include criteria or surrogate criteria that can apply to any mode so that each mode's benefits can be properly taken into account.

### **Earmarks**

The executive budget earmarks \$10 million in each fiscal year out of appropriation item 772422, Highway Construction – Federal, to provide grants to local transit authorities to purchase or improve public transit vehicles. New transit vehicles purchased and improvements made to a local transit authority's existing fleet must

foster the goals of increasing fuel efficiency, reducing emissions, and using alternative fuels, as appropriate.

### **GARVEE Debt Service (772437 and 772438)**

Appropriation items 772437, GARVEE Debt Service – State and 772438, GARVEE Debt Service – Federal, provide the annual debt service for the \$863 million in federal grant anticipated revenue vehicle bonds (GARVEEs) outstanding as of January 2009. GARVEE bonds are a financing tool that leverages federal motor fuel tax revenues appropriated from the federal Highway Trust Fund. Limited growth in both state and federal motor fuel tax revenues and the rising costs of construction materials and fuel has led DOT to use the proceeds from GARVEE bonds to offset a portion of the cost of increased construction materials as well as to cover Major/New construction projects and other program needs. The rationale for this strategy was that the overall inflation rate for construction materials was likely to exceed the interest rate of bond debt.

The executive recommendation provides \$153.6 million in FY 2010 and \$164.1 million in FY 2011 for these line items. Debt service costs for the upcoming biennium are generally consistent with FY 2009 appropriations of \$158.3 million for this purpose.

### **State Infrastructure Bank (772426, 772427, 772429, 772430, 772431, 772432, and 772433)**

These line items support the State Infrastructure Bank (SIB) revolving loan program. The program provides direct loans to public entities for local highway projects in order to accelerate projects and spur economic development. Funds can be used for final design, right-of-way, and construction of a project. Local governments may pledge their gas tax revenues as loan repayments. The SIB was capitalized in 1997 with \$87 million in federal funds, \$40 million in General Revenue Funds, and \$10 million of motor fuel tax funds for a total of \$137 million. The availability of dollars is dependent upon SIB activity and loan repayments. The SIB may also issue bonds on behalf of the borrower. There is no set limit and 100% financing is available. Loans range in size from \$100,000 to \$20 million and require the borrower to pay closing costs. Since the SIB was created, 115 loans totaling over \$354 million have been issued. Loans are offered to projects that typically do not qualify for federal or state funds. Currently, there are 72 active highway SIB loans amounting to \$206 million.

The various line items that support the SIB are comprised of first generation federal dollars that require a 20% state match, second generation funds, which are nonfederal funds used to pay back original loans financed with federal funds and do not require a state match, or appropriations that would be used in case DOT sells a project on behalf of a local government and must pay the contractor directly. In that instance, DOT would request the cash from the trustee to support the payment.

The executive recommendation flat funds these SIB line items based on FY 2009 appropriations with combined funding of approximately \$36.2 million annually.

### **New Generation State Infrastructure Bank (772439 and 772440)**

These proposed line items provide additional SIB funding to local governments and the proposed transportation innovation authorities (TIAs) for qualified multi-modal projects, including road, bridge, transit, freight, and passenger rail projects. According to DOT, New Generation State Infrastructure Bank funds will come from a variety of sources. The portion of funding dedicated to the proposed transportation innovation authority roadway and bridge loans will come from state motor fuel tax revenues. Bonds issued under the program may be supported by tolling revenues or other revenue sources that are identified by the particular TIA.

Financial assistance may be provided in various forms, such as loans, loan guarantees, letters of credit, leases, interest rate subsidies, debt service reserves, and other forms of assistance the Director of Transportation considers appropriate. The goal of the New Generation Infrastructure Bank Fund is to encourage local governments and TIAs to invest in transportation facilities that contribute to the multi-modal and intermodal transportation capabilities of the state, and to develop a variety of financing tools to maximize funding resources and reduce direct state costs.

The executive recommendation proposes total appropriations of \$100 million for these line items in FY 2010.

### **Highway Construction – Bonds (772723)**

This line item is used for pavement preservation and Major/New construction projects. Bond sales are dependent on cash needs from project expenditures. The debt service on the state bonds is paid from state motor fuel tax revenues from the Highway Operating Fund (Fund 7002). The bill authorizes the state to issue up to \$352 in general obligation bonds to finance highway projects. Similar to GARVEE bonds, DOT uses state highway bonds to finance large construction projects to prevent the tying up of cash.

The issuance of these bonds is constitutionally restricted to no more than \$220 million in any fiscal year and no more than \$1.2 billion can be outstanding at any one time. The executive recommendation provides bond appropriations of \$194 million in FY 2010 and \$163 million in FY 2011 for a biennium total of \$357 million, the difference between bond issuing authority and bond appropriations being the consideration of interest income on the bond proceeds.

The amount recommended for FY 2010 is 94% higher than FY 2009 appropriations of \$100 million and FY 2011 recommendations are 16.0% lower than those for FY 2010. The increase in bonding is to make DOT whole for the \$200 million transfer of Highway Operating Fund moneys over the biennium to the Public Works

Commission for the Local Transportation Improvement Program (LTIP). Those transfers fulfill the \$200 million in additional LTIP appropriations granted in H.B. 554 of the 127th General Assembly. The table below illustrates how FY 2010-FY 2011 biennium bond appropriations are apportioned.

<b>ALI 772723, Highway Construction – Bonds, Program Allocation (in millions)</b>				
<b>Program</b>	<b>FY 2010</b>	<b>Percent</b>	<b>FY 2011</b>	<b>Percent</b>
Pavement and Bridge Preservation	\$142.8	73.6%	\$163.0	100.0%
Major New	\$51.2	26.4%	\$0.0	0.0%
<b>TOTAL</b>	<b>\$194.0</b>	<b>100.0%</b>	<b>\$163.0</b>	<b>100.0%</b>

### **Highway Infrastructure Bank – Bonds (772428)**

This line item funds system preservation projects and Major/New construction with GARVEE bonds, which are issued against and retired with DOT's federal highway revenues. The debt service on these bonds is paid out of the Highway Operating Fund (Fund 7002). Also, note that though the fund group and appropriation item reference the "Infrastructure Bank," they actually have nothing to do with the State Infrastructure Bank Bond and Loan Program.

For the FY 2010-FY 2011 biennium, the executive budget reduces GARVEE bond appropriations to \$136 million over the biennium. This is in contrast to GARVEE appropriations of \$850 million in the current biennium.

Taking a look at the Governor's proposal by fiscal year, the executive recommendation provides GARVEE bond appropriations of \$71 million in FY 2010 and \$65 million in FY 2011. As mentioned immediately above, the amount recommended for FY 2010 is 82.3% lower than FY 2009 appropriations of \$400 million and FY 2011 recommendations are 8.5% lower than those for FY 2010. The table below illustrates how the bond appropriations are apportioned for the FY 2010-FY 2011 biennium.

<b>ALI 772428, Highway Infrastructure Bank – Bonds, Program Allocation (in millions)</b>				
<b>Program</b>	<b>FY 2010</b>	<b>Percent</b>	<b>FY 2011</b>	<b>Percent</b>
Pavement and Bridge Preservation	\$45.0	63.4%	\$65.0	100.0%
Major New	\$26.0	36.6%	\$0.0	0.0%
<b>TOTAL</b>	<b>\$71.0</b>	<b>100.0%</b>	<b>\$65.0</b>	<b>100.0%</b>

### **Permanent and Temporary Law**

#### **Department of Transportation Contracts for Snow and Ice Removal (R.C. 125.11)**

This provision exempts contracts for snow and ice removal materials from a requirement that two or more qualified bids offering products produced or mined in this state is sufficient competition to prevent an excessive price for the product or the

acquiring of a disproportionately inferior product. In effect, this removes a preference for Ohio products, which may or may not affect the cost of these materials bought by DOT for its own use or on behalf of political subdivisions.

**Department of Transportation Collaboration with Local Government and the Private Sector (R.C. 5501.03, 5501.311, 5515.01, and 5515.07)**

This provision permits the Department of Transportation to (1) enter into agreements with utilities for the construction of alternative energy generating facilities on DOT property to further efforts to promote energy conservation and energy efficiency, (2) enter into leases or lease-purchase agreements with transportation innovation authorities (TIAs) for land under DOT control, and (3) contract with local authorities and private entities to maintain and operate highway rest areas and other appropriate facilities in exchange for a fee or concession rights.

These provisions would allow DOT to enter into partnerships with local governments and the private sector to place solar and wind power generating equipment on DOT property to reduce its energy costs and promote clean energy and to manage and maintain DOT's public facilities through operating or concessions agreements. To the extent that the above activities occur, there would be a gain in revenue to the Highway Operating Fund (Fund 7002) from any leases, easements, or licenses granted.

**Design Build Contracts (R.C. 5517.011)**

This provision suspends the provision of law limiting the total dollar value of DOT design-build contracts to \$250 million per biennium until July 1, 2015. This provision would allow the total amount of design-build contracts to exceed these costs. If design-build contracts are used more frequently, this change may increase project delivery efficiencies and reduce overall design and construction costs for the state.

**Publishing DOT's Confidential Cost Estimates (R.C. 5525.15)**

In regard to a provision of existing law allowing the Director of Transportation to keep DOT's cost estimate for a project confidential until after project bids have been received, the bill replaces a requirement that the cost estimate be publicly read prior to the opening of the bids with a requirement that the total amount of such an estimate be published after all bids have been received.

**New Generation State Infrastructure Bank (R.C. 5531.01)**

This provision creates the New Generation State Infrastructure Bank Fund within the State Infrastructure Bank, consisting of assistance received by the state as may be provided by law, in order to provide financial assistance to the proposed transportation innovation authorities. The provision also removes the authority to use the existing State Infrastructure Bank funds to pay debt service on federal GARVEE bond

obligations whose proceeds have been deposited into the Infrastructure Bank Obligations Fund. As mentioned previously, the executive recommendation provides \$100 million in FY 2010 for the highway bond and loan portion of the New Generation State Infrastructure Bank Program.

**Department of Transportation Tolling Authority (R.C. 5531.11 to 5531.18 and 5531.99)**

These provisions allow DOT to construct and operate tolled new capacity projects. The bill requires DOT to adopt a plan for tolls in rule and creates the Ohio Tolling Fund to receive toll revenues. Toll revenues may be used to support construction, improvement, repair, maintenance, administration, and operation costs for the Ohio transportation system and may also be pledged for the repayment of bonds. These provisions also grant other authority necessary for the operation of tolled projects.

**Transportation Innovation Authorities (R.C. 5539.)**

The bill proposes to create a new entity called a transportation innovation authority (TIA) and establishes the powers of these entities. These entities can be formed by specific governmental agencies, subject to the approval by the Director of Transportation. TIAs are intended to encourage the investment of public and private resources in the planning and implementation of innovative transportation projects to enhance the efficiency of the state's transportation system. The provision also gives TIAs the authority to issue bonds and develop toll projects using the proposed tolling authority in the bill, but not the authority to levy taxes. Any new taxes or levies would be the responsibility of the individual government entities that form a TIA.

**Motor Fuel Evaporation Tax Credit (R.C. 5703.053, 5703.70, 5735.06, 5735.141, 5735.145, 5735.15, 5735.23, and Section 503.10)**

These provisions eliminate the motor fuel shrinkage allowance for distributors and retail dealers of motor fuel. The funds made available from the elimination of the allowance, approximately \$54 million per year, will be used to offset certain funding requirements of the executive budget on DOT, such as investment in transportation modes other than highways, other transportation purposes and increased debt service resulting from the additional bonding authorized to make DOT whole after the transfer of \$200 million to the Public Works Commission (PWC) to provide the additional funding for the Local Transportation Improvement Program (LTIP) required by H.B. 554 of the 127th General Assembly, the Jobs Stimulus Bill enacted in the summer of 2008.

**Issuance of Bonds (Section 203.20)**

The bill authorizes the issuance of \$352 million in highway capital improvements bonds. These bonds are issued under Section 2m of Article VIII, Ohio Constitution and are repaid with receipts from the state motor fuel tax. Of the \$352 million authorized,

\$200 million makes DOT whole for the transfer of \$200 million to PWC described just above. The debt service on this bonding authority, estimated at \$10 million in FY 2010 and \$20 million in FY 2011, will be offset by a portion of the proceeds generated by the elimination of the evaporation discount on motor fuel for dealers and retailers.

**Transfers of Highway Operating Fund Appropriations (Section 203.30)**

This provision would allow the Director of Budget and Management to approve requests for the transfer of appropriations between various line items within the Highway Operating Fund (Fund 7002) to cover unforeseen costs and optimize the use of federal funds. Previous transportation budget bills have granted similar authority.

**Transfer of Appropriations: Federal Highway and Federal and Local Transit (Section 203.20)**

The bill provides the authority for the Director of Budget and Management to transfer appropriations between various federal line items funding highway construction and transit projects. Such transfers are to be reported to the Controlling Board.

**Transfer of Appropriations and Cash: State Infrastructure Bank (Section 203.20)**

The bill provides the authority for the Director of Budget and Management to transfer appropriations and cash between various State Infrastructure Bank funds and line items. The Director of Budget and Management may also transfer appropriations and cash from the Highway Operating Fund to the State Infrastructure Bank funds subject to certain requirements. Such transfers are to be reported to the Controlling Board. Similar authority was granted in the FY 2008-FY 2009 and previous transportation budgets.

**Transfer of Appropriations and Cash: Tolling Funds (Section 203.20)**

The bill provides the authority for the Director of Budget and Management to transfer appropriations and cash of the Ohio Tolling Fund and any subaccounts created within the Ohio Tolling Fund. Such transfers are to be reported to the Controlling Board.

**Increasing Appropriations: State Funds (Section 203.20)**

As in the current transportation budget, this provision permits the Director of Transportation to request additional appropriations out of the Highway Operating Fund in the event that revenues exceed estimates.

**Increasing Appropriations: Federal and Local Funds (Section 203.20)**

This provision permits the Director of Transportation to request additional appropriations in the event that receipts or unexpended balances credited to the Highway Operating Fund or apportionments or allocations made available from the

federal or local governments exceed the estimates upon which the appropriations were originally made.

**Reappropriations (Section 203.20)**

This provision specifies that appropriations of the Highway Operating Fund (Fund 7002), the Highway Capital Improvement Fund (Fund 7042), and the State Infrastructure Bank funds remaining unencumbered at the end of FY 2009 and FY 2010 be reappropriated for the same purposes in FY 2010 and FY 2011, respectively, subject to the approval of the Director of Budget and Management.

**Maintenance of Interstate Highways (Section 203.40)**

This provision allows DOT to provide maintenance on interstate highways located within the boundaries of municipal corporations and to reimburse municipal corporations for their costs in providing such maintenance if DOT has an agreement with the municipal corporation. Similar language is contained in the FY 2008-FY 2009 budget.

**Public Transportation Highway Grants (Section 203.50)**

This provision permits the Director of Transportation to use revenue from the motor fuel tax to match approved federal grants awarded to DOT, regional transit authorities, or eligible public transportation systems, for public transportation highway purposes, or to support local or state funded projects for public transportation highway purposes. However, motor fuel tax revenues may not be used for operating assistance or for the purchase of vehicles, equipment, or maintenance facilities. This is recurring temporary language.

**Transfers of Cash between the Highway Operating Fund and the Highway Capital Improvement Fund (Section 512.10)**

This provision permits the Director of Budget and Management to transfer cash from the Highway Operating Fund (Fund 7002) to the Highway Capital Improvement Fund (Fund 7042) and to transfer the amounts from Fund 7042 to Fund 7002 up the amounts previously transferred.

**Monthly Transfers to Gasoline Excise Tax Fund (Section 512.20)**

This provision requires the Director of Budget and Management to transfer cash in equal monthly increments totaling \$183,493,000 in each fiscal year from the Highway Operating Fund (Fund 7002) to the Gasoline Excise Tax Fund. From those proceeds, municipal corporations receive 42.86%, counties receive 37.14%, and townships receive 20%.

**Local Transportation Improvement Program (Section 512.30)**

Allows the Director of Budget and Management, upon the request of the Director of the Public Works Commission, to make periodic transfers of cash from the Highway

Operating Fund (Fund 7002) to the Local Transportation Improvement Program Fund (Fund 7052). The transfers must total \$100 million in FY 2010 and \$100 million in FY 2011 and are intended to fulfill the purposes of Section 18 of H.B. 554 of the 127th General Assembly, which originally authorized the increase in LTIP appropriations, but used a \$200 million transfer from the Budget Stabilization Fund (BSF) to fund this amount.

## Category 2: Transportation Planning and Research

The appropriations encompassed within this category fund the Transportation Planning and Research Program.

Governor's Recommended Amounts for Transportation Planning and Research				
Fund	ALI and Name		FY 2010	FY 2011
<b>Highway Operating Fund Group</b>				
7002	771411	Planning and Research – State	\$21,044,516	\$21,463,169
7002	771412	Planning and Research – Federal	\$23,970,770	\$24,214,310
<b>Highway Operating Fund Group Subtotal</b>			<b>\$45,085,216</b>	<b>\$45,677,479</b>
<b>Total Funding: Transportation Planning and Research</b>			<b>\$45,085,216</b>	<b>\$45,677,479</b>

### Planning and Research – State (771411)

Approximately 75% of this line item provides all of the funding for payroll, supplies and equipment for the 143 FTEs involved in planning and research operations. Activities include the collection, analysis, and maintenance of various data, such as traffic information, the state's official road inventory, pavement condition ratings, environmental, geotechnical, travel demand models, and geographic information systems. The line item also funds the coordination and the state-match for the State Planning and Research Program, described in more detail under appropriation item 771412, Planning and Research – Federal, below as well as the Local Technical Assistance Program (LTAP), which assists local government personnel in understanding and adopting the latest data concerning roads, bridges, safety regulations, and transportation.

The executive recommends \$21.0 million for this line item in FY 2010 and \$21.5 million for FY 2011. The amount recommended for FY 2010 is 3.2% lower than FY 2009 appropriations. The recommended amount for FY 2011 is 2.0% higher than FY 2010 recommendations.

### Planning and Research – Federal (772412)

This line item provides the federal dollars to support planning and research operations. The most recent federal highway program reauthorization, SAFETEA-LU, requires that states set aside 2% of their federal-aid highway program apportionments for planning and research. Within this set aside, states must use at least 25% for research, development, and technology transfer. Most research and development requires a 20% state match, the funding for which is provided in the line item above. The federal government also requires that DOT support urban transportation planning programs in each of Ohio's 17 Metropolitan Planning Organizations (MPOs), which

cover 30 urban counties. Those programs are 80% federally funded with 10% state and 10% local matches.

Planning and research funds can be used for transportation planning for highways, transit (intercity passenger rail, urban passenger rail, and other transit services), and rail freight. Planning operations include traffic and roadway monitoring, roadway inventory, local road mileage certification, computer mapping and database development, air quality monitoring, special planning projects, updates to the long-range plan, coordination with Metropolitan Planning Organizations, and review of traffic congestion and travel demand.

All research projects are conducted through contracts with research institutions, with 80% of active studies completed by Ohio public universities. The rest are with Ohio private universities or with out-of-state research institutions. At the outset of FY 2009, the Department was under contract in 40 active studies while 16 new studies are scheduled to begin during this fiscal year. The Department also participates in pooled fund studies led by other states or the Federal Highway Administration, which generates significant research with minimal financial investment.

The executive recommends \$24.0 million in FY 2010 and \$24.2 million in FY 2011 for this line item. The amount for FY 2010 is 21% lower than FY 2009 appropriations of \$30.3 million while the amount recommended for FY 2011 is 1.0% higher than FY 2010 recommendations. The lower appropriation amounts are due to a change in how MPO construction dollars used for planning purposes are accounted for. According to DOT, MPOs may use some of their construction funds for planning purposes. Historically, they have requested to use about \$6 million per year, which was budgeted from this line item. For FY 2010 and FY 2011, DOT has shifted the MPO construction funds for planning purposes to line item 772422, Highway Construction – Federal.

### **Category 3: Public Transportation**

This category of appropriations funds the state's capital, operating, technical, and planning assistance to 60 transit systems serving portions of 60 counties. Of the 60 transit systems, 24 systems are in urban areas and 36 are in rural areas. The majority of assistance funds is from federal dollars and is used for grants to transit systems – both for operating assistance and capital purchases. Funding is also provided from the General Revenue Fund and the Highway Operating Fund (HOF). Like the federal dollars, GRF dollars and other HOF dollars also provide operating and capital grants to public transit systems. The capital assistance grants allow transit systems to purchase transit vehicles, computer equipment, and build transit facilities.

DOT reports that over 143 million passenger trips were provided by state's transit systems during CY 2007. Approximately 60% of public transit trips in urban areas are work-related. In rural areas, many public transit services are used heavily by senior citizens and the disabled. In general, public transit agencies are dealing with declining revenues from dedicated sources such as sales taxes as well as from the state. In the current biennium, transit budgets have been hampered by the rise in fuel prices. Because many transit systems purchase fuel on fixed price contracts that last anywhere from three to 12 months, many transit systems are paying above market prices. This is contributing to projected deficits and the possibility of service cuts and/or fare increases.

As the table below shows, the executive budget dramatically increases the non-GRF component of this category of appropriations to \$145.7 million in FY 2010 because of the spending authority granted for the proposed New Generation State Infrastructure Bank and returns FY 2011 recommendations to \$35.7 million, an amount more in line with the current biennium. But note also that the FY 2010 New Generation State Infrastructure Bank appropriations may be carried forward to FY 2011.

<b>Governor's Recommended Amounts for Public Transportation</b>				
<b>Fund</b>	<b>ALI and Name</b>		<b>FY 2010</b>	<b>FY 2011</b>
<b>Highway Operating Fund Group</b>				
2180	775461	New Generation Multi Modal Loan	\$60,000,000	\$0
2180	775462	New Generation Multi Bond	\$50,000,000	\$0
7002	775452	Public Transportation – Federal	\$27,060,785	\$27,060,785
7002	775459	Elderly & Disabled Special Equipment	\$4,730,000	\$4,730,000
7002	775454	Public Transportation – Other	\$1,500,000	\$1,500,000
2130	775460	Transit Infrastructure Bank – Local	\$1,000,000	\$1,000,000
2120	775408	Transit Infrastructure Bank – Local	\$812,685	\$812,685
2120	775455	Title 49 Infrastructure Bank – State	\$312,795	\$312,795
2130	775457	Transit Infrastructure Bank – State	\$312,082	\$312,082
<b>Highway Operating Fund Group Subtotal</b>			<b>\$145,728,347</b>	<b>\$35,728,347</b>
<b>Total Funding: Public Transportation</b>			<b>\$145,728,347</b>	<b>\$35,728,347</b>

### **New Generation Infrastructure Bank (775461 and 775462)**

These proposed line items provide additional SIB funding to local governments and the proposed transportation innovation authorities (TIAs) for qualified multi-modal projects, including road, bridge, transit, freight, and passenger rail projects. The goal of the New Generation Infrastructure Bank Fund is to encourage local governments and TIAs to invest in transportation facilities that contribute to the multi-modal and intermodal transportation capabilities of the state, and to develop a variety of financing tools to maximize funding resources and reduce direct state costs. Financial assistance may be provided in various forms, such as loans, loan guarantees, letters of credit, leases, interest rate subsidies, debt service reserves, and other forms of assistance the Director of Transportation considers appropriate.

According to DOT, New Generation State Infrastructure Bank funds will come from a variety of sources. The portion of funding dedicated to public transit projects will come from nongas tax revenues, such as innovative financing methods, revenue provided by TIAs, and revenue from approved tolling projects. Bonds issued under the program may be supported by tolling revenues or other revenue sources that are identified by the particular TIA.

The executive recommendation provides a total of \$110 million in FY 2010 but no funding for FY 2011. Please note that these same line items fund projects in the Rail Transportation category of appropriations.

**Public Transportation – Federal (775452)**

Primarily, this line item provides federal funding for the Ohio Public Transportation Grant Program and Ohio Coordination Program. The Ohio Public Transportation Grant Program provides grants to transit systems, both rural and urban, for operating assistance to cover wages, fuel, insurance, training, and vehicle and facility maintenance, as well as for planning assistance and capital purchases. Funds are allocated to transit systems based on the number of passengers transported, miles traveled, cost per mile, and the amount of local funds contributed. Capital items that are covered under the grant program include purchasing transit vehicles, computer equipment, and the construction of transit buildings.

The Ohio Coordination Program provides funding to public entities to assist in the coordination of transportation services among local human service agencies. All projects must demonstrate some level of interagency coordination in their local area to be eligible for funding. Funds are allocated to counties that do not have a public transportation system. Funds are used for operating expenses only and are typically allocated to county offices of aging, jobs and family services, MRDD facilities, county commissioners, senior citizen councils, and transit boards. To limit the exposure of the GRF portion of the Public Transportation Grant Program to budget cuts, DOT has begun funding the Coordination Program entirely with federal funds, though this means that Coordination Program recipients must adjust their programs to be in compliance with federal regulations.

A small portion of this line item, about \$1.5 million (5.4%), also pays for oversight of the above programs as well as the Job Access/Reverse Commute (JARC) Program, New Freedom Program, Specialized Program, and the federally mandated Rail Safety Program. Essentially, the technical assistance provided ensures all grantees are in compliance with federal regulations and state program requirements. DOT staff serve as consultants to public transit systems, offer guidance on DOT grant programs, and conduct program reviews and quality assurance reviews, site visits, and training workshops. At this funding level, DOT reports that it will have to reduce the technical assistance offered and limit training activities to the most essential topics.

The executive recommends \$27.1 million for each year of the biennium. This amount is 23.5% lower than FY 2009 appropriations, although this can be attributed to DOT overestimating the amount they expected to receive from the Federal Transit Administration in the current biennium.

**Elderly and Disabled Special Equipment (775459)**

This line item provides federal capital assistance under the Specialized Transportation Program (STP) to nonprofit agencies providing transportation services to the elderly and people with disabilities for the purchase of vehicles and equipment.

STP requires a 20% local match. DOT is recognized as the recipient of these funds and is required to oversee their distribution and subsequent investment in local transportation services. DOT directly awards term contracts for the purchase of vehicles on behalf of the recipient agencies. The executive recommends \$4.73 million in each year for this line item, the same amounts appropriated for the FY 2008-FY 2009 period.

#### **Transit Infrastructure Bank (775408, 775455, 775457, and 775460)**

These line items fund the Transit Infrastructure Bank Loan Program, which provides another resource local government entities can access to fund transit projects on top of the current state grants and federal allocations available. The Transit Infrastructure Bank Loan Program is a subset of the State Infrastructure Bank (SIB) Program, which was capitalized with \$137 million using a combination of General Revenue Fund, federal, and motor fuel tax dollars. The funds from the initial capitalization allow the whole SIB Program to service as a revolving loan program. Appropriations are used to provide low-interest loans to local governments to either fund transit construction projects at 100% or to match available federal funding. Currently, the Department has one transit loan outstanding totaling \$6.9 million.

The executive recommendation provides cumulative appropriations of \$2.4 million in each year of the upcoming biennium. Each of the line items funding the Transit Infrastructure Bank Program is flat funded based on FY 2009 appropriations.

#### **Public Transportation – Other (775454)**

This line item establishes spending authority for an unfunded rotary account that was established to enable the collection of local shares for vehicles purchased through the Elderly and Disabled Special Equipment Program and for consortium purposes for nonprofit grantees under the Rural Transit Program. Because these agencies are not eligible to purchase vehicles directly from DOT term contracts, DOT purchases the vehicles on their behalf. The executive recommends \$1.5 million per year for this line item, the same levels as the FY 2008-FY 2009 biennium.

#### **Permanent Law**

##### **New Generation State Infrastructure Bank (R.C. 5531.01)**

This provision creates the New Generation State Infrastructure Bank Fund within the State Infrastructure Bank, consisting of assistance received by the state as may be provided by law, in order to provide financial assistance to the proposed transportation innovation authorities. The provision also removes the authority to use the existing State Infrastructure Bank funds to pay debt service on federal GARVEE bond obligations whose proceeds have been deposited into the Infrastructure Bank Obligations Fund. The executive recommendation provides \$110 million in FY 2010 for

the public transportation bond and loan portion of the New Generation State Infrastructure Bank Program.

**Transportation Innovation Authorities (R.C. 5539.)**

The bill proposes to create a new entity called a transportation innovation authority (TIA) and establishes the powers of these entities. These entities are formed by specific governmental agencies, subject to the approval by the Director of Transportation. TIAs are intended to encourage the investment of public and private resources in the planning and implementation of innovative transportation projects to enhance the efficiency of the state's transportation system. TIAs are provided the authority to issue bonds and develop toll projects using the proposed tolling authority in the bill, but not the authority to levy taxes. Any new taxes or levies would be the responsibility of the individual government entities that form the TIA.

## Category 4: Rail Transportation

This series of appropriations is administered by the Ohio Rail Development Commission (ORDC), an independent Commission within DOT. ORDC provides programs that promote economic development and rail-highway safety. ORDC administers federal and state funding of rail safety projects including upgrades to and removal of hazardous crossings as determined by the Public Utilities Commission. ORDC also receives GRF funding in the main operating appropriations bill that it uses for operating expenses, and financial assistance to railroads, businesses, and communities for rail-related infrastructure.

Overall, the executive budget dramatically increases the non-GRF component of this category of appropriations to \$147.9 million in FY 2010 because of the spending authority granted for the proposed New Generation State Infrastructure Bank, but returns FY 2011 recommendations to \$17.9 million, an amount approximating the current biennium level. Note, however, that FY 2010 appropriations for the New Generation State Infrastructure Bank program may be carried forward into FY 2011.

<b>Governor's Recommended Amounts for Rail Transportation</b>				
<b>Fund</b>	<b>ALI and Name</b>		<b>FY 2010</b>	<b>FY 2011</b>
<b>Highway Operating Fund Group</b>				
2180	775461	New Generation Multi Modal Loan	\$60,000,000	\$0
2180	775462	New Generation Multi Bond	\$70,000,000	\$0
7002	776462	Grade Crossing – Federal	\$15,000,000	\$15,000,000
<b>Highway Operating Fund Group Subtotal</b>			<b>\$145,000,000</b>	<b>\$15,000,000</b>
<b>State Special Revenue Fund Group</b>				
4N40	776663	Panhandle Lease Reserve Payments	\$762,600	\$764,300
4N40	776664	Rail Transportation – Other	2,111,500	2,111,500
<b>State Special Revenue Fund Group Subtotal</b>			<b>\$2,874,100</b>	<b>\$2,875,800</b>
<b>Total Funding: Rail Transportation</b>			<b>\$147,874,100</b>	<b>\$17,875,800</b>

### **New Generation Infrastructure Bank (775461 and 775462)**

The goal of the New Generation Infrastructure Bank Fund is to encourage local governments and Transportation Innovation Authorities (TIAs) to invest in transportation facilities that contribute to the multi-modal and intermodal transportation capabilities of the state, and to develop a variety of financing tools to maximize funding resources and reduce direct state costs.

These proposed line items provide additional SIB funding to local governments and TIAs for qualified multi-modal projects, including road, bridge, transit, freight, and passenger rail projects. According to DOT, New Generation State Infrastructure Bank moneys will come from a variety of sources. The portion of funding dedicated to rail

projects will come from nongas tax revenues, such as revenues generated by TIAs and tolling projects. Any bonds issued under the program may be supported by tolling revenues or other revenue sources that are identified by the particular TIA.

Financial assistance may be provided in various forms, such as loans, loan guarantees, letters of credit, leases, interest rate subsidies, debt service reserves, and other forms of assistance the Director of Transportation considers appropriate.

The executive recommendation provides a total of \$130 million in FY 2010. There is no appropriation for FY 2011, although the bill allows unused FY 2010 appropriations to be carried forward into FY 2011. Please note that these same line items fund projects in the Rail Transportation category of appropriations.

#### **Grade Crossing – Federal (776462)**

This line item provides federal funds for a federally mandated program that provides for the elimination of hazards at highway-railroad grade crossings by installing flashing lights and gates, closing and consolidating crossings, constructing grade separations, and resurfacing grade crossings. Implementing these safety measures helps to eliminate collisions between vehicles and trains. The executive recommends \$15 million in each year for this line item. Based on FY 2008 results, ORDC expects to complete about 100 warning device installation or upgrade projects, four to eight crossing closures, and approximately 15 surface reconstruction projects in the current biennium and similar results for FY 2010 and FY 2011. However, the work associated with each project is based on site conditions, which vary from project to project.

#### **Panhandle Lease Reserve Payments (776663)**

This line item is used as a reserve to meet monthly lease payments to Caprail I, Inc., for the lease of Panhandle rail line in case of default. If an annual minimum of \$706,000 is not maintained, default clauses are activated. The reserve is in the amount of one year's bond payments for the certificates of participation that financed the Panhandle purchase. The line item is only to be used in the event of nonpayment by the operating railroad. The executive recommends \$762,600 for FY 2010 and \$764,300 for FY 2011, amounts that are nearly the same as that appropriated for FY 2009 for this purpose.

#### **Rail Transportation – Other (776664)**

This line item, in conjunction with GRF appropriation item 776465, Ohio Rail Development Commission, provides financial assistance in the form of loans and grants to support the rehabilitation of rail lines, the construction of rail interchanges or connections, maintenance of rail properties purchased by the state as well as the

acquisition of rail transportation or rail property. Loans and grants are awarded to public entities, railroads, and private companies.

In the FY 2008-FY 2009 biennium, ORDC gained the authority to pledge repayments to the Rail Development Fund (Fund 4N40), the Commission's revolving loan fund, for bonds issued by the Department of Development through the Ohio Enterprise Bond Fund, which will assist rail projects in getting a larger amount of assistance than is available through Fund 4N40.

The executive recommendation provides over \$2.1 million in each fiscal year for this line item, the same amounts appropriated for each year of the current biennium. When GRF support is added in, ORDC expects that this funding will allow about the same level of grant and loan activity as recent years, with 15 grants averaging \$150,800 and four to five loans between \$350,000 and \$500,000 to be awarded each fiscal year.

### **Permanent and Temporary Law**

#### **New Generation State Infrastructure Bank (R.C. 5531.01)**

This provision creates the New Generation State Infrastructure Bank Fund within the State Infrastructure Bank, consisting of assistance received by the state as may be provided by law, in order to provide financial assistance to the proposed transportation innovation authorities. The provision also removes the authority to use the existing State Infrastructure Bank funds to pay debt service on federal GARVEE bond obligations whose proceeds have been deposited into the Infrastructure Bank Obligations Fund. The executive recommendation provides \$130 million in FY 2010 for the rail transportation bond and loan portion of the New Generation State Infrastructure Bank Program.

#### **Department of Transportation Tolling Authority (R.C. 5531.11 to 5531.18 and 5531.99)**

These provisions allow DOT to construct and operate tolled new capacity projects. These provisions also allow (1) toll revenues to be used to support the construction, improvement, repair, maintenance, administration, and operation costs for the Ohio transportation system, and (2) to be pledged for the repayment of bonds. These provisions also grant other authority necessary for the operation of tolled projects.

#### **Transportation Innovation Authorities (R.C. 5539.)**

The bill proposes to create a new entity called a transportation innovation authority (TIA) and establishes the powers of these entities. These entities are formed by specific governmental agencies, subject to the approval by the Director of Transportation. TIAs are intended to encourage the investment of public and private resources in the planning and implementation of innovative transportation projects to enhance the efficiency of the state's transportation system. TIAs are provided the

authority to issue bonds and develop toll projects using the proposed tolling authority in the bill, but not the authority to levy taxes. Any new taxes or levies would be the responsibility of the individual government entities that form the TIA.

**Passenger Rail (Section 503.20)**

This provision provides express authority for the Ohio Rail Development Commission to use funds made available to it by direct appropriation or through DOT to meet state obligations for the operation of intercity passenger rail service.

## Category 5: Aviation

This category of appropriations supports the operations of the Division of Aviation. This Division is responsible for working with airports to meet national safety standards, making infrastructure improvements, coordinating with the Federal Aviation Administration (FAA) registering aircrafts, providing air transportation to state officials, and maintaining the state's aircraft fleet. These programs are supplemented with a GRF appropriation in the main operating budget bill.

<b>Governor's Recommended Amounts for Aviation</b>				
<b>Fund</b>	<b>ALI and Name</b>		<b>FY 2010</b>	<b>FY 2011</b>
<b>Highway Operating Fund Group</b>				
2130	777478	Aviation Infrastructure Bank – Local	\$6,000,000	\$6,000,000
7002	777475	Aviation Administration	\$4,945,697	\$5,186,959
2130	777477	Aviation Infrastructure Bank – State	\$3,500,000	\$3,500,000
7002	777472	Airport Improvements – Federal	\$405,000	\$405,000
<b>Highway Operating Fund Group Subtotal</b>			<b>\$14,850,697</b>	<b>\$15,091,959</b>
<b>State Special Revenue Fund Group</b>				
5W90	777615	County Airport Maintenance	\$620,000	\$620,000
<b>State Special Revenue Fund Group Subtotal</b>			<b>\$620,000</b>	<b>\$620,000</b>
<b>Total Funding: Aviation</b>			<b>\$15,470,697</b>	<b>\$15,711,959</b>

### Aviation Administration (777475)

This line item, along with a portion of a GRF allocation funded in the main operating budget, funds the Aviation Operating Program, which is responsible for operating DOT's aircraft. DOT aircraft are used to transport state officials, including the Governor, legislators, and state personnel and to perform DOT missions such as aerial photography, emergency management, forestry missions, homeland security, prisoner transfers, Department of Natural Resources (DNR) missions, wild animal inoculations, and assisting in marijuana eradication. DOT maintains a fleet of 30 state aircraft, which includes those of the Ohio State Highway Patrol and DNR. Any costs arising from non-highway use of the aircraft, such as special mission flights for DNR, the Department of Public Safety or other state agencies, must be reimbursed to DOT. In addition, the line item funds the oversight of about 10,600 registered aircraft.

The executive recommends \$4.9 million in FY 2010 and \$5.2 million in FY 2011 for this line item. The FY 2010 amount is 7.7% lower than FY 2009 appropriations of \$5.4 million while the amount recommended for FY 2011 is 4.9% higher than that for FY 2010. Much of the decline in FY 2010 funding is driven by lower personal services costs attributable to the 5% reduction in operating costs imposed by departmental directive. In addition, the Office of Aviation has been evaluating the need to fill

positions as they became vacant, resulting in a few positions that have been left unfilled. FY 2011 funding increases are driven by increased supplies and maintenance costs for such items as aircraft engine overhauls, maintenance, and repairs.

### **Aviation Infrastructure Bank (777477 and 777478)**

These line items support the Aviation Infrastructure Bank Loan Program, which provides an additional resource that publicly owned airports may use to fund aviation projects. Like the Transit Infrastructure Bank Loans, the Aviation Infrastructure Bank Loan Program is a part of the State Infrastructure Bank (SIB) Program. Moneys from an initial program capitalization of GRF, federal and motor fuel tax funds allow the program to operate as a revolving loan program. The line items are used to provide low-interest loans to local governments to fund either aviation capital improvement projects at 100% or to match available federal funding. Currently, there are four loans and one bond issuance totaling \$14.8 million for aviation projects.

The executive recommendation provides a total of \$9.5 million each year for Aviation Infrastructure Bank loans, the same amounts appropriated for the current biennium. Of appropriation item 777478, Aviation Infrastructure Bank – Local, \$6.0 million is set aside in case DOT sells a project on behalf of the public entity and is required to pay the contractor directly. In that instance, DOT would request the cash from the trustee to support the payment.

### **County Airport Maintenance (777615)**

In conjunction with GRF and federal dollars, this line item supports the Aviation Improvement Program by providing funds to publicly owned airports for pavement maintenance and obstruction removal. Maintenance grants contribute 80% of a project's total construction cost while local or Federal Aviation Administration (FAA) contributions make up the rest. As of June 2008, DOT reports that 38% of runways, 43% of taxiways and 33% of aprons have a deficient Pavement Condition Index (PCI). Overall, inflation in the cost of fuel and construction materials have negatively impacted the number of grants awarded and thus the overall condition of the pavement in Ohio's general aviation airports.

The line item is supported by a general aviation license tax of \$15 per aircraft seat an annual flat rate of \$15 for gliders and balloons. The executive recommends \$620,000 in each fiscal year out of Fund 5W90 for the line item. These amounts are \$50,000 higher annually than is provided for the current biennium. The increased appropriations are supported by the proposed collection of fines for failing to register aircraft.

**Airport Improvements - Federal (777472)**

This line item, also a component of the Aviation Improvement Program, provides Federal Aviation Administration (FAA) funds to contract with consultants for the preparation of individual master plans and layout plans to improve the attractiveness of local airports for corporate and other general aviation. The executive recommendation provides \$405,000 annually for this line item, the same amounts appropriated for the FY 2008-FY 2009 biennium.

**Permanent Law****Aircraft Exempt from License Tax (R.C. 4561.17)**

This provision removes an outdated reference to aircraft described as being operated under a “certificate of convenience and necessity issued by the Civil Aeronautics Board.” The Civil Aeronautics Board was a predecessor to the Federal Aviation Administration (FAA).

**Commercial Cargo Aircraft License Tax (R.C. 4561.18)**

This provision changes the annual aircraft license tax imposed on a commercial cargo aircraft based in this state from \$750 per aircraft to an amount equal to \$15 per seat, based on the manufacturer’s maximum listed seating capacity. This provision creates parity with the license tax paid by aircraft other than gliders and balloons.

**Disposition of Fine Imposed for Failure to Register Aircraft (R.C. 4561.21)**

This provision requires the Director of Transportation to deposit the fines imposed for each aircraft that an owner fails to register into the Airport Assistance Fund (Fund 5W90) instead of the GRF.

**Department of Transportation Tolling Authority (R.C. 5531.11 to 5531.18 and 5531.99)**

These provisions allow DOT to construct and operate tolled new capacity projects. These provisions also allow (1) toll revenues to be used to support the construction, improvement, repair, maintenance, administration, and operation costs for the Ohio transportation system, and (2) to be pledged for the repayment of bonds. These provisions also grant other authority necessary for the operation of tolled projects.

## Category 6: Administration

This category of appropriations provides for the management support of all the Department's programs, supports capital improvements to DOT facilities, and pays the debt service on bonds issued for such improvements.

Governor's Recommended Amounts for Administration				
Fund	ALI and Name		FY 2010	FY 2011
<b>Highway Operating Fund Group</b>				
7002	770003	Administration – State – Debt Service	\$3,415,700	\$1,821,000
7002	779491	Administration – State	\$131,087,437	\$134,889,042
<b>Total Funding: Administration</b>			<b>\$134,233,137</b>	<b>\$136,710,042</b>

### Administration - State (779491)

This line item provides the management support needed to administer the Department's programs. Program Management includes the Director's Executive Leadership Staff, Divisions of Quality and Human Resources, Financing and Forecasting, Information Technology, Facilities Management, and Local Programs. The line item supports approximately 786 employees with an operating program budget averaging about \$110 million per year. In FY 2009, DOT reduced its operating budget by 5%, resulting in an estimated savings of \$38 million across DOT programs. The reduced operating expenditure level will be carried forward into the FY 2010-FY 2011 biennium.

The line item also provides funding for a portion of DOT's minor capital and maintenance projects for Department lands and buildings. Facilities management staff are responsible for maintenance at DOT's central office, 12 district headquarter complexes, 88 county garages, 122 outposts (including salt sheds), and 22 waste water treatment plants. DOT's Office of Environmental Services provides environmental oversight and compliance for the facilities owned and operated by DOT, including waste management and the underground storage tank program. The line item funds any new capital projects that may be necessary to prevent excessive maintenance or repair costs. Approximately 17% of the amount budgeted for this line item, or \$22 million each year, are dedicated to these purposes.

In total, the executive recommendation provides \$131.1 million in FY 2010 and \$134.9 million in FY 2011 for this line item. The FY 2010 recommendation is 2.7% higher than FY 2009 adjusted appropriation of \$127.6 million, while the FY 2011 recommendation provides an increase of 2.9% over the FY 2010 recommendation.

**Administration – State – Debt Service (770003)**

This line item supports debt service payments for the bonds issued through the Ohio Building Authority for the rehabilitation and construction of district and county garages and outposts, as well as DOT's central offices in Columbus. The bonds, issued from 1990 to 1998, amount to \$154 million. The executive recommendation provides \$3.4 million for this debt service in FY 2010 and \$1.8 million in FY 2011. The final debt payment will occur in FY 2011.

**Permanent and Temporary Law****Deputy Inspector General for DOT Funding (R.C. 151.51 and Section 512.40)**

These provisions change the method by which the Deputy Inspector General for DOT is funded by requiring the Deputy Inspector General to submit billings to the Department for the costs incurred in performing investigations. The Department of Transportation is required to pay the billings by intrastate transfer voucher (ISTV) quarterly.

To provide seed money for the Deputy Inspector General before the Department begins receiving these billings, the bill authorizes the transfer of \$115,000 from the Highway Operating Fund (Fund 7002) to the Deputy Inspector General for DOT Fund (Fund 5FA0) to meet the amounts owed.

The bill specifies that no more than \$400,000 of appropriation item 799491, Administration – State, can be used in each fiscal year to reimburse the Inspector General for investigation costs. However, the Department of Transportation may seek Controlling Board approval to increase the amount designated and the appropriation as necessary to reimburse the Inspector General.

**Sale of Surplus DOT Real Property (R.C. 5501.34)**

This provision allows the Director of Transportation to accept a survey or appraisal of a surplus parcel of real property that DOT owns and wishes to sell that was commissioned by an interested party, but prohibits DOT from reimbursing the party for the cost of the survey or appraisal.

In addition, the provision increases the maximum value a surplus parcel of DOT real property can be sold for at public auction to the highest bidder without regard to its appraised value if an abutting landowner chooses not to buy the parcel at or above the appraised price from \$2,000 to \$5,000.

**Rental Payments – OBA (Section 203.60)**

This provision specifies that appropriation item 770003, Administration – State – Debt Service, must be used to pay rent to the Ohio Building Authority (OBA) for the FY 2010-FY 2011 budget period under the primary leases and agreements for various

transportation related capital facilities. It also requires rental payments to be made from motor fuel tax revenues.

**Lease Payments to the OBA and Treasurer (Section 509.20)**

This provision authorizes additional appropriations if they are necessary for lease payments to the Ohio Building Authority or to the Treasurer of State under leases and agreements relating to bonds or notes issued by the Ohio Building Authority or the Treasurer of State.

**Authorization for Ohio Building Authority and OBM to Effectuate Certain Lease Rental Payments (Section 509.10)**

This provision requires the Director of Budget and Management to initiate and process payments from lease rental payment appropriation items during the FY 2010-FY 2011 biennium. Payments must be made upon certification by the Ohio Building Authority of the dates and amounts due on those dates.

**Cash Transfer to GRF (Section 512.50)**

This provision transfers the cash balances in the DOT Memorial Fund (Fund 4T50) and the Transportation Building Fund (Fund 7029) to the General Revenue Fund. After the transfers are completed, the funds are abolished.

# Department of Public Safety

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- Looming cash crisis fixed with \$100-plus million in fee adjustments
- Abstract fee bump eliminates GRF funding
- Funding levels sufficient to maintain existing service delivery systems

## OVERVIEW

### Duties and Responsibilities

The mission of the Department of Public Safety is to save lives, reduce injuries and economic loss, administer Ohio's motor vehicle laws, and preserve the safety and well being of all citizens with the most cost-effective and service-oriented methods available. For the purposes of accomplishing this mission, the Department is organized into the following nine divisions:

- **Administration.** Provides management, coordination, and oversight for the Department.
- **Ohio Traffic Safety Office.** Manages various state and federal resources related to improving traffic safety.
- **Ohio State Highway Patrol.** Enforces traffic laws and commercial motor safety regulations and protects state property, the Governor, and visiting dignitaries.
- **Bureau of Motor Vehicles.** Oversees driver and motor vehicle licensing and registration.
- **Investigative Unit.** Enforces Ohio's liquor, tobacco sale, and food stamp rules.
- **Emergency Management Agency.** Coordinates statewide preparation, response, and recovery to emergencies and disasters.
- **Emergency Medical Services.** Oversees the certification of emergency medical technicians (EMTs) and firefighters and provides that these people are properly trained, educated, and prepared for emergency situations.
- **Homeland Security.** Coordinates all homeland security activities of state agencies as well as local entities and oversees the licensing and regulation of private investigators and security guards.
- **Criminal Justice Services.** Administers federal financial assistance intended to improve state and local criminal justice systems.

## Staffing Levels

Table 1 below shows the Department of Public Safety's staffing levels by division. The staffing levels in FYs 2007 through 2009 are as of January in each fiscal year. The staffing levels in FYs 2010 and 2011 are estimates. The number of authorized uniformed personnel for the Ohio State Highway Patrol is 1,583.

Table 1. Department of Public Safety Staffing Levels					
Division	FY 2007	FY 2008	FY 2009	FY 2010*	FY 2011*
Administration/Traffic Safety Office	73	71	71	73	73
Bureau of Motor Vehicles	847	832	821	847	847
Emergency Management Agency	94	84	94	95	95
Emergency Medical Services	27	27	27	31	31
Investigative Unit	123	117	114	123	123
Ohio State Highway Patrol**	2,733	2,670	2,637	2,732	2,732
Homeland Security	23	18	23	24	24
Criminal Justice Services	21	17	16	22	22
<b>TOTAL</b>	<b>3,941</b>	<b>3,836</b>	<b>3,803</b>	<b>3,947</b>	<b>3,947</b>

\*The staffing levels displayed in the above table for FYs 2010 and 2011 are estimates.

\*\*The number of authorized uniformed personnel is 1,583.

## Appropriations Overview

For the Department of Public Safety, the executive budget recommends FY 2010 appropriations totaling \$693.7 million, a decrease of approximately \$1.5 million, or 0.2%, from the total adjusted FY 2009 appropriation of \$695.2 million. For FY 2011, the executive budget recommends appropriations totaling \$696.7 million, or 0.4% above the FY 2010 recommendation. Based on the Department's budget request, it appears that the executive budget's appropriation recommendations will permit the Department to maintain existing programmatic service and activity levels in each of the next two fiscal years, including the payroll expenses associated with approximately 3,950 full-time equivalent (FTE) staff positions.

*Appropriations by Fund Group.* As Table 2 below shows, less than 1% of the Department's FY 2009 budget is being supported by moneys appropriated from the General Revenue Fund (GRF). For the FY 2010-FY 2011 biennium, the executive budget has recommended eliminating the Department's GRF funding and, instead, has proposed a \$6 increase in abstract fees, from \$2 to \$8, to fund the difference. A more detailed discussion of this change can be found under the headings "GRF Funding Eliminated" and "Abstract Fee Increase."

Of the Department's total budget, the State Highway Safety Fund (HSF) Group comprises around 75%, and the Federal Special Revenue Fund (FED) Group makes up around 20%. The remaining 5% of budgetary funding comes from a mix of moneys appropriated from other revenue sources in the state treasury, including, in order of magnitude, the State Special Revenue Fund (SSR) Group, the Liquor Control Fund (LCF) Group, the General Services Fund (GSF) Group, the Holding Account Redistribution Fund (090) Group, and the Agency Fund (AGY) Group.

**Table 2. Executive Budget Recommendations by Fund Group, FY 2010-FY 2011**

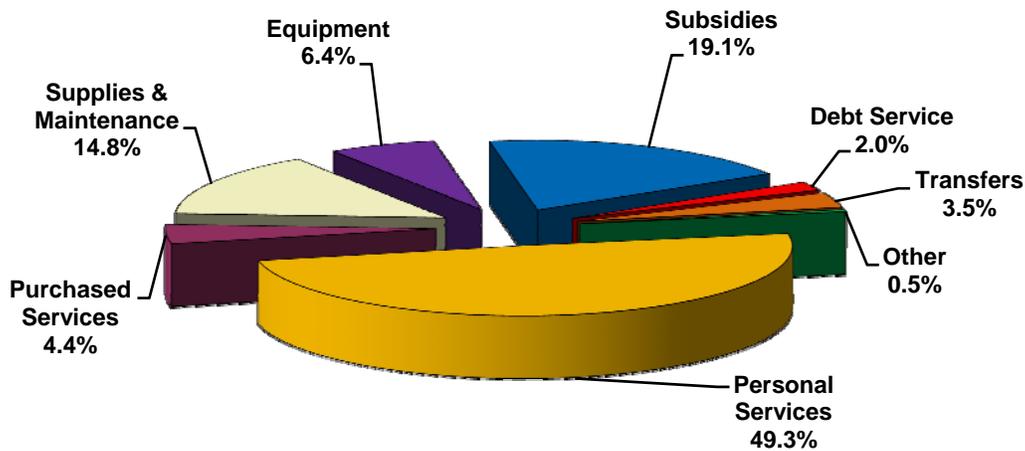
Fund Group	FY 2009*	FY 2010	% change, FY 2009-FY 2010	FY 2011	% change, FY 2010-FY 2011
General Revenue**	\$4,445,859	\$0	-100.0%	\$0	N/A
State Highway Safety	\$517,427,269	\$520,633,559	0.6%	\$522,404,799	0.3%
General Services	\$2,084,969	\$6,086,782	191.9%	\$6,145,624	1.0%
State Special Revenue	\$6,569,548	\$13,241,517	101.6%	\$14,678,004	10.8%
Federal Special Revenue	\$149,053,072	\$138,018,865	-7.4%	\$137,856,333	-0.1%
Liquor Control	\$11,546,052	\$12,007,894	4.0%	\$11,897,178	-0.9%
Agency	\$1,500,000	\$1,500,000	0.0%	\$1,500,000	0.0%
Holding Account	\$2,235,000	\$2,235,000	0.0%	\$2,235,000	0.0%
Tobacco Settlement	\$375,000	\$0	-100.0%	\$0	N/A
<b>TOTAL</b>	<b>\$695,236,769</b>	<b>\$693,723,617</b>	<b>-0.2%</b>	<b>\$696,716,938</b>	<b>0.4%</b>

\*FY 2009 figures represent adjusted appropriations.

\*\*The executive recommendations include eliminating the Department's GRF funding and increasing abstract fees to replace the lost revenue.

*Appropriations by Expense Category.* Chart 1 below shows the executive budget recommendations by expense category. Personal services (payroll-related expenses) use the majority of the Department's budgeted funds, nearly 50%. Purchased personal services make up another 4.4% of the Department's budget; supplies and maintenance and equipment comprise more than 21%. Subsidies are 19% of the Department's budget, while debt service is 2% and transfers are another 3.5%. The "Other" category, which makes up less than 1% of the Department's budget, includes: (1) goods and services for resale, (2) capital items, and (3) judgments, settlements, and bonds.

**Chart 1: Biennial Executive Budget Recommendations by Expense Category, FY 2010-FY 2011**



*Appropriations by Division/Category.* Table 3 below shows the executive budget recommendations for the Department's divisions and other categories of expense. The majority of the Department's budget is allocated for expenses incurred by the Ohio State Highway Patrol and the Bureau of Motor Vehicles, which make up 46.0% and 21.2% of the budget, respectively. The Emergency Management Agency makes up another 18.6%. The remaining 14.2% of the budget, in order of magnitude, consists of (1) Traffic Safety and Education (4.6%), (2) Criminal Justice Services (3.2%), (3) the Investigative Unit (2.3%), (4) Debt Service (1.9%), (5) Emergency Medical Services (1.2%), (6) Homeland Security (0.8%), and (7) Revenue Distribution (0.3%).

Table 3. Executive Budget Recommendations by Division/Category, FY 2010-FY 2011		
Division/Category	FY 2010 Recommendation	FY 2011 Recommendation
Traffic Safety and Education/Administration	\$32,022,288	\$32,282,143
Bureau of Motor Vehicles	\$146,852,687	\$152,590,152
State Highway Patrol	\$319,264,004	\$317,553,993
Homeland Security	\$5,510,877	\$5,731,312
Emergency Medical Services	\$8,060,032	\$8,069,481
Investigative Unit (Investigations)	\$15,858,468	\$15,771,194
Emergency Management Agency	\$128,715,999	\$129,377,159
Criminal Justice Services	\$21,867,262	\$21,270,304
Debt Service	\$13,337,000	\$11,836,200
Revenue Distribution	\$2,235,000	\$2,235,000
<b>TOTAL</b>	<b>\$693,723,617</b>	<b>\$696,716,938</b>

## State Highway Patrol Funding Task Force

Under the Taft administration, the Ohio State Highway Patrol was shifted from a reliance on state motor fuel tax revenues and provided with dedicated new funding from licenses and registration fees. This shift began in FY 2004 when the motor fuel tax cash transfer to the Department's budget was reduced to 75% of the FY 2003 receipts (a cash transfer of \$140.14 million), and, in FY 2005, the motor fuel tax transfer was reduced to 50% of the FY 2003 receipts (a cash transfer of \$94.36 million).

In the FY 2006-FY 2007 biennium, the motor fuel tax cash transfer was reduced to 30% of the FY 2003 receipts in FY 2006 (a cash transfer of \$57.18 million) and to 20% of the FY 2003 receipts in FY 2007 (a cash transfer of \$38.50 million).

The plan was that, as of FY 2008, the Patrol would no longer receive any funding via the state motor fuel tax. The Strickland administration, however, made some temporary changes to the motor vehicle excise tax law, the practical effect of which was to generate additional revenue for the Patrol's use over the course of FYs 2008 and 2009.

The State Highway Patrol Funding Task Force was created pursuant to Am. Sub. H.B. 67 of the 127th General Assembly in order to address the issues that arose when the Patrol stopped receiving funding via the motor vehicle fuel tax, and to recommend a more permanent solution to the Patrol's funding shortage. The Task Force was required to study the method of funding the Patrol and issue a report of its findings to the General Assembly and the Governor by July 1, 2008.<sup>1</sup> The report was to include a recommendation for a dedicated and stable long-term funding source for the Patrol. Table 4 below details the executive-proposed increases in various fees and fines collected by the Department's Bureau of Motor Vehicles, the intended effect being that the State Highway Safety Fund (Fund 7036) will be able to remain solvent.

Based on current revenue and spending trends, the Department has projected, absent the executive-proposed fee and fine increases, an annual cash shortfall for the Patrol of \$143 million by the end of FY 2011. The Department plans to reduce that shortfall through approximately \$40 million in annual spending reductions. The Task Force concentrated its recommendations on meeting the remaining shortfall through increases in various fines and fees. These increases are estimated to raise \$106.3 million per year as summarized in Table 4 below.

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<sup>1</sup> The full report is available at: [www.publicsafety.ohio.gov/FundingTaskForce/FinalReport.pdf](http://www.publicsafety.ohio.gov/FundingTaskForce/FinalReport.pdf).

<b>Table 4. Proposed Patrol Funding Fee Adjustments</b>			
<b>Transaction Type</b>	<b>Current Fee</b>	<b>Proposed Increase</b>	<b>Estimated Revenue Gain</b>
Vehicle Registration (excluding commercial trucks)	Varies from \$34.50 to \$1,644.50	\$5.75	\$61.8 million
Late Fine for Vehicle Registration and Driver License Renewal	New fine	\$10.00	\$21.0 million
Commercial Truck Registration	Varies from \$59.50 to \$1,354.50	\$19.00	\$10.5 million
Temporary Tag Fee	\$10.50	\$5.00	\$9.5 million
Vision Screening Fee	\$1.00	\$1.00	\$1.8 million
International Registration Plan Fees (from other states)	Varies from \$45 to \$1,340	2.5%	\$1.7 million
<b>Estimated Total Annual Revenue Generated</b>			<b>\$106.3 million</b>

### GRF Funding Eliminated

In past budgets, the Department has received a small portion of their revenue (less than 1%) in the form of moneys appropriated from the General Revenue Fund (GRF). For the FY 2010-FY 2011 biennium, the executive budget recommends eliminating the Department's GRF funding entirely. As discussed in greater detail in the next section, in order to replace these lost revenues, the executive budget recommends increasing the fees for driver, vehicle, and certificate of title abstracts from \$2 to \$8.

The GRF line items that will be eliminated, as well as the non-GRF funds and related line items that will receive varying portions of the \$6 increase in abstract fees are shown in Table 5 below.

<b>Table 5. Non-GRF Replacement Line Items for Eliminated GRF Line Items</b>				
<b>GRF Line Item</b>	<b>Line Item Name</b>	<b>Non-GRF Fund</b>	<b>Non-GRF Line Item</b>	<b>Line Item Name</b>
763403	Operating Expenses – EMA	4V30	763662	EMA Service and Reimbursement
767406	Under Age Tobacco Enforcement	5FL0	769634	Investigations
768424	Operating Expenses – CJS	4P60	768601	Justice Program Services
769321	Food Stamp Trafficking Enforcement	5FL0	769634	Investigations

### Abstract Fee Increase

For the FY 2010-FY 2011 biennium, the executive budget has recommended eliminating the Department's GRF funding and, to make up the difference, increasing the fees for driver, vehicle, and certificate of title abstracts from \$2 to \$8. In addition to replacing the Department's GRF funding, the abstract fee increase will also raise additional revenue for two other divisions within the Department as follows:

- Of the \$6 increase, \$1.25 will be deposited in the state treasury to the credit of the Trauma and Emergency Medical Services Fund (Fund 83M0), the statutory purpose of which is generally restricted for the administration of the Division of Emergency Medical Services and the State Board of Emergency Medical Services.
- Of the \$6 increase, \$1.25 will be deposited in the state treasury to the credit of the newly created Homeland Security Fund (Fund 5DS0), the statutory purpose of which is restricted to pay the expenses of administering the law relative to the powers and duties of the Division of Homeland Security's Executive Director.

Table 6 below shows the estimated revenue that will be generated based on a total of 4,301,000 abstracts issued in calendar year (CY) 2008.

<b>Table 6. Estimated Revenue from Abstract Fee Increase</b>		
<b>Fund</b>	<b>Amount Distributed</b>	<b>Estimated Revenue Generated*</b>
Emergency Management Agency Service and Reimbursement Fund	\$2.25	\$9.7 million
Trauma and Emergency Medical Services Fund	\$1.25	\$5.4 million
Homeland Security Fund	\$1.25	\$5.4 million
Investigations Fund	\$0.75	\$3.2 million
Justice Program Services Fund	\$0.50	\$2.2 million
<b>TOTAL</b>	<b>\$6.00</b>	<b>\$25.8 million**</b>

\*Estimated revenue generated is based on 4,301,000 abstracts issued in CY 2008.

\*\*Totals may not match due to rounding.

### **Drug Law Enforcement Fund (Fund 5ET0)**

Recently enacted Am. Sub. H.B. 562 of the 127th General Assembly authorizes the collection of an additional \$10 in court costs related to moving violation convictions. It also directs that \$3.50 of that \$10 amount be used for the purpose of awarding grants to local drug task forces to defray the expenses incurred in performing their functions related to the enforcement of the state's drug laws and other state laws related to illegal drug activity. The moneys to cover these local drug task force grants are deposited in the state treasury to the credit of the Drug Law Enforcement Fund. (The remainder of the additional \$10 in court costs, or \$6.50, is split between two other state funds: the Indigent Drivers Alcohol Treatment Fund and the Indigent Defense Support Fund.)

According to the Bureau of Motor Vehicles (BMV), in 2007, there were 1,283,932 moving violation convictions statewide, a number that includes violations committed by both commercial and noncommercial drivers. Assuming that the total number of moving violations convictions recorded in subsequent years is more or less similar to calendar year 2007, Fund 5ET0 could receive up to \$4.5 million or more annually (1,283,932 moving violation convictions x \$3.50).

## Automated Speed Enforcement

The executive budget proposes a construction zone automated speed enforcement system pilot project. The pilot project would last for two years (through June 30, 2011) and allows the Department to utilize automated speed enforcement systems to enforce speed limits within construction zones located on interstate highways. All violations processed under the pilot project would be civil offenses, rather than criminal offenses, and violators would be required to pay a civil penalty and an administrative fee. The civil penalty could not be more than \$250 and the administrative fee would be established by rule. The civil penalties collected are to be distributed as follows:

- 55% to the treasury of the municipal corporation in which the violation occurred;
- 45% deposited to the credit of the state's General Revenue Fund;
- 5% deposited to the credit of the state's Trauma and Emergency Medical Services Fund (Fund 83M0);

The administrative fee collected would be deposited to the credit of the newly proposed Automated Speed Enforcement System Fund.

## Seat Belt Use – Primary Enforcement

The executive budget includes a provision eliminating the restriction against a law enforcement officer stopping an automobile for the sole purpose of determining whether a seat belt violation has occurred or for the sole purpose of issuing a ticket, citation, or summons or causing the arrest of a person for a seat belt violation.

In essence, the proposed amendment to current law makes a seat belt violation a primary offense. As a result, the number of citations for seat belt violations could increase, thereby resulting in a revenue gain. LSC fiscal staff's preliminary review of the available evidence from the experience of other states suggests, however, that when the law moves from a secondary to primary offense, the voluntary compliance rate increases dramatically. As a result, seat belt citations declined significantly. If this were to happen in Ohio, then revenues from seat belt citations could decrease, the magnitude of which is uncertain.

The fine for a seat belt violation is generally \$30 for an operator and \$20 for a passenger. All fines collected for violations of the state's mandatory seat belt law, or for violations of any ordinance or resolution of a political subdivision that is substantively comparable, are forwarded for deposit in the state treasury and apportioned between five state funds as follows:

- Seat Belt Education Fund: 8%;
- Elementary School Program Fund: 8%;

- Occupational Licensing and Regulatory Fund: 2%;
- Trauma and Emergency Medical Services Fund: 28%;
- Trauma and Emergency Medical Services Grants Fund: 54%.

### **Federal Real ID Act**

The federal REAL ID Act of 2005 is intended to deter terrorism by, among other things, establishing national standards for state-issued driver's licenses and nondriver's identification cards. The national license/ID standards cover: (1) what data must be included on the card, (2) what documentation must be presented before a card can be issued, and (3) how the states must share their databases. In the case of Ohio, implementation of these national standards will be the responsibility primarily of the Department's Bureau of Motor Vehicles.

The REAL ID Act was scheduled to take effect on May 11, 2008, three years after the law passed. After that date, a federal agency is not permitted to accept, for any official purpose, a driver's license or identification card issued by a state to any person unless the state is meeting the requirements specified in the REAL ID Act.

On March 2, 2007, the U.S. Department of Homeland Security released draft rules related to the implementation of the Act. Included in the draft rules is a provision that allows states to apply for an extension for implementation. States may apply for an extension that would last until December 2009. Am. Sub. H.B. 67 of the 127th General Assembly directed the Department to request a deadline extension as provided by the draft rules. The Department applied for and was granted the extension.

The cost to Ohio for initial development of the required identification system has been estimated at \$45 million, with ongoing system maintenance costs estimated at \$16 million annually. How Ohio would finance those costs remains uncertain.

### **Collective Bargaining Increases**

The executive budget contains a continuing temporary law provision permitting the Controlling Board to increase the appropriations for any fund of the Department as necessary to assist in paying the costs of increases in employee compensation that have occurred pursuant to collective bargaining agreements under Chapter 4117. of the Revised Code and, for exempt employees, under section 124.152 of the Revised Code.

### **Cash Balance Fund Review**

The executive budget contains a continuing temporary law provision requiring the Director of Budget and Management to review, on an annual basis, the cash balances for each fund in the State Highway Safety Fund Group, with the exception of the State Highway Safety Fund (Fund 7036) and the State Bureau of Motor Vehicles Fund (Fund 4W40), and recommend to the Controlling Board an amount to be transferred to the credit of Fund 7036 or Fund 4W40, as appropriate.

## ANALYSIS OF EXECUTIVE PROPOSAL

### Introduction

This section provides an analysis of the Governor's recommended funding for each appropriated line item in the Department of Public Safety's FY 2010-FY 2011 biennial budget. In this analysis, the Department's line items are grouped into ten major categories. For each category, a table is provided listing the recommended appropriation in each fiscal year of the biennium. Following the table, a narrative describes how the appropriation is used and any changes affecting the appropriation that are proposed by the Governor. If the appropriation is earmarked, the earmarks are listed and described. The ten categories used in this analysis are as follows:

1. Traffic Safety and Education;
2. Bureau of Motor Vehicles;
3. State Highway Patrol;
4. Homeland Security;
5. Emergency Medical Services;
6. Investigations;
7. Emergency Management;
8. Criminal Justice Services;
9. Debt Service;
10. Revenue Distribution.

To aid the reader in finding each line item in the analysis, the following table shows the category in which it has been placed, listing the line items generally in order within their respective fund groups and funds. This is the same order the line items appear in the transportation budget bill.

Categorization of Public Safety's Appropriated Line Items for Analysis of Executive Proposal		
Fund	ALI and Name	Category
<b>State Highway Safety Fund (HSF) Group</b>		
4W40	762321 Operating Expense – BMV	2: Bureau of Motor Vehicles
4W40	762410 Registrations Supplement	2: Bureau of Motor Vehicles
5V10	762682 License Plate Contributions	2: Bureau of Motor Vehicles
7036	761321 Operating Expense – Information & Education	1: Traffic Safety and Education
7036	761401 Lease Rental Payments	9: Debt Service
7036	764033 Minor Capital Projects	3: State Highway Patrol
7036	764321 Operating Expense – Highway Patrol	3: State Highway Patrol
7036	764605 Motor Carrier Enforcement Expenses	3: State Highway Patrol
8300	761603 Salvage and Exchange – Administration	1: Traffic Safety and Education
8310	761610 Information and Education – Federal	1: Traffic Safety and Education
8310	764610 Patrol – Federal	3: State Highway Patrol
8310	764659 Transportation Enforcement – Federal	3: State Highway Patrol
8310	765610 EMS – Federal	5: Emergency Medical Services
8310	767610 Liquor Enforcement – Federal	6: Investigations
8310	769610 Food Stamp Trafficking Enforcement – Federal	6: Investigations
8310	769631 Homeland Security – Federal	4: Homeland Security
8320	761612 Traffic Safety – Federal	1: Traffic Safety and Education
8350	762616 Financial Responsibility Compliance	2: Bureau of Motor Vehicles
8370	764602 Turnpike Policing	3: State Highway Patrol
8380	764606 Patrol Reimbursement	3: State Highway Patrol
83C0	764630 Contraband, Forfeiture, Other	3: State Highway Patrol
83F0	764657 Law Enforcement Automated Data System	3: State Highway Patrol
83G0	764633 OMVI Enforcement/Education	3: State Highway Patrol
83J0	764693 Highway Patrol Justice Contraband	3: State Highway Patrol
83M0	765624 Operating Expenses – Trauma & EMS	5: Emergency Medical Services
83N0	761611 Elementary School Seat Belt Program	1: Traffic Safety and Education
83P0	765637 EMS Grants	5: Emergency Medical Services
83R0	762639 Local Immobilization Reimbursement	2: Bureau of Motor Vehicles
83T0	764694 Highway Patrol Treasury Contraband	3: State Highway Patrol
8400	764607 State Fair Security	3: State Highway Patrol
8400	764617 Security and Investigations	3: State Highway Patrol
8400	764626 State Fairgrounds Police Force	3: State Highway Patrol
8400	769632 Homeland Security – Operating	4: Homeland Security
8410	764603 Salvage and Exchange – Highway Patrol	3: State Highway Patrol
8440	761613 Seat Belt Education Program	1: Traffic Safety and Education
8460	761625 Motorcycle Safety Education	1: Traffic Safety and Education
8490	762627 Automated Title Processing Board	2: Bureau of Motor Vehicles

<b>Categorization of Public Safety's Appropriated Line Items for Analysis of Executive Proposal</b>		
<b>Fund</b>	<b>ALI and Name</b>	<b>Category</b>
<b>General Services Fund (GSF) Group</b>		
4P60 768601	Justice Program Services	8: Criminal Justice Services
4S30 766661	Hilltop Utility Reimbursement	1: Traffic Safety and Education
5ET0 768625	Drug Law Enforcement	8: Criminal Justice Services
5Y10 764695	Highway Patrol Continuing Professional Training	3: State Highway Patrol
5Y10 767696	Investigative Unit Continuing Professional Training	6: Investigations
<b>Federal Special Revenue Fund (FED) Group</b>		
3290 763645	Federal Mitigation Program	7: Emergency Management
3370 763609	Federal Disaster Relief	7: Emergency Management
3390 763647	Emergency Management Assistance & Training	7: Emergency Management
3AY0 768606	Federal Justice Grants	8: Criminal Justice Services
3CB0 768691	Federal Justice Grants – FFY06	8: Criminal Justice Services
3CC0 768609	Justice Assistance Grants – FFY07	8: Criminal Justice Services
3L50 768604	Justice Program	8: Criminal Justice Services
3N50 763644	U.S. Department of Energy Agreement	7: Emergency Management
<b>State Special Revenue Fund (SSR) Group</b>		
4V30 763662	EMA Service and Reimbursement	7: Emergency Management
5390 762614	Motor Vehicle Dealers Board	2: Bureau of Motor Vehicles
5B90 766632	Private Investigator and Security Guard Provider	4: Homeland Security
5BK0 768687	Criminal Justice Services – Operating	8: Criminal Justice Services
5BK0 768689	Family Violence Shelter Programs	8: Criminal Justice Services
5CM0 767691	Federal Investigative Seizure	6: Investigations
5DS0 769630	Homeland Security	4: Homeland Security
5FF0 762621	Indigent Interlock and Alcohol Monitoring	2: Bureau of Motor Vehicles
5FL0 769634	Investigations	6: Investigations
6220 767615	Investigative Contraband and Forfeiture	6: Investigations
6570 763652	Utility Radiological Safety	7: Emergency Management
6810 763653	SARA Title III HAZMAT Planning	7: Emergency Management
8500 767628	Investigative Unit Salvage	6: Investigations
<b>Liquor Control Fund (LCF) Group</b>		
7043 767321	Liquor Enforcement – Operating	6: Investigations
<b>Agency Fund (AGY) Group</b>		
5J90 761678	Federal Salvage/GSA	1: Traffic Safety and Education
<b>Holding Account Redistribution Fund (090) Group</b>		
R024 762619	Unidentified Motor Vehicle Receipts	10: Revenue Distribution
R052 762623	Security Deposits	10: Revenue Distribution

## Category 1: Traffic Safety and Education

The appropriations captured in the Traffic Safety and Education category reflects moneys used to support two distinct services and activities as follows:

- The Ohio Traffic Safety Office (OTSO), which: (1) awards and distributes federal funds to support safety programs, (2) disseminates information to the public relative to the Department's safety programs, (3) provides motorcycle safety courses to the public, and (4) regulates driver training schools.
- The Administration Division, which includes the Director's Office, and business, data, fiscal, human resources, information technology, and auditing services that provide management, coordination, and oversight for all other divisions within the Department.

The table immediately below shows the line items that are used to fund this category of services and activities, as well as the Governor's recommended funding levels. It is then followed by a narrative describing how each appropriated amount will be used, and as appropriate, the implications of the Governor's recommended funding levels.

<b>Governor's Recommended Amounts for Traffic Safety and Education</b>				
<b>Fund</b>	<b>ALI and Name</b>		<b>FY 2010</b>	<b>FY 2011</b>
<b>State Highway Safety Fund (HSF) Group</b>				
7036	761321	Operating Expense – Information and Education	\$8,819,954	\$8,828,661
8300	761603	Salvage and Exchange – Administration	\$20,800	\$21,632
8310	761610	Information and Education – Federal	\$468,982	\$468,982
8320	761612	Traffic Safety – Federal	\$16,577,565	\$16,577,565
83N0	761611	Elementary School Seat Belt Program	\$390,000	\$405,600
8440	761613	Seat Belt Education Program	\$400,000	\$400,000
8460	761625	Motorcycle Safety Education	\$3,324,987	\$3,538,903
<b>State Highway Safety Fund Group Subtotal</b>			<b>\$30,002,288</b>	<b>\$30,241,343</b>
<b>General Services Fund (GSF) Group</b>				
4S30	766661	Hilltop Utility Reimbursement	\$520,000	\$540,800
<b>General Services Fund Group Subtotal</b>			<b>\$520,000</b>	<b>\$540,800</b>
<b>Agency Fund (AGY) Group</b>				
5J90	761678	Federal Salvage/GSA	\$1,500,000	\$1,500,000
<b>Agency Fund Group Subtotal</b>			<b>\$1,500,000</b>	<b>\$1,500,000</b>
<b>Total Funding: Traffic Safety and Education</b>			<b>\$32,022,288</b>	<b>\$32,282,143</b>

**Operating Expense – Information and Education (HSF line item 761321)**

This HSF line item, which draws its appropriations from a wide variety of sources, including fees from driver licenses and vehicle registrations, is used to support various operating expenses of two organizational units of the Department of Public Safety: the Ohio Traffic Safety Office (OTSO) and the Administration Division.

For the next biennium, the executive budget recommends an FY 2010 appropriation of \$8,819,954, an 8.8% increase over the adjusted FY 2009 appropriation of \$8,107,434, and an FY 2011 appropriation of \$8,828,661, a 0.1% increase over the FY 2010 recommendation. The executive budget recommendations fully fund the Department's requested appropriations for this line item. Based on the Department's budget request, it appears that those appropriated amounts in each of FYs 2010 and 2011 will be allocated annually for operating expenses roughly as follows: payroll costs of approximately 53 full-time equivalent (FTE) staff positions (\$5.1 million), personal services contracts (\$1.0 million), maintenance and supplies (\$1.8 million), equipment purchases (\$623,000), and shared revenue (\$277,000).

Also of note is that, starting with FY 2010, the executive budget proposes to consolidate into this line item another existing HSF line item – 766321, Operating Expense – Administration. This is essentially an accounting adjustment that generally merges all of the Administration Division's operating expenses, in particular payroll costs, into one funding stream.

**Salvage and Exchange – Administration (HSF line item 761603)**

This HSF line item, which draws its appropriations from proceeds from the sale of motor vehicles and related equipment by the Administration Division, is statutorily restricted for the purpose of purchasing replacement motor vehicles and related equipment.

For the next biennium, the executive budget recommends an FY 2010 appropriation of \$20,800, a 4.0% increase over the adjusted FY 2009 appropriation of \$20,000, and an FY 2011 appropriation of \$21,632, an additional 4.0% increase over the FY 2010 recommendation. The executive budget recommendations fully fund the Department's requested appropriations for this line item for the purpose of purchasing equipment.

**Information and Education – Federal (HSF line item 761610)**

Moneys appropriated to this HSF line item are drawn from federal financial assistance (Section 402 grants) to reimburse the Department for costs to enter and analyze crash data in general, and fatal crash data specifically.

For the next biennium, the executive budget recommends funding this line item at \$468,982 in each of FYs 2010 and 2011, a 35.1% decrease from the adjusted FY 2009 appropriation of \$722,982. The executive budget recommendations fully fund the

Department's requested appropriations for this line item. Based on the Department's budget request, it appears that those appropriated amounts in each of FYs 2010 and 2011 will be allocated annually for operating expenses roughly as follows: payroll costs of approximately two full-time equivalent (FTE) staff positions (\$189,000), personal services contracts (\$100,000), and maintenance and supplies (\$180,000).

### **Traffic Safety – Federal (HSF line item 761612)**

This HSF line item, which draws its moneys from various federal highway safety grant programs, is used by the Ohio Traffic Safety Office to: (1) primarily award grants to state agencies, political subdivisions, nonprofit organizations, higher education institutions, hospitals, and other interested groups to provide highway safety programs and activities identified in the state's Traffic Safety Action Plan (traffic safety, impaired driving, and seat belt programs) and (2) secondarily cover a portion of the Office's planning and administrative costs.

The executive budget recommends fully funding the Department's requested appropriations for this line item: \$16,577,565 in each of FYs 2010 and 2011. These recommended funding levels are identical to the annual amounts that were originally appropriated for the current biennium. Around \$9.9 million of the amount appropriated annually will be paid out as grants. The remainder, or \$6.7 million, of those appropriated amounts in each of FYs 2010 and 2011 will be allocated annually for operating expenses roughly as follows: payroll costs of approximately 11 full-time equivalent (FTE) staff positions (\$1.1 million), personal services contracts (\$1.6 million), maintenance and supplies (\$3.0 million), and equipment purchases (\$1.0 million).

### **Seat Belt Programs (HSF line items 761611 and 761613)**

These two HSF line items, which draw their financing from fine moneys generated from the enforcement of the mandatory seat belt law, are used by the Department to fulfill its statutory responsibility to establish and maintain seat belt education programs. These programs include an elementary school program to teach the importance of seat belt use and media campaigns such as "Click it or Ticket" and "What's Holding You Back?"

Relative to HSF line item 761611, **Elementary School Seat Belt Program**, which is statutorily restricted for the purpose of establishing and administering elementary school programs that encourage seat belt use, the executive budget recommends an FY 2010 appropriation of \$390,000, a 4.0% increase over the adjusted FY 2009 appropriation of \$375,000, and an FY 2011 appropriation of \$405,600, a 4.0% increase over the FY 2010 recommendation. The executive budget recommendations fully fund the Department's requested appropriations for this line item. Based on the Department's budget request, it appears that those appropriated amounts in each of FYs 2010 and 2011 will be allocated annually for operating expenses roughly as follows:

payroll costs of approximately four full-time equivalent (FTE) staff positions (\$380,000), and maintenance and supplies (\$20,000).

Relative to HSF line item 761613, **Seat Belt Education Program**, which is statutorily restricted for the purpose of establishing a seat belt education program, the executive budget recommends fully funding the Department's requested appropriations: \$400,000 in each of FYs 2010 and 2011, which represent a 2.8% decrease from the adjusted FY 2009 appropriation of \$411,528. Based on the Department's budget request, it appears that those appropriated amounts in each of FYs 2010 and 2011 will be allocated annually for maintenance and supplies.

An associated temporary law provision included in the executive budget allows the Director of Public Safety to request that the Controlling Board approve the transfer of cash between the following four funds that receive fine revenues from enforcement of the mandatory seat belt law: (1) the Trauma and Emergency Medical Services Fund (Fund 83M0), (2) the Elementary School Program Fund (Fund 83N0), (3) the Trauma and Emergency Medical Services Grants Fund (Fund 83P0), and (4) the Seat Belt Education Fund (Fund 8440).

#### **Motorcycle Safety Education (HSF line item 761625)**

This HSF line item, which is funded by a portion of the \$14 annual motorcycle registration fee, is restricted for the purpose of paying the costs of conducting a statutorily mandated motorcycle safety and education program known as Motorcycle Ohio. Each year, roughly 15,000 individuals participate in Motorcycle Ohio.

The program provides three motorcycle safety courses to the public: (1) a basic riding course, (2) an experienced rider course, and (3) a course for those interested in becoming a motorcycle instructor. Program staff also develop and distribute public information and education materials, make presentations regarding motorcycle safety issues, and work to improve the licensing system for motorcyclists.

For the next biennium, the executive budget recommends funding this line item at \$3,324,987 in FY 2010, a 17.1% decrease from the adjusted FY 2009 appropriation of \$4,010,865, and at \$3,538,903 in FY 2011, a 6.4% increase over the FY 2010 recommendation. Based on the Department's budget request, it appears that those appropriated amounts in each of FYs 2010 and 2011 will be allocated annually for operating expenses roughly as follows: payroll costs of approximately three full-time equivalent (FTE) staff positions (\$330,000), personal services contracts (\$2.2 million), maintenance and supplies (\$548,000), and equipment purchases (\$359,000).

#### **Hilltop Utility Reimbursement (GSF line item 766661)**

This GSF line item collects moneys from entities that occupy a state site in the Hilltop area of Columbus, most specifically organizational units of the departments of Public Safety and Transportation, for their respective shares of utility costs. The

amounts appropriated for this line item are then used to cover utility expenses of the state site in the Hilltop area of Columbus managed by the Department of Public Safety.

For the next biennium, the executive budget recommends funding this line item at \$520,000 in FY 2010, a 4.0% increase over the adjusted FY 2009 appropriation of \$500,000, and \$540,800 in FY 2011, a 4.0% increase over the FY 2010 recommendation. The executive budget recommendations fully fund the Department's requested appropriations for this line item for the purpose of securing necessary maintenance and supplies.

**Federal Salvage/GSA (AGY line item 761678)**

This AGY line item serves as the conduit through which local governments purchase surplus federal property from the U.S. General Services Administration (GSA). The executive budget recommends fully funding the Department's requested appropriations for this line item: \$1,500,000 in each of FYs 2010 and 2011, the purpose of which will be to funnel local government moneys for their purchase of federal property.

## Category 2: Bureau of Motor Vehicles

The appropriations in this category are used by the Department's Bureau of Motor Vehicles to support two distinct programmatic activities: (1) licensing and registration and (2) titling of motor vehicles.

The Licensing and Registration Program involves a range of services and activities, including:

- Registration of approximately 12 million motor vehicles;
- Ensuring the proper collection and distribution of vehicle licensing revenue for over 2,300 taxing districts and other governmental entities (in FY 2008, over \$471.0 million was collected and distributed to over 2,300 local taxing districts and counties for the purpose of maintaining Ohio's roadways);
- Licensing and regulation of motor vehicle sales, leasing, and salvage industries (over 21,000 licenses have been issued to motor vehicle dealerships and salespersons);
- Oversight of 215 deputy registrars (private contractors) and 13 limited authority deputy registrars;
- Operation of two customer services centers, seven reinstatement offices, and two central service operations;
- Credentialing for approximately 8.7 million individuals who have driver's licenses or state identification cards.

The table immediately below shows the line items that are used to fund this category of services and activities, as well as the Governor's recommended funding levels. It is then followed by a narrative describing how each appropriated amount will be used, and as appropriate, the implications of the Governor's recommended funding levels.

<b>Governor's Recommended Amounts for Bureau of Motor Vehicles</b>				
<b>Fund</b>	<b>ALI and Name</b>		<b>FY 2010</b>	<b>FY 2011</b>
<b>State Highway Safety Fund (HSF) Group</b>				
4W40	762321	Operating Expense – BMV	\$85,145,103	\$89,005,103
4W40	762410	Registrations Supplement	\$31,753,145	\$32,480,610
5V10	762682	License Plate Contributions	\$2,100,000	\$2,100,000
8350	762616	Financial Responsibility Compliance	\$6,063,600	\$6,063,600
83R0	762639	Local Immobilization Reimbursement	\$750,000	\$750,000
8490	762627	Automated Title Processing Board	\$19,240,839	\$19,240,839
<b>State Highway Safety Fund Group Subtotal</b>			<b>\$145,052,687</b>	<b>\$149,640,152</b>
<b>State Special Revenue Fund (SSR) Group</b>				
5390	762614	Motor Vehicle Dealers Board	\$200,000	\$200,000
5FF0	762621	Indigent Interlock and Alcohol Monitoring	\$1,600,000	\$2,750,000
<b>State Special Revenue Fund Group Subtotal</b>			<b>\$1,800,000</b>	<b>\$2,950,000</b>
<b>Total Funding: Bureau of Motor Vehicles</b>			<b>\$146,852,687</b>	<b>\$152,590,152</b>

### **Operating Expense – BMV (HSF line item 762321)**

This HSF line item draws its moneys from the State Bureau of Motor Vehicles Fund (Fund 4W40), which are statutorily restricted for the purpose of paying the expenses of administering the law relative to the powers and duties of the Registrar of Motor Vehicles. The fund's revenue consists of a variety of revenue sources, including, but not limited to, motor vehicle taxes, fees charged for dealer plates, driver and vehicle registration abstracts, driver licenses, and a portion of the fee paid for the reinstatement of a driver's license that was suspended for operating a motor vehicle while under the influence of alcohol or drugs (OMVI). The moneys appropriated specifically to this line item are used to pay operating expenses of the Bureau of Motor Vehicles.

The executive budget fully funds the Department's requested appropriations for this line item at \$85,145,103 in FY 2010, unchanged from the adjusted FY 2009 appropriation of the same amount, and \$89,005,103 in FY 2011, a 4.5% increase over the FY 2010 recommendation. Based on the Department's budget request, of those appropriated amounts in each of FYs 2010 and 2011, around \$52.0 million will be allocated annually for the payroll expenses of approximately 684 full-time equivalent (FTE) staff positions. The remaining amounts will be allocated annually roughly as follows: personal services contracts (between \$8.0 million and \$9.0 million in each year), maintenance and supplies (between \$16.0 million and \$17.0 million in each year), and equipment purchases (between \$9.0 million and \$10.0 million in each year).

**Registrations Supplement (HSF line item 762410)**

This HSF line item draws its moneys from the State Bureau of Motor Vehicles Fund (Fund 4W40), which are statutorily restricted for the purpose of paying the expenses of administering the law relative to the powers and duties of the Registrar of Motor Vehicles. The fund's revenue consists of a variety of revenue sources, including, but not limited to, motor vehicle taxes, fees charged for dealer plates, driver and vehicle registration abstracts, driver licenses, and a portion of the fee paid for the reinstatement of a driver's license that was suspended for operating a motor vehicle while under the influence of alcohol or drugs (OMVI). The moneys appropriated specifically to this line item are used to defray the cost of manufacturing and distributing license plates and stickers, and to cover the cost of motor vehicle registration.

The executive budget fully funds the Department's requested appropriations for this line item at \$31,753,145 in FY 2010, a 2.2% decrease from the adjusted FY 2009 appropriation of \$32,480,610, and \$32,480,610 in FY 2011, a 2.3% increase over the FY 2010 recommendation. Based on the Department's budget request, of those appropriated amounts in each of FYs 2010 and 2011, around \$6.7 million will be allocated annually for the payroll expenses of approximately 88 full-time equivalent (FTE) staff positions. The remaining amounts will be allocated annually roughly as follows: personal services contracts (\$5.5 million in each year), maintenance and supplies (between \$17.0 million and \$18.0 million in each year), and equipment purchases (between \$1.9 million and \$2.3 million in each year).

**License Plate Contributions (HSF line item 762682)**

This HSF line item's moneys consists of the mandatory contribution paid for the issuance and annual renewal of 20 or so designated special logo license plates (professional sports, collegiate for participating schools, and certain special interests). The mandatory contribution varies by type of plate and ranges from \$2 to \$25. The Registrar of Motor Vehicles is statutorily required to pay the contributions deposited to the credit of the fund to certain statutorily specified entities. The executive budget fully funds the Department's requested appropriations for this line item: \$2,100,000 in each of FYs 2010 and 2011.

**Financial Responsibility Compliance (HSF line item 762616)**

This HSF line item's moneys consist primarily of a financial responsibility reinstatement fee paid by an operator whose license has been suspended for failure to provide proof of financial responsibility (\$75 for the first violation, \$250 for a second violation, and \$500 for a third or subsequent violation). Its uses are statutorily restricted for the purpose of covering costs incurred by the Bureau of Motor Vehicles in the administration of sections 4509.101, 4503.20, 4507.212, and 4509.81 of the Revised Code, as well as costs incurred by any law enforcement agency employing any peace officer

who returns any license, certificate of registration, and license plates to the Registrar of Motor Vehicles.

The executive budget fully funds the Department's requested appropriations for this line item: \$6,063,600 in each of FYs 2010 and 2011. Based on the Department's budget request, of those appropriated amounts in each of FYs 2010 and 2011, around \$3.4 million will be allocated annually for the payroll expenses of approximately 45 full-time equivalent (FTE) staff positions. The remaining amounts will be allocated annually roughly as follows: personal services contracts (\$890,000 in FY 2010 and \$1.3 million in FY 2011), maintenance and supplies (\$1.0 million in each year), and equipment purchases (\$805,000 in FY 2010 and \$268,000 in FY 2011).

#### **Local Immobilization Reimbursement (HSF line item 762639)**

This HSF line item consists of a \$100 immobilization fee paid to the Registrar of Motor Vehicles by an offender for the release of a motor vehicle that has been immobilized. These moneys are statutorily restricted to be paid out to the appropriate county, municipality, or law enforcement agency as designated by the court to reimburse the designated entity for the costs it incurs to immobilize a vehicle for state OMVI (operating a motor vehicle under the influence) offenses. The executive budget fully funds the Department's requested appropriations for this line item: \$750,000 in each of FYs 2010 and 2011.

#### **Automated Title Processing Board (HSF line item 762627)**

This HSF line item, which draws its financing from a portion of each vehicle and watercraft titling fee, is statutorily restricted for the following purposes:

- Implementing and maintaining the automated title processing system (ATPS) for the issuance of motor vehicle, off-highway motorcycle, and all-purpose vehicle certificates of title in the offices of the clerks of the courts of common pleas;
- Issuing marine certificates of title in the offices of the clerks of the courts of common pleas as provided in Chapter 1548. of the Revised Code;
- Implementing Sub. S.B. 59 of the 124th General Assembly, which enacted changes in the titling processes for motor vehicles, watercraft, outboard motors, off-highway motorcycles, and all-purpose vehicles.

The executive budget fully funds the Department's requested appropriations for this line item: \$19,240,839 in each of FYs 2010 and 2011. Based on the Department's budget request, it appears that most of those appropriated amounts in each of FYs 2010 and 2011 will be allocated annually for operating expenses roughly as follows: payroll costs of approximately 30 full-time equivalent (FTE) staff positions (\$2.3 million),

personal services contracts (\$4.0 million), maintenance and supplies (\$5.6 million), and equipment purchases (\$6.5 million).

The ATPS maintains the records of more than 100 million motor vehicle and watercraft titles. Notable users of this system include: (1) the clerks of the courts of common pleas that perform approximately eight million transactions annually and collect in excess of \$47 million annually in title fees, (2) the Ohio Department of Taxation, which uses the system to calculate and collect around \$2 billion in taxes related to the sale of motor vehicles and watercraft, (3) the Ohio Department of Natural Resources, which uses the system to issue watercraft titles and collect related fees, and (4) banking and lending institutions that use the system to apply lien notations on titles.

#### **Motor Vehicle Dealers Board (SSR line item 762614)**

This SSR line item is used by the Motor Vehicle Dealers Board, created under section 4517.30 of the Revised Code, in the exercise of its powers and the performance of its duties. Its revenue stream consists of four cents (\$0.04) of the fee that the clerk of a court of common pleas is statutorily required to charge for each certificate of motor vehicle title. In FY 2008, the fund received more than \$200,000 in revenues.

The executive budget fully funds the Department's requested appropriations for this line item: \$200,000 in each of FYs 2010 and 2011. All of these appropriated annual amounts will be allocated for operating expenses.

#### **Indigent Interlock and Alcohol Monitoring (SSR line item 762621)**

This is a new SSR line item being created as a result of the recently enacted Am. Sub. S.B. 17 of the 127th General Assembly. One of the many changes to state law in that Act was an increase in the cost of the license reinstatement fee by \$50 (from \$425 to \$475) to be deposited in the state treasury to the credit of the Indigent Drivers Interlock and Alcohol Monitoring Fund (Fund 5FF0), which the Act created. The moneys deposited in the fund are statutorily required to be distributed by the Department of Public Safety to the county indigent drivers interlock and alcohol monitoring funds, the county juvenile indigent drivers interlock and alcohol monitoring funds, and the municipal indigent drivers interlock and alcohol monitoring funds that the Act also required counties and municipal corporations to establish. The counties and municipal corporations receiving these moneys may only use them for the purpose of paying the cost of an immobilizing or disabling device, including a certified ignition interlock device, or an alcohol monitoring device used by an offender or juvenile offender who is ordered to use the device by a county, juvenile, or municipal court judge and who is determined by that judge to not to have the means to pay for the person's use of the device.

The executive budget recommends appropriating \$1,600,000 and \$2,750,000 to this SSR line item in FYs 2010 and 2011, respectively. Pursuant to current law, these appropriated amounts are statutorily required to be distributed to county and municipal indigent drivers interlock and alcohol monitoring funds, which the above-noted Act created.

### **Motor Vehicle Registration**

The executive budget contains a continuing temporary law provision: (1) allowing the Registrar of Motor Vehicles to deposit revenues obtained pursuant to sections 4503.02 and 4504.02 of the Revised Code, less all other available cash, to meet the cash needs of the State Bureau of Motor Vehicles Fund (Fund 4W40), (2) requiring revenues deposited pursuant to this provision be used to support, in part, appropriations for operating expenses and defray the cost of manufacturing and distributing license plates and license plate stickers and enforcing the law relative to the operating and registration of motor vehicles, (3) notwithstanding section 4501.03 of the Revised Code, the revenues obtained pursuant to sections 4503.02 and 4504.02 of the Revised Code be paid into Fund 4W40 before being paid into any other fund, and (4) requiring the deposit of revenues to meet the cash needs in approximate equal amounts on a monthly basis or as otherwise determined by the Director of Budget and Management pursuant to a plan submitted by the Registrar of Motor Vehicles.

### **Cash Transfers from the State Bureau of Motor Vehicles Fund (Fund 4W40)**

The executive budget contains a temporary law provision allowing the Director of Budget and Management to transfer cash from Fund 4W40 in the amounts of:

- Up to \$635,293 to the Justice Program Services Fund (Fund 4P60);
- Up to \$3,284,464 to the EMA Service and Reimbursement Fund (Fund 4V30);
- Up to \$879,060 to the Investigations Fund (Fund 5FL0).

### Category 3: State Highway Patrol

The appropriations in this category are used by the Ohio State Highway Patrol to support two distinct programmatic activities: (1) highway enforcement and (2) non-highway enforcement. The Patrol, whose primary responsibility is to enforce traffic and criminal laws on public roadways, maintains 55 patrol posts, a district headquarters, and many other satellite offices.

#### Highway Enforcement

- *Traffic enforcement.* Enforcement of traffic laws, such as identifying and arresting aggressive drivers and impaired drivers, citing drivers for following too closely, failure to yield, improper passing, school and bus zone violations, and/or speeding offenses.
- *Criminal patrol.* Look for elements of criminal conduct or indicators of criminal behavior during traffic law enforcement contacts.
- *MARCS.* Operation and maintenance of the state's Multi-Agency Radio Communications System (MARCS), a network composed of three major components (voice, data, and computer-aided dispatch) that enhance communication between and among personnel of various state and local agencies.
- *Cooperative law enforcement assistance.* Assistance to law enforcement and other federal, state, and local agencies crash reconstruction and investigative assistance, crime lab analysis, and polygraph and technical surveillance services.
- *Motorist assistance.* Assistance to motorists and answering calls for service.
- *Safety and crash reduction programs.* Education and enforcement efforts tailored to improve safety and reduce crashes and fatalities.
- *Licensing services.* Administration of driver license examinations.
- *Motor carrier enforcement.* Weigh and inspect commercial motor vehicles.

#### Non-Highway Enforcement

- *LEADS.* Oversight of the Law Enforcement Automated Data System (LEADS), which connects Ohio with the National Crime Information Center (NCIC), a nationwide network of law information that allows local, state, and federal law enforcement agencies to access information on vehicle registration, titling, licensing, outstanding warrants, stolen vehicles, wanted and missing persons, individual criminal histories, and emergency data.
- *Investigative services.* Undertake investigations of criminal conduct or indicators of criminal behavior that involve state property interests.

- *Security services.* Provide security for certain officials and dignitaries, the Capitol Square, and other state property.
- *State Fairgrounds.* Provide traffic control and security for the Ohio Expositions Commission and the Ohio State Fair.

The table immediately below shows the line items that are used to fund this category of services and activities, as well as the Governor's recommended funding levels. It is then followed by a narrative describing how each appropriated amount will be used, and as appropriate, the implications of the Governor's recommended funding levels.

<b>Governor's Recommended Amounts for Highway Patrol</b>				
<b>Fund</b>	<b>ALI and Name</b>		<b>FY 2010</b>	<b>FY 2011</b>
<b>State Highway Safety Fund (HSF) Group</b>				
7036	764033	Minor Capital Projects	\$1,250,000	\$1,250,000
7036	764321	Operating Expense – Highway Patrol	\$269,887,828	\$269,975,259
7036	764605	Motor Carrier Enforcement Expenses	\$3,340,468	\$3,340,468
8310	764610	Patrol – Federal	\$2,455,484	\$2,455,484
8310	764659	Transportation Enforcement – Federal	\$6,132,592	\$6,132,592
8370	764602	Turnpike Policing	\$11,553,959	\$11,553,959
8380	764606	Patrol Reimbursement	\$100,000	\$100,000
83C0	764630	Contraband, Forfeiture, Other	\$622,894	\$622,894
83F0	764657	Law Enforcement Automated Data System	\$10,984,978	\$9,053,266
83G0	764633	OMVI Enforcement/Education	\$650,000	\$650,000
83J0	764693	Highway Patrol Justice Contraband	\$2,100,000	\$2,100,000
83T0	764694	Highway Patrol Treasury Contraband	\$21,000	\$21,000
8400	764607	State Fair Security	\$1,396,283	\$1,396,283
8400	764617	Security and Investigations	\$6,317,530	\$6,432,686
8400	764626	State Fairgrounds Police Force	\$830,769	\$849,883
8410	764603	Salvage and Exchange – Highway Patrol	\$1,339,399	\$1,339,399
<b>State Highway Safety Fund Group Subtotal</b>			<b>\$318,983,184</b>	<b>\$317,273,173</b>
<b>General Services Fund (GSF) Group</b>				
5Y10	764695	Highway Patrol Continuing Professional Training	\$280,820	\$280,820
<b>General Services Fund Group Subtotal</b>			<b>\$280,820</b>	<b>\$280,820</b>
<b>Total Funding: State Highway Patrol</b>			<b>\$319,264,004</b>	<b>\$317,553,993</b>

**Minor Capital Projects (HSF line item 764033)**

This HSF line item is used to fund minor capital projects at Patrol facilities. Its moneys are appropriated from the State Highway Safety Fund (Fund 7036), whose primary sources of revenue are fees, excises, and license taxes related to the registration, operation, or use of vehicles on public highways. The executive budget fully funds the Department's requested appropriations for this line item: \$1,250,000 in each of FYs 2010 and 2011 to undertake capital improvements.

**Operating Expense – Highway Patrol (HSF line item 764321)**

This HSF line item is used to pay the Patrol's operating expenses (payroll, personal services contracts, maintenance, and equipment). Its moneys are appropriated from the State Highway Safety Fund (Fund 7036), whose primary sources of revenue are fees, excises, and license taxes related to the registration, operation, or use of vehicles on public highways.

The executive budget fully funds the Department's appropriations request for this line item: FY 2010 is recommended at \$269,887,828, a 0.9% increase over the adjusted FY 2009 appropriation, and FY 2011 is recommended at \$269,975,259, a slight increase over the FY 2010 recommendation. Based on the Department's budget request, it appears that most of those appropriated amounts in each of FYs 2010 and 2011 will be allocated annually for operating expenses roughly as follows: payroll costs of approximately 2,394 full-time equivalent (FTE) staff positions (\$213.6 million), personal services contracts (\$2.0 million), maintenance and supplies (\$41.7 million), and equipment purchases (\$12.7 million).

Pursuant to Am. Sub. H.B. 67 of the 127th General Assembly, the State Highway Patrol Funding Task Force was created to recommend a more permanent solution to the Patrol's funding deficiencies that occurred as a result of the decision to phase-out its draw from the moneys generated by the motor vehicle fuel tax. The Task Force proposed a number of recommendations relative to fees and fines in order to help the Patrol meet its funding requirements. The executive budget contains these revenue generating proposals, which are estimated to net the state an additional \$106.3 million annually. A detailed discussion of the Task Force proposal, including a breakdown of the new fees and fines and their estimated revenues, can be found in the Overview section of this Redbook under the heading "State Highway Patrol Funding Task Force."

**Motor Carrier Enforcement (HSF line items 764605 and 764659)**

These two HSF line items are used to enforce both federal and state laws pertaining to the safe operation of commercial motor vehicles.

Relative to line item 764605, **Motor Carrier Enforcement Expenses**, its moneys are appropriated as the state match needed in order for the Patrol to qualify for funding under the federal Motor Carrier Safety Assistance Program (MCSAP). Its moneys are

appropriated from the State Highway Safety Fund (Fund 7036), whose primary sources of revenue are fees, excises, and license taxes related to the registration, operation, or use of vehicles on public highways.

The executive budget fully funds the Department's appropriations request for this line item: \$3,340,468 in each of FYs 2010 and 2011. Based on the Department's budget request, the amounts appropriated annually will be allocated roughly as follows: payroll expenses of approximately 29 full-time equivalent (FTE) staff positions (\$2.6 million) and a mix of maintenance and equipment expenses (\$740,000).

Relative to HSF line item 764659, **Transportation Enforcement – Federal**, its appropriations are backed by cash payments transferred from the Public Utilities Commission's federal Motor Carrier Safety Fund (Fund 3500) to assist in covering the Patrol's operating costs in relation to the Motor Carrier Safety Assistance Program (MCSAP). MCSAP is a major grant program of the U.S. Department of Transportation for which the Public Utilities Commission has been designated the lead agency in Ohio.

The executive budget fully funds the Department's appropriations request for this line item: \$6,132,592 in each of FYs 2010 and 2011. Based on the Department's budget request, the amounts appropriated annually will be allocated roughly as follows: payroll expenses of about 63 full-time equivalent (FTE) staff positions (\$5.6 million) and a mix of maintenance and equipment expenses (\$550,000).

#### **Patrol – Federal (HSF line item 764610)**

This HSF line item's purpose is used to reimburse the Patrol for operating costs related to certain federally funded highway safety programs and activities, principally law enforcement projects and Safe Communities Program grant moneys awarded by the Ohio Traffic Safety Office.

The executive budget fully funds the Department's requested appropriations for this line item: \$2,455,484 in each of FYs 2010 and 2011. Based on the Department's budget request, the amounts appropriated annually will be allocated roughly as follows: payroll expenses of about 17 full-time equivalent (FTE) staff positions (\$1.5 million) and a mix of maintenance and equipment expenses (\$836,000).

#### **Turnpike Policing (HSF line item 764602)**

This HSF line item's appropriations are supported by contract payments made by the Ohio Turnpike Commission to reimburse the Patrol for costs incurred in policing Turnpike projects. These moneys are statutorily restricted for the costs incurred by the Patrol in policing Turnpike projects, including, but not limited to, the salaries of employees of the Patrol assigned to the policing, the current costs of funding retirement pensions for the employees of the Patrol and of providing workers' compensation for them, the cost of training Patrol troopers and radio operators assigned to Turnpike projects, and the cost of equipment and supplies used by the Patrol in such policing,

and of housing for such troopers and radio operators, to the extent that the equipment, supplies, and housing are not directly furnished by the Ohio Turnpike Commission.

The executive budget fully funds the Department's requested appropriations for this line item: \$11,553,959 in each of FYs 2010 and 2011. Based on the Department's budget request, the amounts appropriated annually will be allocated roughly as follows: payroll expenses of about 108 full-time equivalent (FTE) staff positions (\$9.6 million) and a mix of maintenance and equipment expenses (\$1.9 million).

#### **Patrol Reimbursement (HSF line item 764606)**

This HSF line item's appropriations are supported by rental fees remitted by the Registrar of Motor Vehicles to the Patrol for each deputy registrar that occupies space in a driver's license examination station. The use of these moneys by the Patrol is statutorily restricted to pay the rent and expenses of the driver's license examining stations. The executive budget fully funds the Department's requested appropriations for this line item: \$100,000 in each of FYs 2010 and 2011. All of the appropriation will likely be allocated for what might be termed building operating expenses.

#### **Law Enforcement Automated Data System (HSF line item 764657)**

The use of the moneys appropriated to this HSF line item is statutorily restricted for the operation and maintenance of the Law Enforcement Automated Data System (LEADS), a computer communications network allowing local, state, and federal law enforcement agencies to access information on vehicle registration, titling, licensing, outstanding warrants, stolen vehicles, wanted and missing persons, individual criminal histories, and emergency data. Its moneys are drawn from monthly user fees charged to criminal justice agencies.

The executive budget fully funds the Department's requested appropriations for this line item: \$10,984,978 in FY 2010, a 32.7% increase over the adjusted FY 2009 appropriation of \$8,275,898, and \$9,053,266 in FY 2011, a 17.6% decrease from the FY 2010 recommendation. Based on the Department's budget request, it appears that most of those appropriated amounts in each of FYs 2010 and 2011 will be allocated annually for operating expenses roughly as follows: payroll costs of approximately 25 full-time equivalent (FTE) staff positions (\$2.2 million), personal services contracts (\$343,000), maintenance and supplies (\$4.8 million), and equipment purchases (\$3.7 million in FY 2010 and \$1.7 million in FY 2011). A portion of these expenses includes costs, mainly one-time, to remove and isolate the LEADS network from the Department's mainframe, the chief benefit of which will be to virtually eliminate security risks by providing a completely secure, stand-alone system.

**OMVI Enforcement/Education (HSF line item 764633)**

The use of the moneys appropriated to this HSF line item is statutorily restricted for use by the Patrol to enforce the state's driving under the influence laws and conducting related educational programs. Its moneys are drawn from fines received by the Patrol in relation to their arrest, and subsequent conviction, of a person for violating the state's driving under the influence laws.

The executive budget fully funds the Department's requested appropriations for this line item: \$650,000 in each of FYs 2010 and 2011. Based on the Department's budget request, the amounts appropriated annually will be allocated roughly as follows: payroll expenses of about 4 full-time equivalent (FTE) staff positions (\$389,000) and a mix of maintenance and equipment purchases (\$261,000).

**State and Federal Forfeitures (HSF line items 764630, 764693, and 764694)**

HSF line item 764630, **Contraband, Forfeiture, Other**, consists of moneys received by the Patrol from the disposal of contraband, proceeds, and instrumentalities forfeited pursuant to the state's criminal and civil forfeiture laws. The Patrol is statutorily permitted to utilize the moneys for law enforcement purposes that are determined to be appropriate, but is prohibited from using the fund's moneys for operating costs of the Patrol that are unrelated to law enforcement.

The executive budget fully funds the Department's requested appropriations for this line item: \$622,894 in each of FYs 2010 and 2011. Based on the Department's budget request, the amounts appropriated annually will be allocated roughly as follows: payroll expenses of about five full-time equivalent (FTE) staff positions (\$435,000) and a mix of contractual, maintenance, and equipment purchases (\$188,000).

The moneys supporting the two HSF line items described immediately below capture proceeds received by the Patrol pursuant to federal forfeiture law under the Federal Equitable Sharing Program, and are required to be used according to the federal rules of equitable sharing.

HSF line item 764693, **Highway Patrol Justice Contraband**, consists of proceeds that the Patrol received as a result of directly participating in a U.S. Department of Justice investigation or prosecution that resulted in a federal forfeiture. Department of Justice investigative agencies include: the Bureau of Alcohol, Tobacco, Firearms and Explosives; the Drug Enforcement Administration; and the Federal Bureau of Investigation.

The executive budget fully funds the Department's requested appropriations for this line item: \$2,100,000 in each of FYs 2010 and 2011. Based on the Department's budget request, it appears that those appropriated amounts in each of FYs 2010 and 2011 will be allocated annually for operating expenses roughly as follows: payroll costs

of approximately 2 full-time equivalent (FTE) staff positions (\$210,000), maintenance and supplies (\$1.3 million), and equipment purchases (\$630,000).

HSF line item 764694, **Highway Patrol Treasury Contraband**, consists of proceeds that the Patrol received as a result of directly participating in a U.S. Department of Treasury investigation or prosecution that resulted in a federal forfeiture. Department of Treasury investigative agencies include: Customs and Border Protection, Immigration and Customs Enforcement, Internal Revenue Service, and Secret Service.

The executive budget fully funds the Department's requested appropriations for this line item: \$21,000 in each of FYs 2010 and 2011. Based on the Department's budget request, it appears that all of those appropriated amounts in each of FYs 2010 and 2011 will be allocated for maintenance and supplies.

### **State Fairgrounds (HSF line items 764607 and 764626)**

These two HSF line items are used to pay for operating expenses related to providing traffic control and security for the Ohio Expositions Commission and the Ohio State Fair. Both line items draw their financing from fines, bonds, and bail collected from persons apprehended or arrested by the Ohio State Highway Patrol.

Relative to HSF line item 764607, **State Fair Security**, its moneys are statutorily restricted for the performance of non-highway related duties of the Ohio State Highway Patrol at the Ohio State Fair. The executive budget fully funds the Department's requested appropriations for this line item: \$1,396,283 in each of FYs 2010 and 2011.

Based on the Department's budget request, it appears that those appropriated amounts in each of FYs 2010 and 2011 will be allocated annually for operating expenses roughly as follows: payroll costs of approximately 13 full-time equivalent (FTE) staff positions (\$1.2 million), and maintenance and supplies (\$157,000).

Relative to HSF line item 764626, **State Fairgrounds Police Force**, its moneys are statutorily restricted for the purpose of providing traffic control and security for the Ohio Expositions Commission on a full-time, year-round basis. The executive budget fully funds the Department's requested appropriations for this line item: \$830,769 in FY 2010 and \$849,883 in FY 2011. Based on the Department's budget request, the amounts appropriated annually will be allocated roughly as follows: payroll expenses of about 8 full-time equivalent (FTE) staff positions (\$740,000) and a mix of maintenance and equipment purchases (\$94,000).

### **Security and Investigations (HSF line item 764617)**

The use of the moneys appropriated to this HSF line item is statutorily restricted for the purpose of: (1) providing security for the Governor, other officials and dignitaries, the Capitol Square, and other state property and (2) undertaking major

criminal investigations that involve state property interests. Its moneys are drawn from fines, bonds, and bail collected from persons apprehended or arrested by the Ohio State Highway Patrol.

The executive budget fully funds the Department's requested appropriations for this line item: \$6,317,530 in FY 2010 and \$6,432,686 in FY 2011. Based on the Department's budget request, the amounts appropriated annually will be allocated roughly as follows: payroll expenses of about 64 full-time equivalent staff positions (\$5.7 million) and a mix of maintenance and equipment purchases (\$650,000).

**Salvage and Exchange – Highway Patrol (HSF line item 764603)**

This HSF line item, which draws its moneys from the sale of motor vehicles and other equipment used by the Patrol, is statutorily restricted for the purpose of purchasing replacement motor vehicles and other equipment for the Patrol. The executive budget fully funds the Department's requested appropriations for this line item: \$1,339,399 in each of FYs 2010 and 2011 to purchase equipment.

**Highway Patrol Continuing Professional Training (GSF line item 764695)**

This GSF line item consists of moneys paid to the Patrol by the Office of the Attorney General that are intended to reimburse the former for continuing professional training programs attended by its patrol officers. The executive budget fully funds the Department's requested appropriations for this line item: \$280,820 in each of FYs 2010 and 2011. Based on the Department's budget request, it appears that all of this funding will be allocated for a mix of maintenance, supplies, and equipment purchases.

## Category 4: Homeland Security

The appropriations in this category are used to support the Department's Division of Homeland Security which coordinates all of Ohio's homeland security activities. The duties and responsibilities of the Division primarily include the following:

- Planning, developing, and coordinating statewide resources in support of public and private entities responsible for preventing terrorism, raising awareness, reducing vulnerabilities, and responding to and recovering from terrorist acts.
- Enforcing the laws regulating the private investigator/security guard industry.

The table immediately below shows the line items that are used to fund this category of services and activities, as well as the Governor's recommended funding levels. It is then followed by a narrative describing how each appropriated amount will be used, and as appropriate, the implications of the Governor's recommended funding levels.

<b>Governor's Recommended Amounts for Homeland Security</b>				
<b>Fund</b>	<b>ALI and Name</b>		<b>FY 2010</b>	<b>FY 2011</b>
<b>State Highway Safety Fund (HSF) Group</b>				
8310	769631	Homeland Security – Federal	\$2,100,000	\$2,184,000
8400	769632	Homeland Security – Operating	\$1,552,049	\$1,614,131
<b>State Highway Safety Fund Group Subtotal</b>			<b>\$3,652,049</b>	<b>\$3,798,131</b>
<b>State Special Revenue Fund (SSR) Group</b>				
5B90	766632	Private Investigator and Security Guard Provider	\$1,341,478	\$1,395,137
5DS0	769630	Homeland Security	\$517,350	\$538,044
<b>State Special Revenue Fund Group Subtotal</b>			<b>\$1,858,828</b>	<b>\$1,933,181</b>
<b>Total Funding: Homeland Security</b>			<b>\$5,510,877</b>	<b>\$5,731,312</b>

### Homeland Security – Federal (HSF line item 769631)

This HSF line item serves as the depository of federal grants used to support the state's homeland security program and law enforcement terrorism prevention. Specific activities include, but are not limited to, the Northern Border Initiative (protection of the Lake Erie coastline and related waterways), development and maintenance of a law enforcement emergency response plan, data collection and reporting, regional planning, and training exercises.

For the next biennium, the executive budget recommends FY 2010 funding of \$2,100,000, a 1.8% increase over the adjusted FY 2009 appropriation of \$2,062,500, and FY 2011 funding of \$2,184,000, a 4.0% increase over the FY 2010 recommendation. The executive budget recommendations fully fund the Department's requested appropriations for this line item. Based on the Department's budget request, the amounts appropriated annually will be allocated roughly as follows: payroll expenses of around one or so full-time equivalent (FTE) staff positions (\$126,000), personal services contracts (\$800,000), maintenance and equipment purchases (\$770,000), and subsidies (\$400,000).

### **Operating Expenses (HSF line item 769632 and SSR line item 769630)**

These two line items are used to support the Division of Homeland Security's operating expenses incurred in relation to its duty to coordinate the state's homeland security activities.

Relative to HSF line item 769632, **Homeland Security – Operating**, the use of its moneys is statutorily restricted for the purpose of coordinating homeland security purposes. Its moneys are drawn from fines, bonds, and bail collected from persons apprehended or arrested by the Ohio State Highway Patrol. The executive budget recommends FY 2010 funding of \$1,552,049, a 22.0% decrease from the adjusted FY 2009 appropriation of \$1,989,807, and FY 2011 funding of \$1,614,131, a 4.0% increase over FY 2010 recommendation. Based on the Department's request, the executive budget recommendation fully funds the Department's appropriations request for this line item. It appears that the amounts appropriated annually will be allocated roughly as follows: payroll expenses of approximately ten full-time equivalent (FTE) staff positions (\$1.2 million), personal services contracts (\$161,000), and a mix of maintenance, supplies, and equipment purchases (\$207,000).

Relative to SSR line item 769630, **Homeland Security**, this is a new line item created in the executive budget by directing that \$1.25 of a \$6 abstract fee increase be used to pay the expenses of administering the law relative to the powers and duties of the Division's Executive Director. The executive budget recommends FY 2010 funding of \$517,350 and FY 2011 funding of \$538,044, a 4.0% increase over FY 2010 recommendation. Based on the Department's request for this line item, it appears that the amounts appropriated annually will be allocated more or less to support the payroll expenses of approximately four full-time equivalent (FTE) staff positions.

**Private Investigator and Security Guard Provider (SSR line item 766632)**

This SSR line item receives its moneys largely from examination, licensing, and registration fees paid by private investigators and security guard providers. Its purpose is to pay for the operating expenses of the Division's Private Investigator/Security Guard Section, which oversees the licensing and regulation of the private investigator and security guard provider industries in Ohio, and expenses of the Ohio Private Investigation and Security Services Commission, which is charged with advising the Director of Public Safety on all matters related to the regulation of private investigation and the business of security services.

For the next biennium, the executive budget recommends FY 2010 funding of \$1,341,478, a 4.0% increase over the adjusted FY 2009 appropriation of \$1,289,883, and FY 2011 funding of \$1,395,137, an additional 4.0% increase over the FY 2010 recommendation. The executive budget recommendations fully fund the Department's requested appropriations for this line item. Based on the Department's budget request, the amounts appropriated annually will be allocated roughly as follows: payroll expenses of approximately nine full-time equivalent (FTE) staff positions (\$1.1 million), personal services contracts (\$180,000), and a mix of maintenance and equipment purchases (\$50,000).

## Category 5: Emergency Medical Services

The Emergency Medical Services category captures all of the line items that are used to support the Division of Emergency Medical Services, which serves as the administrative arm of the State Board of Emergency Medical Services. The Division is: (1) responsible for the certification and training of Ohio's emergency first responders, firefighters, emergency medical technicians (EMTs), fire safety inspectors, and fire and EMS instructors and (2) administers grants that are directed primarily to local EMS agencies in support of training and patient care equipment.

The table immediately below shows the line items that are used to fund this category of services and activities, as well as the Governor's recommended funding levels. It is then followed by a narrative describing how each appropriated amount will be used, and as appropriate, the implications of the Governor's recommended funding levels.

<b>Governor's Recommended Amounts for Emergency Medical Services</b>				
<b>Fund</b>	<b>ALI and Name</b>		<b>FY 2010</b>	<b>FY 2011</b>
<b>State Highway Safety Fund (HSF) Group</b>				
8310	765610	EMS – Federal	\$582,007	\$582,007
83M0	765624	Operating Expenses – Trauma and EMS	\$2,915,113	\$2,924,562
83P0	765637	EMS Grants	\$4,562,912	\$4,562,912
<b>Total Funding: Emergency Medical Services</b>			<b>\$8,060,032</b>	<b>\$8,069,481</b>

### **EMS – Federal (HSF line item 765610)**

This HSF line item consists of federal grants that are awarded for the purpose of the planning, development, and improvement of emergency medical services and trauma care systems.

The executive budget fully funds the Department's requested appropriations for this line item: \$582,007 in each of FYs 2010 and 2011. Based on the Department's budget request, approximately \$207,000 of the annual appropriation will be distributed in the form of grants. It appears that the remainder will be allocated annually for operating expenses roughly as follows: payroll costs of approximately 1 full-time equivalent (FTE) staff position (\$50,000), personal services contracts (\$250,000), and a mix of maintenance, supplies, and equipment purchases (\$75,000).

The Department's budget request suggests that the source of the line item's moneys in the next biennium will largely be in the form of federal grants to: (1) improve medical services for children and (2) maintain the state's EMS Incident Reporting System (EMSIRS), a emergency medical services incidence reporting system

for the collection of information regarding the delivery of emergency medical services in this state and the frequency at which the services are provided.

### **Operating Expenses – Trauma and EMS (HSF line item 765624)**

This HSF line item is statutorily restricted for administration of the Division of Emergency Medical Services and the State Board of Emergency Medical Services. Under current law, this line item draws its financing from a portion of the fine money generated from enforcement of the mandatory seat belt law. The executive budget enhances this line item's revenue stream by directing a portion of a proposed \$6 fee increase on abstracts – \$1.25 – be used for EMS administrative expenses.

The executive budget recommends FY 2010 funding of \$2,915,113, a 12.7% increase over the adjusted FY 2009 appropriation of \$2,587,627, and FY 2011 funding of \$2,924,562, a 0.3% increase over the FY 2010 recommendation. The executive budget recommendations fully fund the Department's requested appropriations for this line item. Based on the Department's budget request, it appears that the appropriated amounts will be allocated annually for operating expenses roughly as follows: payroll costs of approximately 30 full-time equivalent (FTE) staff positions (\$2.2 million), personal services contracts (\$439,000), maintenance and supplies (\$240,000), and equipment purchases (\$51,000).

Within the last year or so, EMA operating expenses have increased in response to the enactment of Sub. H.B. 401 of the 126th General Assembly, which provides for the adoption of rules governing firefighter training. Associated new regulatory duties and responsibilities include the certification of individuals to teach fire service (firefighter and fire safety inspector) training programs and continuing education classes, the issuing of fire training certificates to individuals to practice as a firefighter or fire safety inspector, chartering fire service training programs, issuing instructor certificates to teach in those programs, and taking disciplinary action against certificate holders and chartered entities.

### **EMS Grants (HSF line item 765637)**

This HSF line item draws its financing from both a portion of the fine moneys generated from the enforcement of the mandatory seat belt law and a portion of the driver's license reinstatement fee for operating a motor vehicle while under the influence (OMVI). These moneys are statutorily restricted to be distributed by the State Board of Emergency Medical Services in the form of grants primarily: (1) to emergency medical services organizations for the training of personnel, (2) for the purchase of equipment and vehicles, and (3) to improve the availability, accessibility, and quality of emergency medical services, and secondarily to entities for trauma injury, prevention, medical research, and rehabilitation issues.

The executive budget fully funds the Department's requested appropriations for this line item: \$4,562,912 in each of FYs 2010 and 2011, all of which will be distributed in the form of grants.

### **Cash Transfers of Seat Belt Fines**

An associated temporary law provision included in the executive budget allows the Director of Public Safety to request that the Controlling Board approve the transfer of cash between the following four funds that receive fine revenues from enforcement of the mandatory seat belt law: (1) the Trauma and Emergency Medical Services Fund (Fund 83M0), (2) the Elementary School Program Fund (Fund 83N0), (3) the Trauma and Emergency Medical Services Grants Fund (Fund 83P0), and (4) the Seat Belt Education Fund (Fund 8440).

## Category 6: Investigations

The appropriations in this category are used to support the Department's Investigative Unit, whose role is to enforce laws, rules, and regulations, and reduce illegal activity, relating to alcohol, tobacco, food stamp fraud, and gambling. The Unit's primary areas of enforcement pertain to:

- The illegal sale of alcohol beverages.
- The illegal sale and/or trading of food stamp benefits.
- The sale of tobacco to underage persons where a liquor permit premises is involved.
- Gambling laws and narcotics trafficking as they pertain to liquor permit premises.

The table immediately below shows the line items that are used to fund this category of services and activities, as well as the Governor's recommended funding levels. It is then followed by a narrative describing how each appropriated amount will be used, and as appropriate, the implications of the Governor's recommended funding levels.

<b>Governor's Recommended Amounts for Investigations</b>				
<b>Fund</b>	<b>ALI and Name</b>		<b>FY 2010</b>	<b>FY 2011</b>
<b>State Highway Safety Fund (HSF) Group</b>				
8310	767610	Liquor Enforcement – Federal	\$514,184	\$514,184
8310	769610	Food Stamp Trafficking Enforcement – Federal	\$1,032,135	\$1,032,135
<b>State Highway Safety Fund Group Subtotal</b>			<b>\$1,546,319</b>	<b>\$1,546,319</b>
<b>General Services Fund (GSF) Group</b>				
5Y10	767696	Investigative Unit Continuing Professional Training	\$15,000	\$15,000
<b>General Services Fund Group Subtotal</b>			<b>\$15,000</b>	<b>\$15,000</b>
<b>State Special Revenue Fund (SSR) Group</b>				
5CM0	767691	Federal Investigative Seizure	\$642,175	\$642,175
5FL0	769634	Investigations	\$1,172,080	\$1,195,522
6220	767615	Investigative, Contraband, and Forfeiture	\$375,000	\$375,000
8500	767628	Investigative Unit Salvage	\$100,000	\$100,000
<b>State Special Revenue Fund Group Subtotal</b>			<b>\$2,289,255</b>	<b>\$2,312,697</b>
<b>Liquor Control Fund (LCF) Group</b>				
7043	767321	Liquor Enforcement – Operations	\$12,007,894	\$11,897,178
<b>Liquor Control Fund Group Subtotal</b>			<b>\$12,007,894</b>	<b>\$11,897,178</b>
<b>Total Funding: Investigations</b>			<b>\$15,858,468</b>	<b>\$15,771,194</b>

**Liquor Enforcement (HSF line item 767610 and LCF line item 767321)**

These two line items are used for operating expenses of the Investigative Unit's Liquor Enforcement Section.

Relative to HSF line item 767610, **Liquor Enforcement – Federal**, the executive budget fully funds the Department's requested appropriations for this line item: \$514,184 in each of FYs 2010 and 2011. The moneys appropriated to this line item consist of a federal grant awarded to the Investigative Unit by the Ohio Traffic Safety Office for the reimbursement of overtime expenses for liquor agents and first level supervisors participating in directed enforcement through sobriety checkpoints. Based on the Department's budget request, it appears that the appropriated amounts will be allocated annually for operating expenses roughly as follows: payroll costs of approximately four full-time equivalent (FTE) staff positions (\$439,000), personal services contracts (\$25,000), a mix of maintenance, supplies, and equipment purchases (\$38,000), and subsidies or shared revenue (\$11,500).

Relative to LCF line item 767321, **Liquor Enforcement – Operations**, the executive budget recommends FY 2010 funding of \$12,007,894, a 4.0% increase over the adjusted FY 2009 appropriation of \$11,546,052, and FY 2011 funding of \$11,897,178, a 0.9% decrease from the FY 2010 recommendation. This line item is used for the purpose of funding the Investigative Unit's operating expenses (payroll, purchased personal services, supplies, and equipment).

The executive budget recommendation fully funds the Department's requested appropriations for this line item. Based on the Department's budget request, it appears that the appropriated amounts will be allocated annually for operating expenses roughly as follows: payroll costs of approximately 95 full-time equivalent (FTE) staff positions (\$9.5 million), personal services contracts (\$140,000), maintenance and supplies (\$1.9 million), and equipment purchases (\$300,000 to \$400,000).

**Food Stamp Trafficking Enforcement – Federal (HSF line item 769610)**

This HSF line item represents a transfer of a portion of the Department of Job and Family Services' federal Fund 3840, line item 600610, Food Stamps and State Administration, which is used to pay the state and county departments of job and family services' costs of administering food stamp trafficking enforcement operations.

The transferred moneys are used by the Investigative Unit to cover a portion of its operating expenses, primarily staff wage and fringe benefits costs, related to investigating and controlling the illegal sale of food stamp benefits. The Unit's required state matching funds are drawn from line item 769634, Investigations.

The executive budget fully funds the Department's requested appropriations for this line item: \$1,032,135 in each of FYs 2010 and 2011. Based on the Department's budget request, it appears that all of this funding will be allocated for the payroll costs of approximately ten full-time equivalent (FTE) staff positions.

**Investigative Unit Continuing Professional Training (GSF line item 767696)**

This GSF line item consists of moneys paid to the Investigative Unit by the Office of the Attorney General intended to reimburse the former for continuing professional training programs attended by its investigative agents.

The executive budget fully funds the Department's requested appropriations for this line item: \$15,000 in each of FYs 2010 and 2011. Based on the Department's budget request, it appears that this funding will be allocated for purchased personal services.

**Federal Investigative Seizure (SSR line item 767691)**

Per federal guidelines, the moneys appropriated to this SSR line item are to be used for law enforcement-related purchases, including, but not limited to, firearms, computers, surveillance equipment, and vehicles. The executive budget fully funds the Department's requested appropriations for this line item: \$642,175 in each of FYs 2010 and 2011. Based on the Department's budget request, it appears that the appropriated amounts will be allocated annually for operating expenses roughly as follows: payroll costs of approximately one full-time equivalent (FTE) staff position (\$100,000), personal services contracts (\$100,000), maintenance and supplies (\$42,000), and equipment purchases (\$400,000).

**Investigations (SSR line item 769634)**

This is a newly created SSR line item, the purpose of which will be statutorily restricted to covering investigative costs incurred by the Investigative Unit. The executive budget finances this line item's revenue stream by directing a portion of a proposed \$6 fee increase on abstracts – \$0.75 – be used to pay for the operating expenses of investigations. The creation of this revenue stream reflects the Governor's decision to eliminate the Unit's use of GRF moneys for its operating expenses.

The executive budget fully funds the Department's appropriations request for this line item, with an FY 2010 funding recommendation of \$1,172,080, and an FY 2011 funding recommendation of \$1,195,522, a 2.0% increase over the FY 2010 recommendation. All of this funding will be allocated for the operating expenses, including the payroll costs of approximately 12 full-time equivalent (FTE) staff positions.

**Investigative, Contraband, and Forfeiture (SSR line item 767615)**

This SSR line item draws its moneys from the disposal of contraband, proceeds, and instrumentalities forfeited pursuant to the state's criminal and civil forfeiture laws. The Department is statutorily: (1) permitted to utilize these moneys for law enforcement purposes that are determined to be appropriate and (2) prohibited from using the fund's moneys for operating costs that are unrelated to law enforcement. The executive budget fully funds the Department's requested appropriations for this line item: \$375,000 in each of FYs 2010 and 2011. Based on the Department's budget request, it appears that the appropriated amounts will be allocated annually for operating expenses roughly as follows: payroll costs of approximately one full-time equivalent (FTE) staff position (\$100,000), personal services contracts (\$25,000), maintenance and supplies (\$200,000), and equipment purchases (\$50,000).

**Investigative Unit Salvage (SSR line item 767628)**

This SSR line item, which draws its moneys from the sale of motor vehicles and other equipment used by the Investigative Unit, is statutorily restricted for the purpose of purchasing replacement motor vehicles and other equipment for the Investigative Unit. The executive budget fully funds the Department's requested appropriations for this line item: \$100,000 in each of FYs 2010 and 2011 for the purpose of purchasing equipment.

## Category 7: Emergency Management

The appropriations in this category are used by the Ohio Emergency Management Agency (EMA) to support two distinct programmatic activities: (1) operations, planning, and training and (2) mitigation and recovery.

Under the Operations, Planning, and Training Program, EMA staff: (1) act as a central point of coordination with county EMA programs, (2) manage the state's Emergency Operations Center (EOC), where agencies gather to coordinate response activities during a disaster, (3) disburse roughly \$80 million in federal emergency management grant moneys annually to counties and other governmental entities, (4) guide the development, implementation, and evaluation of emergency management planning, training, and exercises, (5) oversee and develop county emergency management centers, (6) establish and manage state emergency communications and warning systems, support all EOC functions and related personnel, (7) operate the Ohio Radiological Instrument Maintenance and Calibration Laboratory, (8) liaison with the Nuclear Regulatory Commission, and (9) coordinate emergency preparedness efforts that involve radiological materials.

The Mitigation and Recovery Program: (1) provides funding assistance to help individuals and state and local governments recover from the impact of a disaster and (2) supports the management and implementation of Ohio's mitigation efforts, which are intended to reduce or minimize the impact of future disasters on individuals, businesses, and property.

The table immediately below shows the line items that are used to fund this category of services and activities, as well as the Governor's recommended funding levels. It is then followed by a narrative describing how each appropriated amount will be used, and as appropriate, the implications of the Governor's recommended funding levels.

<b>Governor's Recommended Amounts for Emergency Management</b>				
<b>Fund</b>	<b>ALI and Name</b>		<b>FY 2010</b>	<b>FY 2011</b>
<b>Federal Special Revenue Fund (FED) Group</b>				
3290	763645	Federal Mitigation Program	\$10,801,636	\$11,233,702
3370	763609	Federal Disaster Relief	\$27,707,636	\$27,707,636
3390	763647	Emergency Management Assistance and Training	\$84,031,935	\$84,072,023
3N50	763644	U.S. Department of Energy Agreement	\$31,358	\$31,672
<b>Federal Special Revenue Fund Group Subtotal</b>			<b>\$122,572,565</b>	<b>\$123,045,033</b>
<b>State Special Revenue Fund (SSR) Group</b>				
4V30	763662	EMA Service and Reimbursement	\$4,474,751	\$4,653,743
6570	763652	Utility Radiological Safety	\$1,413,889	\$1,415,945
6810	763653	SARA Title III HAZMAT Planning	\$254,794	\$262,438
<b>State Special Revenue Fund Group Subtotal</b>			<b>\$6,143,434</b>	<b>\$6,332,126</b>
<b>Total Funding: Emergency Management</b>			<b>\$128,715,999</b>	<b>\$129,377,159</b>

### **Federal Mitigation Program (FED line item 763645)**

This FED line item is used as a depository for financial assistance awarded from the Federal Emergency Management Agency's (FEMA) to support the management and implementation of Ohio's mitigation efforts, which are intended to reduce or minimize the impact of future disasters on individuals, businesses, and property. In general, the required nonfederal matching share is around 25% of total eligible costs, and, depending upon the grant program, can be a combination of cash, in-kind services, or materials.

The executive budget recommends FY 2010 funding in the amount of \$10,801,636, a 22.0% decrease from the adjusted FY 2009 appropriation of \$13,848,251, and FY 2011 funding in the amount of \$11,233,702, a 4.0% increase over the FY 2010 recommendation. Based on the Department's budget request, it appears that a total of around \$10.0 million of those appropriated amounts in each of FYs 2010 and 2011 will be allocated for grants to be awarded to various state and local governmental units. The remainder, or roughly \$1.0 million in each of those fiscal years, will be expended to support the payroll expenses of approximately four full-time equivalent (FTE) staff positions (\$380,000), personal services contracts (\$550,000), maintenance and supplies (\$30,000), and equipment purchases (\$30,000).

### **Federal Disaster Relief (FED line item 763609)**

This FED line item's moneys consist of federal public assistance disaster grants. More specifically, these moneys are used, subsequent to a disaster or emergency declared by the President, to provide reimbursement to the state and local governments and eligible private nonprofit organizations for removal of wreckage and debris from

private and public lands, performance of emergency protective measures, emergency transportation assistance, emergency communications, and permanent restoration of eligible facilities. The federal share is at least 75% with the state and local governments responsible for the remainder.

The executive budget recommends fully funding the Department's requested appropriations for this line item: \$27,707,636 in each of FYs 2010 and 2011. Based on the Department's budget request, it appears that a total of around \$27.3 million of those appropriated amounts in each of FYs 2010 and 2011 will be allocated for grants to be awarded to various state and local governmental units. The remainder, or roughly \$400,000 in each of those fiscal years, will be expended to support the payroll expenses of approximately four full-time equivalent (FTE) staff positions (\$335,000), maintenance and supplies (\$35,000), and equipment purchases (\$25,000).

#### **Emergency Management Assistance and Training (FED line item 763647)**

This FED line item's moneys consist of various grants for emergency management operations, planning, and training, the bulk of which are awarded by the Federal Emergency Management Agency (FEMA) as part of the Homeland Security Grant Program. More specifically, these moneys are for the purpose of: (1) assisting the state and local governments in enhancing and sustaining all-hazards emergency management capabilities, (2) funding various preparedness activities, for example, planning, equipment, training, and exercises, and (3) funding eligible Ohio EMA administrative and program costs.

The executive budget recommends fully funding the Department's requested appropriations for this line item: \$84,031,935 in FY 2010 and \$84,072,023 in FY 2011. Based on the Department's budget request, it appears that a total of around \$79.9 million of those appropriated amounts in each of FYs 2010 and 2011 will be allocated for grants to be awarded to various state and local governmental units. The remainder, or about \$4.1 million in each of those fiscal years, will be expended to support the payroll expenses of approximately 37 full-time equivalent (FTE) staff positions (\$3.3 million), personal services contracts (\$300,000), maintenance and supplies (\$150,000), and equipment purchases (\$350,000).

#### **U.S. Department of Energy Agreement (FED line item 763644)**

The moneys appropriated to this FED line item consist of financial assistance from the U.S. Department of Energy that is passed through to the Ohio EMA by the Ohio EPA. This line item's purpose is to finance the Ohio EMA's role in the management and oversight of U.S. Department of Energy sites located in Ohio (coordination and public awareness, emergency planning and exercising, hazardous assessments, and data management).

The executive budget fully funds the Department's requested appropriations for this line item, with FY 2010 funding in the amount of \$31,358, an 82.1% decrease from the adjusted FY 2009 appropriation of \$175,000, and FY 2011 funding in the amount of \$31,672, a 1.0% increase over the FY 2010 recommendation. The Department's budget request suggests that all of these appropriated amounts will be allocated between a mix of payroll and maintenance expenses.

#### **EMA Service and Reimbursement (SSR line item 763662)**

This SSR line item is statutorily restricted to paying the costs of administering programs of the Ohio EMA. It consists of moneys collected under the Emergency Management Agency Law (sections 5502.21 to 5502.38 of the Revised Code) including, but not limited to: (1) reimbursement of costs associated with maintaining rain gauges that are part of the Ohio Rain/Snow Monitoring System (STORMS) and (2) contract work. The executive budget enhances this revenue stream by directing a portion of a proposed \$6 fee increase on abstracts – \$2.25 – be used for the costs of administering programs of the Ohio EMA. The creation of this revenue stream reflects the Governor's decision to eliminate the Ohio EMA's use of GRF moneys for its operating expenses.

The executive budget fully funds the Department's requested appropriations for this line item, with an FY 2010 funding recommendation of \$4,474,751 and an FY 2011 funding recommendation of \$4,653,743, a 4.0% increase over the FY 2010 recommendation. All of these appropriated amounts will be allocated for operating expenses. Based on the Department's budget request, it appears that includes the payroll expenses of approximately 37 full-time equivalent (FTE) staff positions (\$3.4 million) and a mix of maintenance and supplies (\$1.2 million).

#### **Utility Radiological Safety (SSR line item 763652)**

The source of the moneys for this SSR line item is from a portion of the assessments that the Utility Radiological Safety Board imposes on nuclear electric utilities to fund emergency response planning and preparedness. Their use is statutorily restricted for the purpose of enabling a member agency to fulfill its authority and duties under the statutes related to nuclear safety or the Utility Safety Radiological Board, or under agreements with the Nuclear Regulatory Commission.

The executive budget fully funds the Department's requested appropriations for this line item, with an FY 2010 funding recommendation of \$1,413,889, a 0.1% decrease from the adjusted FY 2009 appropriation, and an FY 2011 funding recommendation of \$1,415,945, a 0.1% increase over the FY 2010 recommendation. All of these appropriated amounts will be allocated for operating expenses. Based on the Department's budget request, it appears that includes the payroll expenses of approximately 11 full-time equivalent (FTE) staff positions (\$1.0 million), and a mix of maintenance, supplies, and equipment purchases (\$400,000).

**SARA Title III HAZMAT Planning (SSR line item 763653)**

The moneys appropriated to this SSR line item consist of grants from the State Emergency Response Commission, the fiscal agent of which is the Ohio EPA, to implement the Emergency Management Agency's responsibilities under Chapter 3750. of the Revised Code. The Ohio EMA uses the moneys to support planning for hazardous and toxic chemical emergencies.

The executive budget fully funds the Department's requested appropriations for this line item, with an FY 2010 funding recommendation of \$254,794, a 6.2% decrease from the adjusted FY 2009 appropriation, and an FY 2011 funding recommendation of \$262,438, a 3.0% increase over the FY 2010 recommendation. Based on the Department's budget request, it appears that virtually all of these appropriated amounts will be allocated to cover the payroll expenses of approximately three full-time equivalent (FTE) staff positions (\$240,000). The remainder is allocated for maintenance and supplies.

**State Disaster Relief (Fund 5330)**

The executive budget contains a continuing temporary law provision authorizing the State Disaster Relief Fund (Fund 5330) and related non-GRF line item 763601 to accept:

- Cash and appropriations transferred from Controlling Board line items for EMA disaster response costs and disaster program management costs.
- Transfers of cash and appropriations from Controlling Board line items for EMA public assistance and mitigation program match costs to reimburse eligible local governments and private nonprofit organizations for disaster-related costs.
- Transfer cash to reimburse the costs associated with Emergency Management Assistance Compact (EMAC) deployments.
- Disaster-related reimbursement from federal, state, and local governments.
- Transfers of cash and appropriations from Controlling Board line items to fund the State Disaster Relief Program for disasters declared by the Governor, and the State Individual Assistance Program for disasters declared by the Governor and the federal Small Business Administration.

The provision also requires EMA to publish and make available application packets outlining procedures for the State Disaster Relief Program and the State Individual Assistance Program.

## Category 8: Criminal Justice Services

This category of appropriations contains the line items used to support the services and activities of the Department's Division of Criminal Justice Services, which serves as the state's lead criminal justice planning agency. The Division's most substantive work involves:

- *Grants administration.* Disbursing and monitoring of assorted federal and state criminal justice system-related grant moneys to various state and local recipients for projects targeting the areas of crime, public safety, residential substance abuse and treatment, family violence prevention, and violence against women.
- *Planning and evaluation.* Providing research, development, needs assessments, and statistical analysis on emerging trends and updated criminal justice information.
- *Justice technology.* Coordinating Ohio's Criminal Justice Information System (CJIS) plan, including development of automated systems to promote information and data sharing, maintaining the Ohio Incident-Based Reporting System (OIBRS), a voluntary crime-reporting system, and providing the Law Enforcement Officer's Toolkit, a subscription-based records management system.

The table immediately below shows the line items that are used to fund this category of services and activities, as well as the Governor's recommended funding levels. It is then followed by a narrative describing how each appropriated amount will be used, and as appropriate, the implications of the Governor's recommended funding levels.

<b>Governor's Recommended Amounts for Criminal Justice Services</b>				
<b>Fund</b>	<b>ALI and Name</b>		<b>FY 2010</b>	<b>FY 2011</b>
<b>General Services Fund (GSF) Group</b>				
4P60	768601	Justice Program Services	\$1,070,962	\$1,109,004
5ET0	768625	Drug Law Enforcement	\$4,200,000	\$4,200,000
<b>General Services Fund Group Subtotal</b>			<b>\$5,270,962</b>	<b>\$5,309,004</b>
<b>Federal Special Revenue Fund (FED) Group</b>				
3AY0	768606	Federal Justice Grants	\$1,020,000	\$745,000
3CB0	768691	Federal Justice Grants – FFY06	\$920,000	\$795,000
3CC0	768609	Justice Assistance Grants – FFY07	\$1,450,000	\$1,215,000
3L50	768604	Justice Program	\$12,056,300	\$12,056,300
<b>Federal Special Revenue Fund Group Subtotal</b>			<b>\$15,446,300</b>	<b>\$14,811,300</b>
<b>State Special Revenue Fund (SSR) Group</b>				
5BK0	768687	Criminal Justice Services – Operating	\$400,000	\$400,000
5BK0	768689	Family Violence Shelter Programs	\$750,000	\$750,000
<b>State Special Revenue Fund Group Subtotal</b>			<b>\$1,150,000</b>	<b>\$1,150,000</b>
<b>Total Funding: Criminal Justice Services</b>			<b>\$21,867,262</b>	<b>\$21,270,304</b>

### **Operating Expenses (GSF line item 768601 and SSR line item 768687)**

These two line items are statutorily restricted to pay the costs of administering the operations of the Division of Criminal Justice Services.

Relative to GSF line item 768601, **Justice Program Services**, the executive budget recommends FY 2010 funding of \$1,070,962, a 971.0% increase over the FY 2009 adjusted appropriation of \$100,000, and FY 2011 funding of \$1,109,004, an additional 3.6% increase over the FY 2010 recommendation. Based on the Department's appropriations request for this line item, it appears that the appropriated amounts will support the payroll expenses of approximately 12 full-time equivalent (FTE) staff positions.

The primary factor driving these annual funding increases when compared to the adjusted FY 2009 appropriation is the decision to eliminate the Division's use of GRF moneys for its operating expenses; secondarily, decreasing federal grant funding has also arguably put fiscal pressure on the Division to identify alternative mechanisms for covering its annual operating expenses. To support these funding levels, the executive budget proposes two changes to current law. First, \$0.50 of a proposed \$6 increase (from \$2 to \$8) in abstract fees will be used to enhance this line item's revenue stream. Second, 3%, or \$0.11, of the \$3.50 that the Department's receives from a recently enacted \$10 additional court cost related to moving violation convictions will be used to enhance this line's revenue stream as well.

Relative to SSR line item 768687, **Criminal Justice Services – Operating**, which draws its financing from fees for certificates of birth and death and for the filing of a divorce decree or dissolution, the executive budget recommends fully funding the Department's requested appropriations for this line item: \$400,000 in each of FYs 2010 and 2011. All of these appropriated amounts will be allocated for operating expenses. Based on the Department's budget request, it appears that includes the payroll expenses of approximately one full-time equivalent (FTE) staff position (\$120,000), personal services contracts (\$120,000), maintenance and supplies (\$130,000), and equipment purchases (\$30,000).

#### **Drug Law Enforcement (GSF line item 768625)**

Recently enacted Am. Sub. H.B. 562 of the 127th General Assembly authorizes the collection of an additional \$10 in court costs related to moving violation convictions. It also directs that \$3.50 of that \$10 amount be used for the purpose of awarding grants to local drug task forces to defray the expenses incurred in performing their functions related to the enforcement of the state's drug laws and other state laws related to illegal drug activity. The Drug Law Enforcement line item covers these local drug task force grants. (The remainder of the additional \$10 in court costs, or \$6.50, is split between two other state funds: the Indigent Drivers Alcohol Treatment Fund and the Indigent Defense Support Fund.)

The executive budget proposes funding for this GSF line item in the amount of \$4,200,000 for each of FYs 2010 and 2011, all of which will be distributed in the form of grants to local drug task forces. Prior to the enactment of Am. Sub. H.B. 562 of the 127th General Assembly, this line item's sole source of financing came from one-time transfers of \$800,000 in cash in each of FYs 2008 and 2009 from the Attorney General's Charitable Foundations Fund (Fund 4180).

The executive budget also proposes to amend current law by directing that 3%, or \$0.11, of the \$3.50 amount received by the Department be deposited in the state treasury to the credit of the Justice Program Services Fund (Fund 4P60). The remaining 97%, or \$3.39, would be retained by the Drug Law Enforcement Fund (Fund 5ET0) and used to support GSF line item 768625 and the awarding of grants to local drug task forces.

#### **Federal Grants (FED line items 768606, 768691, 768609, and 768604)**

These FED line items serve as the mechanism for expending various federal, principally criminal justice, grants awarded to the state for the purpose of assisting the state and local governments with efforts to: (1) improve criminal justice information systems, (2) assist in drug law enforcement and improve the functioning of the criminal justice system, (3) combat violence against women, (4) reduce family violence, and (5) reduce gun violence. The executive budget fully funds the Department's requested

funding levels for this set of federal line items for a total appropriation of \$15,446,300 in FY 2010 and \$14,811,300 in FY 2011. Based on the Department's budget request, it appears that a total of around \$13.2 million and \$12.8 million of those appropriated amounts in FYs 2010 and 2011, respectively, will be allocated for grants to be awarded to various state and local governmental units. The remainder, or about \$2 million in each of those fiscal years, will be expended to support the payroll expenses of approximately nine full-time equivalent (FTE) staff positions (\$700,000 to \$800,000), personal services contracts (\$645,000), maintenance and supplies (\$387,500), and equipment purchases (\$290,000 to \$390,000).

#### **Family Violence Shelter Programs (SSR line item 768689)**

This SSR line item, which draws its financing from fees for certificates of birth and death and for the filing of a divorce decree or dissolution, is statutorily restricted to be used by the Director of Public Safety to provide grants to family violence shelters in Ohio. The executive budget recommends fully funding the Department's requested appropriations for this line item: \$750,000 in each of FYs 2010 and 2011, all of which will be distributed in the form of family violence shelter grants.

#### **Family Violence Prevention Fund (Fund 5BK0)**

The executive budget retains a temporary law provision in the current transportation budget, as enacted by Am. Sub. H.B. 67 of the 127th General Assembly, that requires the first \$750,000 in revenues deposited in the state treasury to the credit of the Family Violence Prevention Fund (Fund 5BK0) in each of FYs 2010 and 2011 be appropriated to line item 768689, Family Violence Shelter Programs, the next \$400,000 in revenues in each of those fiscal years be appropriated to line item 768687, Criminal Justice Services – Operating, and any remaining revenues in excess of the aforementioned appropriated amounts in each fiscal year be appropriated to line item 768689, Family Violence Shelter Programs, with the approval of the Controlling Board, to be disbursed as grants to family violence shelters in Ohio.

## Category 9: Debt Service

The appropriations in the Debt Service category are used for the retirement of bond debt related to various capital projects. The table immediately below shows the lone line item that is used to make the Department's debt service payments, as well as the Governor's recommended funding levels. It is then followed by a narrative describing how the appropriated amounts will be used, and the implications of the Governor's recommended funding levels.

Governor's Recommended Amounts for Debt Service				
Fund	ALI and Name		FY 2010	FY 2011
<b>State Highway Safety Fund (HSF) Group</b>				
7036	761401	Lease Rental Payments	\$13,337,000	\$11,836,200
<b>Total Funding: Debt Service</b>			<b>\$13,337,000</b>	<b>\$11,836,200</b>

### Lease Rental Payments (HSF line item 761401)

This HSF line item's appropriations are used to make debt service payments to the Ohio Building Authority for obligations the Department of Public Safety has incurred as a result of the latter issuing bonds that finance certain capital improvements. Recent bond sales have financed construction of headquarters for the departments of Public Safety and Transportation located in the Hilltop area of Columbus, renovation of the Alum Creek Warehouse Facility, renovation of the Centre School, and purchase of dispatch fixed equipment and mobile radio equipment to operationalize the Ohio State Highway Patrol's participation in the state's Multi-Agency Radio Communications System (MARCS). The executive budget provides this line item with appropriations of \$13,337,000 in FY 2010 and \$11,836,200 in FY 2011, amounts deemed sufficient by the Office of Budget and Management to pay Public Safety's bonded debt obligations over the course of the next biennium.

This line item's revenue stream is a mix of cash transferred from the Department of Transportation to cover its cost of the Hilltop Building Project, cash transferred from Fund 4W40 for the Bureau of Motor Vehicles for its share of the Hilltop Building Project, and moneys appropriated from the State Highway Safety Fund (Fund 7036), whose primary sources of revenue are fees, excises, and license taxes related to the registration, operation, or use of vehicles on public highways.

The executive budget also contains associated debt service temporary law provisions as follows:

- **OBA Bond Authority.** Authorizes the Ohio Building Authority (OBA) to lease capital facilities to the Department of Public Safety, and specifies that line item 761401, Lease Rental Payments, be used to make lease payments to OBA.

- *Capital Projects.* Authorizes the Registrar of Motor Vehicles to transfer cash from the State Bureau of Motor Vehicles Fund (Fund 4W40) to the State Highway Safety Fund (Fund 7036) to meet its obligations for the Hilltop Building Project and a warehouse facility.
- *Hilltop Transfer.* Authorizes the Director of Budget and Management to transfer funds from the Highway Operating Fund (Fund 7002) to the State Highway Safety Fund (Fund 7036), the amount of which will be the Department of Transportation's share of the Hilltop Building Project, as determined by the Director of Public Safety, with the agreement of the Director of Transportation.

## Category 10: Revenue Distribution

The line items in the Revenue Distribution category are used by the Department of Public Safety to, in effect, hold certain cash until its disposition can be properly identified. The table immediately below shows the two line items that the Department uses to hold certain cash, as well as the Governor's recommended funding levels. It is then followed by a narrative describing how the appropriated amounts will be used, and the implications of the Governor's recommended funding levels.

Governor's Recommended Amounts for Revenue Distribution				
Fund	ALI and Name		FY 2010	FY 2011
<b>Holding Account Redistribution Fund (090) Group</b>				
R024	762619	Unidentified Motor Vehicle Receipts	\$1,885,000	\$1,885,000
R052	762623	Security Deposits	\$350,000	\$350,000
<b>Total Funding: Revenue Distribution</b>			<b>\$2,235,000</b>	<b>\$2,235,000</b>

### Revenue Distribution (Holding line items 762619 and 762623)

Holding Account line item 762619, **Unidentified Motor Vehicle Receipts**, consists of moneys received by the Department that are provisional in nature or for which proper identification or disposition cannot immediately be determined (deputy registrar receipts, contingent money for licenses or inspection fees, photographic copies, accident reports and similar evidentiary material, and other miscellaneous fees). Once proper identification has been determined, the cash is refunded, transferred, or otherwise paid out of this line item. The executive budget fully funds the Department's requested appropriations for this line item: \$1,885,000 in each of FYs 2010 and 2011.

Holding Account line item 762623, **Security Deposits**, is used for the payment of a judgment for damages arising out of an accident as provided in section 4509.28 of the Revised Code and the return of security deposits as provided in sections 4509.25 and 4509.29 of the Revised Code. The executive budget fully funds the Department's requested appropriations for this line item: \$350,000 in each of FYs 2010 and 2011.

# Public Works Commission

- Increased funding of LTIP supported by Highway Operating Fund transfers of \$200 million during the biennium
- Increased workload from Jobs Stimulus Bill implementation

## OVERVIEW

### Agency Overview

The Public Works Commission (PWC) administers the State Capital Improvement Program (SCIP) and the Local Transportation Improvement Program (LTIP). These programs provide grants and loans to local governments for infrastructure projects. SCIP receives funding from infrastructure bonds and LTIP receives funding from one cent per gallon of the motor vehicle fuel tax. PWC's administrative costs are funded by interest income. In addition to these infrastructure financing programs, the Commission also administers a portion of the Clean Ohio Conservation Program (COCP). Currently, the Commission employs a staff of 11, although PWC plans to fill a vacancy in FY 2010, bringing the headcount to 12.

### Appropriation Overview

The Commission's programs and operations are funded by a variety of appropriations bills. The transportation budget bill contains the capital and operating appropriations for LTIP and the operating appropriations for SCIP. The focus of this analysis is on the Governor's funding recommendations for these programs. The recommended funding levels are summarized in Table 1 below.

**Table 1. Funding for PWC Programs in the Proposed Transportation Budget, FY 2010-FY 2011**

Program	FY 2009*	FY 2010	% change (FY 2009-FY 2010)	FY 2011	% change (FY 2009-FY 2010)
LTIP -- Capital and Operating	\$267,806,178	\$67,616,001	(74.8%)	\$67,706,178	0.1%
SCIP -- Operating only	\$918,912	\$897,383	2.3%	\$918,912	2.4%
<b>Total</b>	<b>\$268,725,090</b>	<b>\$68,513,384</b>	<b>(74.5%)</b>	<b>\$68,625,090</b>	<b>0.2%</b>

\* Adjusted appropriations

The capital bill and the capital reappropriations bill provide capital funding for SCIP. The main operating budget bill contains the debt service appropriations for SCIP and COCP, as well as the operating funding for the latter.

PWC's recommended transportation budget appropriation is \$68.5 million in FY 2010 and \$68.6 million in FY 2011. Although this appears at first to be a substantial

reduction in funding, this does not take into account \$200 million in LTIP funding that will be carried forward – or reappropriated – to the FY 2010-FY 2011 biennium from H.B. 554, the Jobs Stimulus Bill of the 127th General Assembly. That bill funded the appropriation through an FY 2009 transfer from the Budget Stabilization Fund (BSF), an action that did not occur. Instead, the transportation budget bill authorizes this same amount, but instead provides for the transfer of \$100 million in each fiscal year from the Highway Operating Fund (Fund 7002).

Of the total amount provided over the biennium in the transportation budget bill, only about \$1.2 million per year funds the operating expenses of the Commission. Overall, the recommended budget fully funds PWC's budget request, allowing the Commission to maintain current service levels and provide for merit increases, healthcare coverage, travel expenses, and bond counsel fees.

## **Summary of FY 2010-FY 2011 Budget Issues**

### **Implementation of H.B. 554, the Jobs Stimulus Bill**

Overall, H.B. 554, the Jobs Stimulus Bill enacted in the summer of 2008, provided an additional \$400 million in funding for the Commission's programs over FY 2009 and FY 2010. Specifically, the bill (1) contained an additional \$200 million for LTIP, (2) accelerated SCIP funding by \$120 million, and (3) appropriated \$80 million from the proceeds from the liquidation of the Tobacco Use Prevention and Control Endowment Fund that was transferred to the newly created Jobs Fund for local infrastructure development capital improvement and broadband projects. Access to the \$80 million, however, has been blocked by ongoing litigation concerning the liquidation of the Endowment Fund.

Corresponding to the increase in program funding, there will also be an increase in Commission staff workload to review and approve capital projects and process disbursement requests. For example, the acceleration of SCIP funding is expected to result in an additional 490 capital projects and nearly 2,200 more disbursement requests. Furthermore, assuming PWC gains access to the \$80 million provided through the Jobs Fund, the program will operate similarly to SCIP. As a result, the Commission expects to review and approve over 190 additional applications for funding. The additional \$200 million in LTIP funding over the biennium is expected to result in roughly 280 more projects funded in each fiscal year, though the actual number may vary depending on the projects that receive funding. While the Commission does not foresee the need for additional permanent employees to manage the Jobs Stimulus Bill workload, the executive recommendation allows for one full-time temporary position in FY 2010 and FY 2011 if necessary.

### **Continuing Initiatives**

In addition to implementation of the Jobs Stimulus Bill in the upcoming biennium, PWC will focus on the administration of Program Years 23 and 24 of both SCIP and LTIP. Other objectives are to continue the (1) maintenance of management information systems, (2) development of forms and procedures to make the application review and approval process more efficient, and (3) preparation of timely and accurate capital disbursement reports produced by the Ohio Administrative Knowledge System (OAKS) to meet the needs of auditors and local government officials.

## ANALYSIS OF EXECUTIVE PROPOSAL

### Aid to Local Governments

The following appropriations provide aid to local governments through the LTIP. These appropriations are funded by one cent per gallon of the motor vehicle fuel tax. This category also includes the operating expenses associated with the State Capital Improvements Program (SCIP).

<b>Governor's Recommended Amounts for Aid to Local Governments</b>				
<b>Fund</b>	<b>ALI and Name</b>		<b>FY 2010</b>	<b>FY 2011</b>
<b>Local Transportation Improvement Program Fund Group</b>				
7052	150701	Local Transportation Improvement Program	\$67,317,000	\$67,400,000
7052	150402	Local Transportation Improvement Program Operating	\$299,001	\$306,178
<b>Local Transportation Improvement Program Fund Group Subtotal</b>			<b>\$67,616,001</b>	<b>\$67,706,178</b>
<b>Local Infrastructure Improvements Fund Group</b>				
7038	150321	Operating Expenses	\$897,383	\$918,912
<b>Local Infrastructure Improvements Fund Group Subtotal</b>			<b>\$897,383</b>	<b>\$918,912</b>
<b>Total Funding: Aid to Local Governments</b>			<b>\$68,513,384</b>	<b>\$68,625,090</b>

#### Local Transportation Improvement Program (150701)

This line item provides the spending authority necessary for LTIP to provide direct grants to assist in the costs associated with local road and bridge projects. Grants are distributed on a per capita basis and are used to make cash payments to consultants and contractors for work performed on behalf of the local government. The majority of grants are distributed to cities and counties, but also villages and townships. Fiscal years 2010 and 2011 encompass program years 23 and 24 of LTIP.

The executive recommendation funds this line item at \$67.3 million in FY 2010 and \$67.4 million in FY 2011. However, because of the additional \$200 million in FY 2009 funding authorized by H.B. 554 previously mentioned (see page 2 of the Overview), LTIP funding for FY 2010-FY 2011 actually would be increased by \$100 million in each fiscal year through transfers from the Highway Operating Fund (Fund 7002).

The number of projects funded with LTIP moneys varies from year to year, but based on past experience the Commission's annual LTIP funding of approximately \$67.4 million results in roughly 180 projects each year. PWC estimates that adding a further \$100 million in each fiscal year will result in the approval of roughly 280 more projects per year.

**Local Transportation Improvement Program Operating (150402)**

This line item provides the necessary administrative support for LTIP. The executive proposal recommends \$299,001 in FY 2010 and a 2.4% increase to \$306,178 in FY 2011. These amounts are approximately the same as the FY 2009 appropriations for this purpose and will allow the Commission to maintain current service levels and handle the additional administrative workload for the additional projects funded through the Jobs Stimulus Bill.

The Commission determines its administrative costs based on the administrative effort necessary to manage its programs. LTIP comprises about 20% of the Commission's total administrative costs among the three under its purview (the others are SCIP and COCP). Administrative expenses include project monitoring, processing disbursement requests, and maintaining PWC's information system technology. For the upcoming biennium, the Commission anticipates an increase in mailing costs due to the additional project paperwork that will be generated from the projects funded under H.B. 554. The FY 2011 operating budget also accounts for higher payroll and fringe benefit costs.

**Operating Expenses (150321)**

This line item provides the operating funding for the SCIP, the state's bond-funded program that provides grants and loans to local governments for improvement of their infrastructure systems. Operating expenses are paid by investment income from bond proceeds. The State Capital Improvements Fund (Fund 7038) earns between \$2.5 million and \$4.4 million in investment income each year. The executive recommendation provides \$897,383 in FY 2010 and \$918,912 in FY 2011 for administration of SCIP, levels that are consistent with the current biennium. The majority of the funding is for personnel and maintenance.

Overall, SCIP administration comprises about 60% of the Commission's total operating costs. As with LTIP, PWC expects an increase in mailing costs due to the acceleration of SCIP in the Jobs Stimulus Bill enacted in the summer of 2008. Administrative functions include approving disbursement requests, providing ongoing technical assistance to district public works integrating committees, project monitoring, and providing continued maintenance for the Commission's statewide infrastructure needs database. The recommended funding levels will allow PWC to maintain current service levels and handle the additional administrative workload for the additional projects funded through the Jobs Stimulus Bill.

The recommendation will allow PWC to administer program years 23 and 24 of SCIP, authorized by Section 2p, Article VIII of the Ohio Constitution. Each year approximately \$120 million in bonds are issued to provide grants and loans. Eligible projects include improvements to roads, bridges, culverts, water supply systems,

wastewater systems, storm water collection systems, and solid waste disposal systems. SCIP also contains two subprograms: the Small Government Program, which sets aside \$12 million each fiscal year for villages and townships with populations of less than 5,000, and the Emergency Assistance Program, which provides \$2.5 million in each fiscal year for infrastructure emergencies to be awarded at the Director's discretion.

## TEMPORARY LAW

The following is an explanation of the uncodified law included within the Governor's funding recommendations for the PWC included within the transportation budget bill.

### **District Administration Costs (Section 209.10)**

Temporary law continuing from the previous biennium authorizes the Director of PWC to use investment earnings of the SCIP and LTIP funds for administrative costs incurred by the 19 individual Public Works District Integrating Committees. No more than \$1,235,000 per fiscal year will be available for disbursement, and no district may receive more than \$65,000 per fiscal year for these purposes.

### **Reappropriations (Section 209.10)**

This provision carries forward – or reappropriates – capital appropriations for local infrastructure projects in the Local Transportation Improvement Program Fund (Fund 7052) that remain unencumbered at the end of FY 2009 and FY 2010 to the following fiscal year.

### **Local Transportation Improvement Program (Sections 512.30 and 610.10)**

In order to provide the additional \$200 million in LTIP funding required by H.B. 554, the Jobs Stimulus Bill which was enacted in the summer of 2008, the proposed transportation budget bill authorizes the Director of Budget and Management, upon the request of the Director of PWC, to make transfers totaling \$100 million in cash in each fiscal year from the Highway Operating Fund (Fund 7002) to the Local Transportation Improvement Program Fund (Fund 7052). As discussed in the Overview, this transfer takes the place of the \$200 million cash transfer from the Budget Stabilization Fund that was required by H.B. 554.

### **Clean Ohio Program Renewal (R.C. 133.52, 151.01, 151.09, 151.40, and Section 610.11)**

To reflect the voters' renewal of the Clean Ohio Program in November 2008, the bill amends the most recent capital appropriations act, H.B. 562 of the 127th General Assembly, in order to increase capital appropriations for the state agencies that receive Clean Ohio Program moneys. The changes for the FY 2009-FY 2010 capital biennium are the following:

1. the Public Works Commission's Clean Ohio Conservation line item (C15060) is increased from \$30 million to \$75 million;
2. The Department of Development's Clean Ohio Revitalization line item (C19500) is increased from \$32 million to \$80 million;

3. the Department of Agriculture's Clean Ohio Agricultural Easements Program line item (C70009) is increased from \$5 million to \$12.5 million; and
4. the Department of Natural Resources' Clean Ohio Trail – Grants line item (C72514) is increased from \$5 million to \$12.5 million.

# Department of Development

- \$18.7 million per fiscal year for roadwork development grants
- This is flat funding from adjusted FY 2009 levels

## ANALYSIS OF EXECUTIVE PROPOSAL

### Roadwork Development (195629)

The Ohio Department of Development (DEV) receives appropriations for this line item in the Transportation Budget. Roadwork Development Grants are awarded to local governments, port authorities, transportation improvement districts, or companies for the purpose of making public roadwork improvements to facilitate the expansion or attraction of a business. Line item 195629, Roadwork Development, is overseen by the Grants and Tax Incentives Office in DEV's Strategic Business Investment Division and is funded by a transfer of motor fuel tax revenues from the Department of Transportation. Because the use of motor fuel tax revenues is restricted under Section 5a, Article XII of the Ohio Constitution, Roadwork Development Grants are limited to projects to improve public roads and highways and may not be used for other economic development purposes. Eligible costs include widening, paving, road construction and reconstruction, and right-of-way infrastructure improvements such as sewer or utility lines. All Roadwork Development Grants are subject to approval by the Controlling Board.

The executive recommendation funds the Roadwork Development Grant Program at \$18,699,900 in each fiscal year. This amount represents flat funding compared to adjusted FY 2009 levels. As of February 2009, DEV has awarded 36 Roadwork Development Grants from FY 2009 funds, for a total of \$13.9 million.

Governor's Recommended Amounts for Roadwork Development				
Fund	ALI and Name		FY 2010	FY 2011
<b>State Special Revenue Fund Group</b>				
4W00	195629	Roadwork Development	\$18,699,900	\$18,699,900
<b>State Special Revenue Fund Group Subtotal</b>			<b>\$18,699,900</b>	<b>\$18,699,900</b>
<b>Total Funding: Roadwork Development</b>			<b>\$18,699,900</b>	<b>\$18,699,900</b>

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*State Special Revenue Fund Group*

**4W00 195629 Roadwork Development**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$14,068,140	\$13,340,329	\$11,299,302	\$18,699,900	<b>\$18,699,900</b>	<b>\$18,699,900</b>
	-5.2%	-15.3%	65.5%	<b>0.0%</b>	<b>0.0%</b>

**Source:** SSR: Department of Transportation Highway Operating Fund (Fund 002)

**Legal Basis:** ORC 122.14; Section 227.10 of H.B. 67 of the 127th G.A. (originally established by Am. Sub. H.B. 298 of the 119th G.A.)

**Purpose:** Roadwork development moneys are used for road improvements associated with economic development opportunities that retain or attract business for Ohio. The Department of Transportation, under the direction of the Department of Development, provides these funds in accordance with all guidelines and requirements established for line item 195-412, Business Development. Moneys may be spent only after the Controlling Board approves the agency's planned use of funds.

State Highway Safety Fund Group

**4W40 762321 Operating Expense - BMV**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$63,731,549	\$70,421,819	\$72,979,377	\$85,145,103	<b>\$85,145,103</b>	<b>\$89,005,103</b>
	10.5%	3.6%	16.7%	<b>0.0%</b>	<b>4.5%</b>

**Source:** HSF: (1) Motor vehicle license tax, (2) fees charged for dealer plates, (3) driver and vehicle registration abstracts, (4) driver licenses, (5) \$30 of the \$475 fee collected pursuant to ORC 4511.191 for the reinstatement of a driver's license that was suspended for operating a motor vehicle while under the influence of alcohol or drugs (OMVI), (6) all investment earnings of the fund, and (7) other miscellaneous items

**Legal Basis:** ORC 4501.25; Section 207.10 of Am. Sub. H.B. 67 of the 127th G.A.

**Purpose:** Moneys deposited to the credit of the fund are statutorily required to be used to pay the expenses of administering the law relative to the powers and duties of the Registrar of Motor Vehicles. The moneys appropriated from the fund to this line item are used to pay operating expenses of the Bureau of Motor Vehicles (payroll, purchased personal services, maintenance and supplies, and equipment).

**4W40 762410 Registrations Supplement**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$23,999,341	\$23,381,897	\$25,799,590	\$32,480,610	<b>\$31,753,145</b>	<b>\$32,480,610</b>
	-2.6%	10.3%	25.9%	<b>-2.2%</b>	<b>2.3%</b>

**Source:** HSF: (1) Motor vehicle license tax, (2) fees charged for dealer plates, (3) driver and vehicle registration abstracts, (4) driver licenses, (5) thirty dollars (\$30) of the \$475 fee collected pursuant to ORC 4511.191 for the reinstatement of a driver's license that was suspended for operating a motor vehicle while under the influence of alcohol or drugs (OMVI), (6) all investment earnings of the fund, and (7) other miscellaneous items

**Legal Basis:** ORC 4501.25 and 4503.02; Section 207.10 of Am. Sub. H.B. 67 of the 127th G.A.

**Purpose:** Moneys deposited to the credit of the fund are statutorily required to be used to pay the expenses of administering the law relative to the powers and duties of the Registrar of Motor Vehicles. The moneys appropriated from the fund to this line item are used to defray the cost of manufacturing and distributing license plates and stickers, and to cover the cost of motor vehicle registration. These expenditures include payroll, purchased personal services, maintenance and supplies, and equipment.

**5AY0 764688 Traffic Safety Operating**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$2,173,181	\$2,212,736	\$0	\$0	\$0	\$0
	1.8%				

**Source:** HSF: Moneys from the Department of Transportation's Highway Operating Fund Group (Fund 7002, line item 772422, Highway Construction - Federal)

**Legal Basis:** Discontinued line item; fund abolished pursuant to Section 209.10 of Am. Sub. H.B. 67 of the 127th G.A (originally established by Controlling Board on November 1, 2004)

**Purpose:** Moneys deposited to the credit of the fund were used for the Ohio State Highway Patrol's personal services, maintenance, and equipment expenses related to a comprehensive traffic safety enforcement program in northern Ohio under which the Governor's Office, the Department of Public Safety, the Department of Transportation, and the Ohio Turnpike Commission partnered to provide a safety initiative on roadways that parallel the Ohio Turnpike. Effective FY 2008, the funding stream supporting these traffic safety enforcement activities was shifted to moneys appropriated from the Highway Safety Fund (Fund 7036).

Temporary law in Section 209.10 of Am. Sub. H.B. 67 of the 127th G.A.: (1) instructed the Director of Budget and Management to transfer the cash balance in the Traffic Safety Operating Fund (Fund 5AY0) to the Highway Safety Fund (Fund 7036) on July 1, 2007, or as soon thereafter as possible and (2) upon completion of these transfers, abolished Fund 5AY0. The cash balance transferred was approximately \$80,000.

**5V10 762682 License Plate Contributions**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$1,573,782	\$1,734,638	\$1,864,434	\$2,100,000	<b>\$2,100,000</b>	<b>\$2,100,000</b>
	10.2%	7.5%	12.6%	<b>0.0%</b>	<b>0.0%</b>

**Source:** HSF: (1) Mandatory contribution paid for the issuance and annual renewal of 23 designated special logo license plates (professional sports, collegiate for participating schools, and certain special interests) and (2) all investment earnings of the fund; mandatory contribution varies by type of plate and ranges from \$2 to \$25

**Legal Basis:** ORC 4501.21(A); Section 207.10 of Am. Sub. H.B. 67 of the 127th G.A. (originally established by Am. Sub. H.B. 87 of the 125th G.A.)

**Purpose:** Pursuant to ORC 4501.21(B), the state Registrar of Motor Vehicles is required to pay the contributions deposited to the credit of the fund to certain statutorily specified entities. Am. Sub. H.B. 87 of the 125th G.A. eliminated individual funds or accounts for certain special logo license plates and merged their revenue streams and related purposes into the License Plate Contribution Fund (Fund 5V10).

**7036 761321 Operating Expense - Information and Education**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$2,893,068	\$3,160,201	\$2,405,567	\$3,645,598	<b>\$8,819,954</b>	<b>\$8,828,661</b>
	9.2%	-23.9%	51.5%	<b>141.9%</b>	<b>0.1%</b>

**Source:** HSF: Moneys derived from fees, excises, or license taxes relating to registration, operation, or use of vehicles on public highways or to fuels used for propelling such vehicles

**Legal Basis:** ORC 4501.06 and 5502.02; Section 205.10 of Am. Sub. H.B. 67 of the 127th G.A.

**Purpose:** The moneys appropriated to this line item are used to pay for the operating expenses of the Department's Administration Division, as well as what is referred to as the Ohio Traffic Safety Office. These expenses include payroll, purchased personal services, maintenance and supplies, and equipment. These funds also provide the state match that is required for participation in certain federal highway safety funding programs.

The executive budget proposes to eliminate an existing related line item (766321, Operating Expense - Administration), which also draws its appropriations from the State Highway Safety Fund (Fund 7036), and consolidate its funding and purpose into this line item (761321). The former (line item 766321) is currently used to pay certain Administration Division operating expenses as well.

**7036 761401 Lease Rental Payments**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$13,217,918	\$13,385,133	\$13,312,258	\$14,017,100	<b>\$13,337,000</b>	<b>\$11,836,200</b>
	1.3%	-0.5%	5.3%	-4.9%	-11.3%

**Source:** HSF: (1) Roughly 60% of moneys are drawn from two Public Safety funds: the State Bureau of Motor Vehicles Fund (4W40) and the State Highway Safety Fund (Fund 7036) and (2) remainder, or 40%, represents moneys transferred from the Department of Transportation's Highway Operating Fund (Fund 7002) for its portion of the Hilltop headquarters construction project costs

**Legal Basis:** Section 221.10 of Am. Sub. H.B. 67 of the 127th G.A. (originally established by Am. Sub. H.B. 904 of the 119th G.A.)

**Purpose:** The moneys appropriated to this line item are for the purpose of making debt service payments to the Ohio Building Authority for its obligations incurred as a result of issuing the bonds that finance certain capital improvements, specifically construction of the new headquarters for the departments of Public Safety and Transportation located in the Hilltop area of Columbus, and purchase of dispatch fixed equipment (computer aided dispatch (CAD) equipment, telephone systems, and radio control stations), and mobile radio equipment (mobile radios, portable radios, in-car repeater systems, radio control equipment, radio consoles, GPS systems, and mobile computer systems) to operationalize the Ohio State Highway Patrol's participation in the state's Multi-Agency Radio Communications System (MARCS).

**7036 761402 Traffic Safety Match**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$277,137	\$277,137	\$277,137	\$277,137	\$0	\$0
	0.0%	0.0%	0.0%		

**Source:** HSF: Moneys derived from fees, excises, or license taxes relating to registration, operation, or use of vehicles on public highways or to fuels used for propelling such vehicles

**Legal Basis:** ORC 4501.06 and 5502.02; Section 205.10 of Am. Sub. H.B. 67 of the 127th G.A. (originally established by Am. Sub. H.B. 656 of the 113th G.A.) (executive budget covering FYs 2010 and 2011 proposes to eliminate this line item)

**Purpose:** These moneys are appropriated to the provide the state match that is required for participation in certain federal highway safety funding programs. (See Fund 8320, line item 761612, Traffic Safety - Federal, for additional information.)

Effective July 1, 2009, the executive budget for FYs 2010 and 2011 proposes to eliminate this line item and to use moneys appropriated to related HSF line item 761321, Operating Expense - Information and Education, for the purpose of making certain required state matches.

**7036 764033 Minor Capital Projects**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$1,717,964	\$1,257,169	\$1,220,571	\$1,250,000	\$1,250,000	\$1,250,000
	-26.8%	-2.9%	2.4%	0.0%	0.0%

**Source:** HSF: Moneys derived from fees, excises, or license taxes relating to registration, operation, or use of vehicles on public highways or to fuels used for propelling such vehicles

**Legal Basis:** ORC 4501.06 and 5502.02; Section 209.10 of Am. Sub. H.B. 67 of the 127th G.A. (originally established by Controlling Board in FY 1988)

**Purpose:** These moneys are appropriated to fund minor capital projects at Ohio State Highway Patrol facilities.

**7036 764321 Operating Expense - Highway Patrol**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$226,956,905	\$233,403,438	\$238,505,160	\$267,539,597	\$269,887,828	\$269,975,259
	2.8%	2.2%	12.2%	0.9%	0.0%

**Source:** HSF: Moneys derived from fees, excises, or license taxes relating to registration, operation, or use of vehicles on public highways or to fuels used for propelling such vehicles

**Legal Basis:** ORC 4501.06 and 5502.02; Section 209.10 of Am. Sub. H.B. 67 of the 127th G.A.

**Purpose:** These moneys are appropriated to pay for operating expenses of the Ohio State Highway Patrol (payroll, purchased personal services, maintenance and supplies, and equipment).

**7036 764605 Motor Carrier Enforcement Expenses**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$2,499,007	\$2,465,431	\$2,399,000	\$3,340,468	\$3,340,468	\$3,340,468
	-1.3%	-2.7%	39.2%	0.0%	0.0%

**Source:** HSF: Moneys derived from fees, excises, or license taxes relating to registration, operation, or use of vehicles on public highways or to fuels used for propelling such vehicles

**Legal Basis:** Section 209.10 of Am. Sub. H.B. 67 of the 127th G.A. (originally established by Am. Sub. H.B. 405 of the 124th G.A.)

**Purpose:** These moneys are appropriated as the state match needed in order for the Ohio State Highway Patrol to qualify for funding under the federal Motor Carrier Safety Assistance Program (MCSAP), the purpose of which is to enforce both federal and state laws pertaining to the safe operation of commercial motor vehicles. (See Fund 8310, line item 764659, Transportation Enforcement - Federal, for additional information).

**7036 766321 Operating Expense - Administration**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$4,036,735	\$4,550,384	\$4,080,506	\$4,461,836	\$0	\$0
	12.7%	-10.3%	9.3%		

**Source:** HSF: Moneys derived from fees, excises, or license taxes relating to registration, operation, or use of vehicles on public highways or to fuels used for propelling such vehicles

**Legal Basis:** Section 219.10 of Am. Sub. H.B. 67 of the 127th G.A. (originally established by Am. Sub. H.B. 107 of the 121st G.A.) (executive budget covering FYs 2010 and 2011 proposes to eliminate this line item)

**Purpose:** These moneys are appropriated to pay operating costs of the Administration Division, which provides support services for all other divisions within the Department of Public Safety, including, but not limited to, the following offices: Director, Business Services, Human Resources, and Information Technology.

Effective July 1, 2009, the executive budget proposes merging this line item and its purpose into HSF line item 761321, Operating Expenses - Information and Education.

**8300 761603 Salvage & Exchange - Administration**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$0	\$0	\$0	\$20,000	\$20,800	\$21,632
			N/A	4.0%	4.0%

**Source:** HSF: (1) Proceeds from the sale of motor vehicles and related equipment of the Department of Public Safety's Administrative Division and (2) all investment earnings of the fund

**Legal Basis:** ORC 4501.10(A); Section 219.10 of Am. Sub. H.B. 67 of the 127th G.A. (originally established by Controlling Board in FY 1974)

**Purpose:** Moneys deposited to the credit of the fund are statutorily restricted for the purpose of purchasing replacement motor vehicles and related equipment.

**8310 761610 Information & Education - Federal**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$1,313,574	\$1,164,404	\$295,464	\$722,982	<b>\$468,982</b>	<b>\$468,982</b>
	-11.4%	-74.6%	144.7%	<b>-35.1%</b>	<b>0.0%</b>

**Source:** HSF: (1) Moneys received by the Department of Public Safety from the federal government pursuant to the federal “Highway Safety Act of 1966,” (2) moneys from other federal sources, including federal money passed through other state agencies, and (3) investment earnings of the fund

**Legal Basis:** ORC 4501.08; Section 205.10 of Am. Sub. H.B. 67 of the 127th G.A. (originally established by Controlling Board in FY 1968)

**Purpose:** Moneys appropriated to the line item are drawn from federal financial assistance (CFDA 20.600, State and Community Highway Safety (Section 402 grants)) to reimburse the Department for costs to enter and analyze crash data in general, and fatal crash data specifically.

**8310 764610 Patrol - Federal**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$2,985,738	\$1,708,860	\$2,147,353	\$2,455,484	<b>\$2,455,484</b>	<b>\$2,455,484</b>
	-42.8%	25.7%	14.3%	<b>0.0%</b>	<b>0.0%</b>

**Source:** HSF: (1) Moneys received by the Department of Public Safety from the federal government pursuant to the federal “Highway Safety Act of 1966,” (2) moneys from other federal sources, including federal money passed through other state agencies, and (3) investment earnings of the fund

**Legal Basis:** ORC 4501.08; Section 209.10 of Am. Sub. H.B. 67 of the 127th G.A. (originally established by Am. Sub. H.B. 107 of the 121st G.A.)

**Purpose:** Moneys appropriated to the line item are drawn from federal financial assistance (CFDA 20.600, State and Community Highway Safety (Section 402 grants), CFDA 16.738, Edward Byrne Memorial Justice Assistance Grant Program, and CFDA 16.742, Paul Coverdell Forensic Sciences Improvement Grant Program) to reimburse the Ohio State Highway Patrol for operating costs related to certain federally-funded highway safety programs and activities, principally law enforcement project and Safe Communities program grant moneys awarded by the Ohio Traffic Safety Office.

**8310 764659    Transportation Enforcement - Federal**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$4,740,024	\$4,318,713	\$5,235,814	\$6,132,592	<b>\$6,132,592</b>	<b>\$6,132,592</b>
	-8.9%	21.2%	17.1%	<b>0.0%</b>	<b>0.0%</b>

**Source:** HSF: (1) Moneys received by the Department of Public Safety from the federal government pursuant to the federal “Highway Safety Act of 1966,” (2) moneys from other federal sources, including federal money passed through other state agencies, and (3) investment earnings of the fund

**Legal Basis:** ORC 4501.08; Section 209.10 of Am. Sub. H.B. 67 of the 127th G.A. (originally established by Am. Sub. H.B. 117 of the 121st G.A.)

**Purpose:** These appropriated moneys represent the amounts transferred from the Public Utilities Commission's federal Motor Carrier Safety Fund (Fund 3500) to assist in covering the Ohio State Highway Patrol's operating costs in relation to the Motor Carrier Safety Assistance Program (CFDA 20.218 (MCSAP), CFDA 20.232 (Commercial Driver License State Programs), and CFDA 20.237 (Safety Data Improvement Program)), the purpose of which is to enforce both federal and state laws pertaining to the safe operation of commercial motor vehicles. MCSAP is a major grant program of the U.S. Department of Transportation for which the Public Utilities Commission has been designated the lead agency in Ohio. The Patrol's required state matching funds are drawn from Fund 7036, line item 764605, Motor Carrier Enforcement Expenses.

**8310 765610 EMS - Federal**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$1,898,570	\$249,841	\$197,557	\$582,007	<b>\$582,007</b>	<b>\$582,007</b>
	-86.8%	-20.9%	194.6%	<b>0.0%</b>	<b>0.0%</b>

**Source:** HSF: (1) Moneys received by the Department of Public Safety from the federal government pursuant to the federal "Highway Safety Act of 1966," (2) moneys from other federal sources, including federal money passed through other state agencies, and (3) investment earnings of the fund

**Legal Basis:** ORC 4501.08; Section 211.10 of Am. Sub. H.B. 67 of the 127th G.A. (originally established by Am. Sub. H.B. 107 of the 121st G.A.)

**Purpose:** The federal moneys appropriated to the line item are largely distributed by the Department's Emergency Medical Services Division in the form of grants directed primarily at local agencies for the purpose of the planning, development, and improvement of emergency medical services and trauma care systems, with an emphasis on rural areas. This federal financial assistance comes in the form of various emergency medical services grants awarded by the U.S. Department of Health and Human Services, including CFDA 93.952, Trauma Care Systems Planning and Development.

**8310 767610 Liquor Enforcement - Federal**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$295,256	\$88,282	\$127,534	\$514,184	<b>\$514,184</b>	<b>\$514,184</b>
	-70.1%	44.5%	303.2%	<b>0.0%</b>	<b>0.0%</b>

**Source:** HSF: (1) Moneys received by the Department of Public Safety from the federal government pursuant to the federal "Highway Safety Act of 1966," (2) moneys from other federal sources, including federal money passed through other state agencies, and (3) investment earnings of the fund

**Legal Basis:** ORC 4501.08; Section 213.10 of Am. Sub. H.B. 67 of the 127th G.A. (originally established by Controlling Board on November 14, 1994)

**Purpose:** The federal dollars appropriated to the line item constitute a grant awarded by the Ohio Traffic Safety Office to the Department's Investigative Unit for the reimbursement of overtime expenses for liquor agents and first level supervisors participating in directed enforcement through sobriety checkpoints to cause a reduction in alcohol-related traffic accident fatalities. This federal financial assistance consists of moneys drawn from: (1) CFDA 20.600, State and Community Highway Safety (Section 402 grants) and (2) the Ohio Department of Health for tobacco investigations/compliance.

**8310 769610 Food Stamp Trafficking Enforcement - Federal**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$943,773	\$946,065	\$835,670	\$1,032,135	\$1,032,135	\$1,032,135
	0.2%	-11.7%	23.5%	0.0%	0.0%

**Source:** HSF: (1) Moneys received by the Department of Public Safety from the federal government pursuant to the federal “Highway Safety Act of 1966,” (2) moneys from other federal sources, including federal money passed through other state agencies, and (3) investment earnings of the fund

**Legal Basis:** ORC 4501.08 and 5502.15; Section 213.10 of Am. Sub. H.B. 67 of the 127th G.A. (originally established by Am. Sub. S.B. 162 of the 121st G.A.)

**Purpose:** These federal moneys represent a transfer of a portion of the Department of Job and Family Services' federal Fund 3840, line item 600610, Food Stamps and State Administration, which is used to pay the state and county departments of job and family services' costs of administering food stamp trafficking enforcement operations (CFDA 10.561, State Administrative Matching Grants for Food Stamp Administration). The transferred moneys are used by the Investigative Unit to cover a portion of its operating expenses, primarily staff wage and fringe benefits costs, related to investigating and controlling the illegal sale of food stamp benefits. The Investigative Unit's required state matching funds are drawn from SSR line item 769634, Investigations.

**8310 769631 Homeland Security - Federal**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$0	\$0	\$1,090,851	\$2,062,500	\$2,100,000	\$2,184,000
			89.1%	1.8%	4.0%

**Source:** HSF: (1) Moneys received by the Department of Public Safety from the federal government pursuant to the federal “Highway Safety Act of 1966,” (2) moneys from other federal sources, including federal money passed through other state agencies, and (3) investment earnings of the fund

**Legal Basis:** ORC 4501.08; Section 209.10 of Am. Sub. H.B. 67 of the 127th G.A.

**Purpose:** Moneys appropriated to the line item are drawn from federal financial assistance (CFDA 97.073, State Homeland Security Program) to reimburse the Homeland Security Division for homeland security disaster-related costs. Expenditures are allocated for a mix of payroll, purchased personal services, maintenance and supplies, equipment, and subsidies/shared revenue.

**8320 761612 Traffic Safety - Federal**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$11,035,166	\$13,258,444	\$10,909,900	\$16,577,565	\$16,577,565	\$16,577,565
	20.1%	-17.7%	51.9%	0.0%	0.0%

**Source:** HSF: (1) Moneys received by the Department of Public Safety from the federal government under the federal “Highway Safety Act of 1966, (2) moneys from other federal sources, including federal money passed through other state agencies, (3) state match money made available by the General Assembly, and (4) all investment earnings of the fund

**Legal Basis:** ORC 4501.09; Section 205.10 of Am. Sub. H.B. 67 of the 127th G.A. (originally established by Am. Sub. H.B. 102 of the 114th G.A.)

**Purpose:** Moneys deposited to the credit of the fund include financial assistance drawn from various federal highway safety grant programs authorized by the Transportation Equity Act for the 21st Century (TEA-21) administered by the U.S. Department of Transportation's National Highway Traffic Safety Administration (NHTSA). These federal highway safety program grant funds are appropriated for use by the Ohio Traffic Safety Office to: (1) primarily award grants to state agencies, political subdivisions, nonprofit organizations, higher education institutions, hospitals, and other interested groups to provide highway safety programs and activities identified in the state's Traffic Safety Action Plan (traffic safety, impaired driving, and seat programs), and (2) secondarily cover a portion of the Office's planning and administrative costs. The state match required for the Office to use some of these federal program grant moneys for its operating expenses is drawn from Fund 7036, line item 761321, Operating Expenses - Information and Education.

**8350 762616 Financial Responsibility Compliance**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$4,159,373	\$4,178,993	\$4,252,072	\$6,063,600	<b>\$6,063,600</b>	<b>\$6,063,600</b>
	0.5%	1.7%	42.6%	<b>0.0%</b>	<b>0.0%</b>

**Source:** HSF: (1) Financial responsibility reinstatement fee paid by an operator whose license has been suspended for failure to provide proof of financial responsibility (\$75 for the first violation, \$250 for a second violation, and \$500 for a third or subsequent violation), (2) additional financial responsibility nonvoluntary compliance fee in an amount, not to exceed \$50, as determined by the Registrar, paid by a person who has not voluntarily surrendered their license, certificate, or license plates in compliance with an order to do so, and (3) all investment earnings of the fund

**Legal Basis:** ORC 4509.101(E); Section 207.10 of Am. Sub. H.B. 67 of the 127th G.A. (originally established by Am. Sub. S.B. 250 of the 114th G.A.)

**Purpose:** Moneys credited to the fund are statutorily restricted for the purpose of covering costs incurred by the Bureau of Motor Vehicles in the administration of ORC 4509.101, 4503.20, 4507.212, and 4509.81, and by any law enforcement agency employing any peace officer who returns any license, certificate of registration, and license plates to the Registrar pursuant to ORC 4509.101(C), except that the Director of Budget and Management may transfer excess money from the Financial Responsibility Compliance Fund to the State Bureau of Motor Vehicles Fund (Fund 4W40) if the Registrar determines that the amount of money in the Financial Responsibility Compliance Fund exceeds the amount required to cover such costs incurred by the Bureau or a law enforcement agency and requests the Director to make the transfer.

**8370 764602 Turnpike Policing**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$8,877,843	\$10,269,084	\$9,489,113	\$11,553,959	\$11,553,959	\$11,553,959
	15.7%	-7.6%	21.8%	0.0%	0.0%

**Source:** HSF: (1) All payments pursuant to contracts with the Ohio Turnpike Commission that provide for the reimbursement of the Ohio State Highway Patrol for the costs incurred by the Patrol in policing Turnpike projects and (2) all investment earnings of the fund

**Legal Basis:** ORC 5503.32; Section 209.10 of Am. Sub. H.B. 67 of the 127th G.A.

**Purpose:** Moneys deposited to the credit of the fund are statutorily restricted for the costs incurred by the Ohio State Highway Patrol in policing Turnpike projects, including, but not limited to, the salaries of employees of the Patrol assigned to the policing, the current costs of funding retirement pensions for the employees of the Patrol and of providing workers' compensation for them, the cost of training Ohio State Highway Patrol troopers and radio operators assigned to Turnpike projects, and the cost of equipment and supplies used by the Patrol in such policing, and of housing for such troopers and radio operators, to the extent that the equipment, supplies, and housing are not directly furnished by the Ohio Turnpike Commission.

**8380 764606 Patrol Reimbursement**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$75,619	\$74,533	\$8,492	\$175,000	\$100,000	\$100,000
	-1.4%	-88.6%	1960.8%	-42.9%	0.0%

**Source:** HSF: Each deputy registrar assigned to a driver's license examining station by the Registrar of Motor Vehicles as provided in ORC 4507.01 remits to the Superintendent of the Ohio State Highway Patrol a rental fee equal to the percentage of space occupied by the deputy registrar in the driver's license examining station multiplied by the rental fee paid for the entire driver's license examining station plus a pro rata share of all utility costs, and (2) all investment earnings of the fund

**Legal Basis:** ORC 4507.011(A); Section 209.10 of Am. Sub. H.B. 67 of the 127th G.A. (originally established by Am. Sub. H.B. 58 of the 115th G.A.)

**Purpose:** Moneys deposited to the credit of the fund are statutorily restricted for use by the Ohio State Highway Patrol to pay the rent and expenses of the driver's license examining stations.

**83C0 764630 Contraband, Forfeiture, Other**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$1,153,017	\$870,078	\$83,764	\$622,894	\$622,894	\$622,894
	-24.5%	-90.4%	643.6%	0.0%	0.0%

**Source:** HSF: Effective July 1, 2007, moneys received by the Ohio State Highway Patrol from the disposal of contraband, proceeds, and instrumentalities forfeited pursuant to the state's criminal and civil forfeiture laws (ORC Chapter 2981.); prior to FY 2006, such moneys received pursuant to federal law were also deposited in this fund; starting with FY 2006, such moneys received pursuant to federal law were directed for deposit in the newly created Highway Patrol State Contraband, Forfeiture, and Other Fund (Fund 3BF0)

**Legal Basis:** ORC 2981.13(C)(1); Section 209.10 of Am. Sub. H.B. 67 of the 127th G.A. (previously codified in ORC 2933.43(D)(1)(c)(ii), which was repealed by Sub. H.B. 241 of the 126th G.A.)

**Purpose:** The Superintendent of the Ohio State Highway Patrol is statutorily: (1) permitted to utilize the moneys deposited to the credit of the fund for law enforcement purposes that are determined to be appropriate and (2) prohibited from using the fund's moneys for operating costs of the Patrol that are unrelated to law enforcement.

**83F0 764657 Law Enforcement Automated Data System**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$6,638,779	\$6,720,758	\$6,231,774	\$8,275,898	\$10,984,978	\$9,053,266
	1.2%	-7.3%	32.8%	32.7%	-17.6%

**Source:** HSF: (1) Monthly user fees from criminal justice agencies in Ohio, (2) such other amounts as may be credited to the fund, and (3) all investment earnings of the fund

**Legal Basis:** ORC 4501.18 and 5503.10; Section 209.10 of Am. Sub. H.B. 67 of the 127th G.A. (originally established by Am. Sub. S.B. 336 of the 118th G.A., which transferred LEADS from the Department of Administrative Services)

**Purpose:** Moneys deposited to the credit of the fund are statutorily restricted for the operation and maintenance of the Law Enforcement Automated Data System (LEADS), a computer communications network. This network allows local, state, and federal law enforcement agencies to access information on vehicle registration, titling, licensing, outstanding warrants, stolen vehicles, wanted and missing persons, individual criminal histories, and emergency data.

**83G0 764633 OMVI Enforcement/Education**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$523,981	\$427,691	\$452,582	\$650,000	\$650,000	\$650,000
	-18.4%	5.8%	43.6%	0.0%	0.0%

**Source:** HSF: Fine moneys received by the Ohio State Highway Patrol pursuant to ORC 4511.19 (driving while under the influence of alcohol or drugs or with certain concentration of alcohol in bodily substances)

**Legal Basis:** ORC 4501.17; Section 209.10 of Am. Sub. H.B. 67 of the 127th G.A. (originally established by Controlling Board on May 29, 1990)

**Purpose:** Moneys deposited to the credit of the fund are statutorily restricted for use by the Ohio State Highway Patrol to enforce ORC 4511.19 and to conduct programs to inform the public of the dangers of, and laws governing, the operation of motor vehicles while under the influence of alcohol.

**83J0 764693 Highway Patrol Justice Contraband**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$0	\$262,172	\$271,520	\$2,100,000	\$2,100,000	\$2,100,000
	N/A	3.6%	673.4%	0.0%	0.0%

**Source:** HSF: (1) Moneys received by the Ohio State Highway Patrol pursuant to federal forfeiture law under the Federal (Justice) Equitable Sharing Program and (2) all interest or other earnings derived from the investment of the fund's moneys

**Legal Basis:** ORC 2981.14; Section 209.10 of Am. Sub. H.B. 67 of the 127th G.A. (prior legal authority resided in ORC 2925.44(A)(4)(a), which was repealed by Sub. H.B. 241 of the 126th G.A.; originally established in Section 203.06.06 of Am. Sub. H.B. 68 of the 126th G.A. as amended by Am. Sub. H.B. 530 of the 126th G.A.)

**Purpose:** Moneys deposited in the fund are required to be used according to the federal rules of equitable sharing.

**83M0 765624    Operating Expenses - Trauma and EMS**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$2,218,933	\$2,100,592	\$2,336,808	\$2,587,627	<b>\$2,915,113</b>	<b>\$2,924,562</b>
	-5.3%	11.2%	10.7%	<b>12.7%</b>	<b>0.3%</b>

**Source:** HSF: (1) 28% of the fine money generated from the enforcement of the mandatory seat belt law; subject to certain exceptions, fine is \$30 for an operator and \$20 for a passenger and (2) \$1.25 of the \$6 increase in the existing \$2 fee for driver, vehicle, and certificate of title abstracts as proposed in the executive budget covering FYs 2010 and 2011

**Legal Basis:** ORC 4513.263(E)(4); Section 211.10 of Am. Sub. H.B. 67 of the 127th G.A. (originally established by Controlling Board on October 26, 1992 as a result of Am. Sub. S.B. 98 of the 119th G.A.)

**Purpose:** Moneys currently deposited to the credit of the fund are statutorily restricted for administration of the Division of Emergency Medical Services and the State Board of Emergency Medical Services, which essentially means operating expenses such payroll, purchased personal services, maintenance and supplies, and equipment.

Temporary law permits the Controlling Board, upon request of the Director of Public Safety, to approve the transfer of cash between the four funds that receive fine revenues from enforcement of the mandatory seat belt law: the Trauma and Emergency Medical Services Fund (Fund 83M0), the Elementary School Program Fund (Fund 83N0), the Trauma and Emergency Medical Services Grants Fund (Fund 83P0), and the Seat Belt Education Fund (Fund 8440).

**83N0 761611 Elementary School Seat Belt Program**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$132,616	\$201,681	\$203,116	\$375,000	\$390,000	\$405,600
	52.1%	0.7%	84.6%	4.0%	4.0%

**Source:** HSF: 8% of the fine money generated from the enforcement of the mandatory seat belt law; subject to certain exceptions, fine is \$30 for an operator and \$20 for a passenger

**Legal Basis:** ORC 4513.263(E)(2); Section 205.10 of Am. Sub. H.B. 67 of the 127th G.A. (originally established by Controlling Board on October 26, 1992 as a result of Am. Sub. S.B. 98 of the 119th G.A.)

**Purpose:** Moneys deposited to the credit of the fund are statutorily restricted to establish and administer elementary school programs that encourage seat safety belt use.

Temporary law permits the Controlling Board, upon request of the Director of Public Safety, to approve the transfer of cash between the four funds that receive fine revenues from enforcement of the mandatory seat belt law: the Trauma and Emergency Medical Services Fund (Fund 83M0), the Elementary School Program Fund (Fund 83N0), the Trauma and Emergency Medical Services Grants Fund (Fund 83P0), and the Seat Belt Education Fund (Fund 8440).

**83P0 765637 EMS Grants**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$3,937,133	\$3,550,510	\$3,757,367	\$4,562,912	<b>\$4,562,912</b>	<b>\$4,562,912</b>
	-9.8%	5.8%	21.4%	<b>0.0%</b>	<b>0.0%</b>

**Source:** HSF: (1) 54% of the fine money generated from the enforcement of the mandatory seat belt law (subject to certain exceptions, \$30 for an operator and \$20 for a passenger) and (2) twenty dollars of the \$475 fee collected pursuant to ORC 4511.191 for the reinstatement of a driver's license that was suspended for operating a motor vehicle while under the influence of alcohol or drugs (OMVI)

**Legal Basis:** ORC 4513.263(E)(5) and 4765.07; Section 211.10 of Am. Sub. H.B. 67 of the 127th G.A. (originally established by Controlling Board on October 26, 1992 as a result of Am. Sub. S.B. 98 of the 119th G.A. and amended by H.B. 138 of the 123rd G.A.)

**Purpose:** Moneys deposited to the credit of the fund are statutorily restricted to be distributed by the State Board of Emergency Medical Services in the form of grants primarily to emergency medical services organizations for the training of personnel, for the purchase of equipment and vehicles, and to improve the availability, accessibility, and quality of emergency medical services, and secondarily to entities for trauma injury, prevention, medical research, and rehabilitation issues.

Temporary law permits the Controlling Board, upon request of the Director of Public Safety, to approve the transfer of cash between the four funds that receive fine revenues from enforcement of the mandatory seat belt law: the Trauma and Emergency Medical Services Fund (Fund 83M0), the Elementary School Program Fund (Fund 83N0), the Trauma and Emergency Medical Services Grants Fund (Fund 83P0), and the Seat Belt Education Fund (Fund 8440).

**83R0 762639 Local Immobilization Reimbursement**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$558,139	\$514,347	\$529,461	\$750,000	\$750,000	\$750,000
	-7.8%	2.9%	41.7%	0.0%	0.0%

**Source:** HSF: (1) Immobilization fee of \$100 paid to the Registrar by an offender for the release of a motor vehicle that has been immobilized and (2) all investment earnings of the fund

**Legal Basis:** ORC 4501.19; Section 207.10 of Am. Sub. H.B. 67 of the 127th G.A. (originally established by Am. Sub. H.B. 154 of the 120th G.A.)

**Purpose:** Moneys deposited to the credit of the fund are statutorily restricted to be paid out to the appropriate county, municipality, or law enforcement agency as designated by the court to reimburse the designated entity for the costs it incurs to immobilize a vehicle for state OMVI (operating a motor vehicle under the influence) offenses. However, the Director of Budget and Management may transfer excess money from Fund 83R0 to the State Bureau of Motor Vehicles Fund (Fund 4W40) if the Registrar determines that the amount of money in Fund 83R0 exceeds the amounts required to be paid by ORC 4503.233(A)(5), and the Registrar requests the Director to make the transfer.

**83T0 764694 Highway Patrol Treasury Contraband**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$0	\$20,491	\$0	\$21,000	\$21,000	\$21,000
	N/A		N/A	0.0%	0.0%

**Source:** HSF: (1) Moneys received by the Ohio State Highway Patrol pursuant to federal forfeiture law under the Federal (Treasury) Equitable Sharing Program and (2) all interest or other earnings derived from the investment of the fund's moneys

**Legal Basis:** ORC 2981.14; Section 209.10 of Am. Sub. H.B. 67 of the 127th G.A. (prior legal authority resided in ORC 2925.44(A)(4)(a), which was repealed by Sub. H.B. 241 of the 126th G.A.; originally established in Section 203.06.06 of Am. Sub. H.B. 68 of the 126th G.A. as amended by Am. Sub. H.B. 530 of the 126th G.A.)

**Purpose:** Moneys deposited in the fund are required to be used according to the federal rules of equitable sharing.

**8400 764607 State Fair Security**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$1,119,951	\$1,090,748	\$1,174,457	\$1,396,283	\$1,396,283	\$1,396,283
	-2.6%	7.7%	18.9%	0.0%	0.0%

**Source:** HSF: (1) Fines collected from or money arising from bonds or bail forfeited by persons apprehended or arrested by Ohio State Highway Patrol troopers and (2) all investment earnings of the fund

**Legal Basis:** ORC 4501.11; Section 209.10 of Am. Sub. H.B. 67 of the 127th G.A. (originally established by Am. Sub. H.B. 656 of the 113th G.A.)

**Purpose:** These moneys are appropriated from the Security, Investigations, and Policing Fund (Fund 8400) and are statutorily restricted for the performance of non-highway related duties of the Ohio State Highway Patrol at the Ohio State Fair. This essentially includes operating expenses, most typically payroll, and maintenance and supplies.

**8400 764617 Security and Investigations**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$9,902,934	\$10,896,183	\$9,586,812	\$6,155,385	\$6,317,530	\$6,432,686
	10.0%	-12.0%	-35.8%	2.6%	1.8%

**Source:** HSF: (1) Fines collected from or money arising from bonds or bail forfeited by persons apprehended or arrested by Ohio State Highway Patrol troopers and (2) all investment earnings of the fund

**Legal Basis:** ORC 4501.11; Section 209.10 of Am. Sub. H.B. 67 of the 127th G.A. (originally established by Am. Sub. H.B. 373 of the 115th G.A.)

**Purpose:** These moneys are appropriated from the Security, Investigations, and Policing Fund (Fund 8400) and are statutorily restricted for the purpose of: (1) providing security for the Governor, other officials and dignitaries, the Capitol Square, and other state property pursuant to ORC 5503.02(E) and (2) undertaking major criminal investigations that involve state property interests. The expenditures typically covered by these appropriated moneys includes payroll, maintenance and supplies, and equipment.

**8400 764626 State Fairgrounds Police Force**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$748,634	\$783,846	\$864,471	\$788,375	\$830,769	\$849,883
	4.7%	10.3%	-8.8%	5.4%	2.3%

**Source:** HSF: (1) Fines collected from or money arising from bonds or bail forfeited by persons apprehended or arrested by Ohio State Highway Patrol troopers and (2) all investment earnings of the fund

**Legal Basis:** ORC 4501.11; Section 209.10 of Am. Sub. H.B. 67 of the 127th G.A.

**Purpose:** These moneys are appropriated from the Security, Investigations, and Policing Fund (Fund 8400) and are statutorily restricted for the purpose of providing traffic control and security for the Ohio Expositions Commission on a full-time, year-round basis. The expenditures typically covered by these appropriated moneys includes payroll, maintenance and supplies, and equipment.

**8400 769632 Homeland Security - Operating**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$0	\$0	\$1,191,873	\$1,989,807	\$1,552,049	\$1,614,131
			66.9%	-22.0%	4.0%

**Source:** HSF: (1) Fines collected from or money arising from bonds or bail forfeited by persons apprehended or arrested by Ohio State Highway Patrol troopers and (2) all investment earnings of the fund

**Legal Basis:** ORC 4501.11; Section 209.10 of Am. Sub. H.B. 67 of the 127th G.A.

**Purpose:** These moneys are appropriated from the Security, Investigations, and Policing Fund (Fund 8400) and are statutorily restricted for the purpose of coordinating homeland security activities. The expenditures typically covered by these appropriated moneys includes payroll, purchased personal services, maintenance and supplies, and equipment.

**8410 764603 Salvage and Exchange - Highway Patrol**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$2,773,026	\$3,859,407	\$0	\$1,339,399	\$1,339,399	\$1,339,399
	39.2%		N/A	0.0%	0.0%

**Source:** HSF: (1) Proceeds from the sale of motor vehicles and related equipment of the Ohio State Highway Patrol and (2) all investment earnings of the fund

**Legal Basis:** ORC 4501.10(A); Section 209.10 of Am. Sub. H.B. 67 of the 127th G.A. (originally established by Controlling Board in FY 1974)

**Purpose:** Moneys deposited to the credit of the fund are statutorily restricted for the purchase of replacement motor vehicles and related equipment.

**8440 761613    Seat Belt Education Program**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$596,190	\$235,740	\$508,478	\$411,528	<b>\$400,000</b>	<b>\$400,000</b>
	-60.5%	115.7%	-19.1%	<b>-2.8%</b>	<b>0.0%</b>

**Source:** HSF: 8% of the fine money generated from the enforcement of the mandatory seat belt law; subject to certain exceptions, fine is \$30 for an operator and \$20 for a passenger

**Legal Basis:** ORC 4513.263(E)(1); Section 205.10 of Am. Sub. H.B. 67 of the 127th G.A. (originally established by Controlling Board on October 26, 1992 as a result of Am. Sub. S.B. 98 of the 119th G.A.)

**Purpose:** Moneys deposited to the credit of the fund are statutorily restricted to establish a seat belt education program.

Temporary law permits the Controlling Board, upon request of the Director of Public Safety, to approve the transfer of cash between the four funds that receive fine revenues from enforcement of the mandatory seat belt law: the Trauma and Emergency Medical Services Fund (Fund 83M0), the Elementary School Program Fund (Fund 83N0), the Trauma and Emergency Medical Services Grants Fund (Fund 83P0), and the Seat Belt Education Fund (Fund 8440).

**8460 761625    Motorcycle Safety Education**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$1,975,894	\$1,920,508	\$2,501,450	\$4,010,865	<b>\$3,324,987</b>	<b>\$3,538,903</b>
	-2.8%	30.2%	60.3%	<b>-17.1%</b>	<b>6.4%</b>

**Source:** HSF: \$6 of the \$14 annual motorcycle registration fee charged pursuant to ORC 4503.04(A)(2)

**Legal Basis:** ORC 4501.13; Section 205.10 of Am. Sub. H.B. 67 of the 127th G.A. (originally established by Am. Sub. H.B. 291 of the 117th G.A.)

**Purpose:** Unless otherwise provided by law, moneys deposited to the credit of the fund are statutorily restricted to pay part or all of the costs of conducting the motorcycle safety and education program created by ORC 4508.08. The expenditures typically covered by these appropriated moneys includes payroll, purchased personal services, maintenance and supplies, and equipment.

**8490 762627 Automated Title Processing Board**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$10,727,287	\$10,457,462	\$8,738,142	\$19,240,839	\$19,240,839	\$19,240,839
	-2.5%	-16.4%	120.2%	0.0%	0.0%

**Source:** HSF: (1) \$2 of each vehicle title fee (ORC 4505.09(B)(3)), (2) \$1 of each watercraft title fee (ORC 1548.10), (3) \$2 of each certificate title for off-highway motor vehicles and all-purpose vehicles (ORC 4519.59), and (4) all investment earnings of the fund

**Legal Basis:** ORC 4505.09(B)(3); Section 207.10 of Am. Sub. H.B. 67 of the 127th G.A. (originally established by Am. Sub. H.B. 419 of the 117th G.A.)

**Purpose:** Moneys deposited to the credit of the fund are statutorily restricted for the purpose of: (1) implementing and maintaining an automated title processing system for the issuance of motor vehicle, off-highway motorcycle, and all-purpose vehicle certificates of title in the offices of the clerks of the courts of common pleas, (2) issuing marine certificates of title in the offices of the clerks of the courts of common pleas as provided in ORC Chapter 1548., and (3) implementing Sub. S.B. 59 of the 124th General Assembly, which enacted changes in the titling processes for motor vehicles, watercraft, outboard motors, off-highway motorcycles, and all-purpose vehicles. The expenditures typically covered by these appropriated moneys includes payroll, purchased personal services, maintenance and supplies, equipment, and subsidies/shared revenue.

*General Services Fund Group*

**4P60 768601 Justice Program Services**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$16,783	\$57,673	\$74,755	\$100,000	\$1,070,962	\$1,109,004
	243.6%	29.6%	33.8%	971.0%	3.6%

**Source:** GSF: (1) Unless otherwise provided, moneys collected by the Division of Criminal Justice Services for "nonfederal purposes" is to be credited to the fund, including subscription fees charged to law enforcement agencies for participating in the Ohio Incident-Based Reporting System and (2) \$0.50 of the \$6 increase in the existing \$2 fee for driver, vehicle, and certificate of title abstracts as proposed in the executive budget covering FYs 2010 and 2011

**Legal Basis:** ORC 5502.67; Section 217.10 of Am. Sub. H.B. 67 of the 127th G.A. (replaced Fund 4P6, line item 196-424, General Services, reflecting consolidation of the Office of Criminal Justice Services within the Department of Public Safety as the Division of Criminal Justice Services pursuant to Am. Sub. H.B. 66 of the 126th G.A.)

**Purpose:** Moneys deposited to the credit of the fund are statutorily restricted to pay the costs of administering the operations of the Division of Criminal Justice Services, which essentially means operating expenses such payroll, purchased personal services, maintenance and supplies, and equipment. Related permanent law excepts this statutory restriction by permitting the Director of Budget and Management to transfer excess money from the fund to the State Highway Safety Fund (Fund 7036), if the Director of Public Safety determines that the amount of money in the fund exceeds the amount required to cover such costs incurred by the Division of Criminal Justice Services and requests the Director of Budget and Management to make the transfer.

**4S20 764660 MARCS Maintenance**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$522,338	\$486,475	\$342	\$389,149	\$0	\$0
	-6.9%	-99.9%	113839.5%		

**Source:** GSF: (1) Moneys transferred from the Department of Administrative Services' Office of Information Technology to reimburse the Ohio State Highway Patrol for its costs related to maintaining the Multi-Agency Radio Communications System (MARCS) and (2) all investment earnings on moneys in the fund

**Legal Basis:** ORC 4501.16; Section 209.10 of Am. Sub. H.B. 67 of the 127th G.A. (originally established by Am. Sub. H.B. 210 of the 122nd G.A.)

**Purpose:** Moneys deposited to the credit of the fund are statutorily restricted to provide maintenance for MARCS-related equipment located at MARCS facilities and tower sites. No moneys for this purpose are appropriated in the executive budget proposed for FYs 2010 and 2011, as these maintenance activities have been assumed by the Department of Administrative Services.

**4S30 766661 Hilltop Utility Reimbursement**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$253,742	\$277,624	\$412,515	\$500,000	\$520,000	\$540,800
	9.4%	48.6%	21.2%	4.0%	4.0%

**Source:** GSF: Moneys collected from entities that occupy a state site in the Hilltop area of Columbus, most specifically organizational units of the departments of Public Safety and Transportation, for their respective shares of utility costs, e.g., sewer and water charges

**Legal Basis:** Section 219.10 of Am. Sub. H.B. 67 of the 127th G.A. (originally established in Am. Sub. H.B. 210 of the 122nd G.A.)

**Purpose:** Moneys deposited to the credit of the fund are used to cover utility expenses of the state site in the Hilltop area of Columbus managed by the Department of Public Safety.

**5330 763601 State Disaster Relief**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$10,428,246	\$8,239,671	\$7,399,599	\$0	\$0	\$0
	-21.0%	-10.2%			

**Source:** GSF: (1) Cash transfers from the Controlling Board's budget to fund mitigation, recovery, and preparedness grants and related program management costs, (2) cash reimbursements associated with Emergency Management Assistance Compact (EMAC) deployments, and (3) disaster related reimbursements from federal, state, and local governments

**Legal Basis:** As needed line item; Section 215.10 of Am. Sub. H.B. 67 of the 127th G.A. (originally established by Am. Sub. H.B. 117 of the 121st G.A.)

**Purpose:** Temporary law directs that the moneys deposited to the credit of the fund be used for the following purposes: (1) Ohio Emergency Management Agency (EMA) disaster response and program management costs, (2) Ohio EMA public assistance and mitigation program match costs to reimburse eligible local governments and private nonprofit organizations for costs related to disasters, (3) reimbursement of state and local governments for Emergency Management Assistance Compact (EMAC) deployments, (4) reimbursement of other state funds for cash transfers to Fund 5330 previously approved by the Controlling Board, (5) funding of the State Disaster Relief Program for disasters declared by the Governor, and (6) funding of the State Individual Assistance Program for disasters that have been declared by the Governor and the federal Small Business Administration.

**5ET0 768625 Drug Law Enforcement**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$0	\$0	\$719,406	\$800,000	\$4,200,000	\$4,200,000
		N/A	11.2%	425.0%	0.0%

**Source:** GSF: (1) Cash transfer of \$800,000 in each of FYs 2008 and 2009 from the Attorney General's Charitable Foundations Fund (Fund 4180) as directed by Section 367.10 of Am. Sub. H.B. 119 of the 127th G.A. and (2) \$3.50 of the additional \$10 in court costs for moving violations (collected pursuant to Am. Sub. H.B. 562, as enacted by the 127th G.A.)

**Legal Basis:** ORC 5502.68(A) (originally established by Section 367.10 of Am. Sub. H.B. 119 of the 127th G.A.)

**Purpose:** The moneys appropriated to this line item are statutorily restricted for the purpose of awarding grants to local law enforcement agencies and local law enforcement task forces to defray the expenses incurred in performing their functions related to the enforcement of the state's drug laws and other state laws related to illegal drug activity.

**5Y10 764695 Highway Patrol Continuing Professional Training**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$0	\$0	\$0	\$280,820	\$280,820	\$280,820
			N/A	0.0%	0.0%

**Source:** GSF: Moneys paid to the Ohio State Highway Patrol from the Ohio Attorney General's Law Enforcement Assistance Fund (Fund 5L50) for the purpose of reimbursing the Ohio State Highway Patrol for the costs of continuing professional training programs that are successfully completed by its troopers

**Legal Basis:** ORC 109.802 (originally established by Controlling Board on February 25, 2008)

**Purpose:** The moneys appropriated to this line item are statutorily restricted for the purpose of paying the costs of the Ohio State Highway Patrol's continuing professional training programs.

**5Y10 767696 Investigative Unit Continuing Professional Training**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$0	\$0	\$2,300	\$15,000	\$15,000	\$15,000
		N/A	552.2%	0.0%	0.0%

**Source:** GSF: Moneys paid to the Investigative Unit from the Ohio Attorney General's Law Enforcement Assistance Fund (Fund 5L50) for the purpose of reimbursing the Investigative Unit for the costs of continuing professional training programs that are successfully completed by its agents

**Legal Basis:** ORC 109.802 (originally established by Controlling Board on February 25, 2008)

**Purpose:** The moneys appropriated to this line item are statutorily restricted for the purpose of paying the costs of the Investigative Unit's continuing professional training programs.

*Federal Special Revenue Fund Group*

**3290 763645 Federal Mitigation Program**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$5,047,416	\$4,054,489	\$4,409,648	\$13,848,251	<b>\$10,801,636</b>	<b>\$11,233,702</b>
	-19.7%	8.8%	214.0%	<b>-22.0%</b>	<b>4.0%</b>

**Source:** FED: CFDA 97.039, Hazard Mitigation Grant, CFDA 97.029, Flood Mitigation Assistance, and CFDA 97.047, Pre-Disaster Mitigation

**Legal Basis:** Section 215.10 of Am. Sub. H.B. 67 of the 127th G.A. (originally established by Am. Sub. H.B. 204 of the 113th G.A.)

**Purpose:** As of FY 2006, the fund was renamed to reflect its changed purpose to serve as the depository for financial assistance awarded from Federal Emergency Management Agency's (FEMA) mitigation grant programs as follows: (1) hazards mitigation funding for the purpose of implementing long-term hazard mitigation measures following a Presidential disaster declaration, (2) flood mitigation funding to assist the state and communities in implementing measures to reduce or eliminate the long-term risk of flood damage to buildings, manufactured homes, and other structures insurable under the National Flood Insurance Program, (3) repetitive flood claims and severe repetitive loss programs to reduce or eliminate the long-term risk of flood damage to repetitively flooded properties and structures, and (4) pre-disaster mitigation technical and financial assistance to the state and local governments for cost-effective pre-disaster hazard mitigation activities that complement a comprehensive mitigation program, and reduce injuries, loss of life, and damage and destruction of property. In general, the required nonfederal matching share is around 25% of total eligible costs, and, depending upon the grant program, can be a combination of cash, in-kind services, or materials.

Prior to FY 2006, the Ohio Emergency Management Agency directly administered federal assistance to individuals and households eligible for reimbursement of costs related to disasters declared by the President, and deposited the federal portion of those costs in the renamed fund. The federal government provided money to cover 75% of those reimbursable costs. The state's share of those reimbursable costs, drawn from GRF line item 763507, Individuals and Households Program - State, was 25%. Administrative control of the Individuals and Households Program shifted to FEMA. Under that arrangement, FEMA makes direct cost reimbursement payments to eligible individuals and households and then invoices the state for its 25% share.

**3370 763609 Federal Disaster Relief**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$50,626,110	\$27,247,508	\$27,124,441	\$27,707,636	<b>\$27,707,636</b>	<b>\$27,707,636</b>
	-46.2%	-0.5%	2.2%	<b>0.0%</b>	<b>0.0%</b>

**Source:** FED: CFDA 97.036, Disaster Grants - Public Assistance

**Legal Basis:** Section 215.10 of Am. Sub. H.B. 67 of the 127th G.A. (originally established by Am. Sub. H.B. 117 of the 121st G.A.)

**Purpose:** Moneys deposited to the credit of the fund are used, subsequent to a disaster or emergency declared by the President, to provide reimbursement to the state and local governments and eligible private non-profit organizations for removal of wreckage and debris from private and public lands, performance of emergency protective measures, emergency transportation assistance, emergency communications, and permanent restoration of eligible facilities. The federal share is at least 75% with the state and local governments responsible for the remainder.

**3390 763647 Emergency Management Assistance and Training**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$106,713,302	\$63,589,821	\$35,091,644	\$85,265,885	\$84,031,935	\$84,072,023
	-40.4%	-44.8%	143.0%	-1.4%	0.0%

**Source:** FED: Various federal grant programs for emergency management operations, planning, and training, the bulk of which is awarded by the U.S. Department of Homeland Security, Federal Emergency Management Agency. These grants include the Homeland Security Grant Program, which includes five component programs: (1) CFDA 97.073, State Homeland Security Grant Program, (2) CFDA 97.008, Urban Area Security Initiative, (3) CFDA 97.074, Law Enforcement Terrorism Prevention Program, (4) CFDA 97.053, Citizen Corps, and (5) CFDA 97.071, Metropolitan Medical Response System Program.

Other funding from the U.S. Department of Homeland Security, Federal Emergency Management Agency, includes: (1) CFDA 97.075, Transit Security Grant Program, (2) CFDA 97.078, Buffer Zone Protection Program, (3) CFDA 97.042, Emergency Management Performance Grant Program, and (4) CFDA 97.055, Interoperable Emergency Communications Grant Program.

Funding for preparedness activities passed through from other federal agencies includes: (1) CFDA 20.703, Hazardous Materials Emergency Preparedness Grants, and (2) CFDA 11.555, Public Safety Interoperable Communications Grant Program.

**Legal Basis:** Section 215.10 of Am. Sub. H.B. 67 of the 127th G.A. (originally established by Am. Sub. H.B. 117 of the 121st G.A.)

**Purpose:** Moneys deposited to the credit of the fund are to assist the state and local governments in enhancing and sustaining all-hazards emergency management capabilities and to fund various preparedness activities such as equipment, planning, training, and exercise programs. These moneys also provide funding for eligible administrative and program costs of the Ohio Emergency Management Agency. It appears that, in any given year generally, around 95% of these grant moneys are distributed to other state and local governmental entities as subsidies and shared revenue. The remainder, or 5%, is typically allocated for Ohio EMA operating expenses, including payroll, purchased personal services, maintenance and supplies, and equipment.

**3AY0 768606 Federal Justice Grants**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$2,451,774	\$7,307,295	\$1,056,934	\$4,000,000	<b>\$1,020,000</b>	<b>\$745,000</b>
	198.0%	-85.5%	278.5%	<b>-74.5%</b>	<b>-27.0%</b>

**Source:** FED: Federal grants to improve the criminal justice system in the state that require all money from such grants be deposited into an interest-bearing account or fund, are intended to provide funding to local criminal justice programs, and that require the investment earnings be distributed for program purposes; primary federal grant to date, CFDA 16.738, Edward Byrne Memorial Justice Assistance Grant (JAG) Program. This fund is specifically for the federal FY 2004 JAG Award, so as to keep interest calculations separated

**Legal Basis:** ORC 5502.62(B)(10); Section 217.10 of Am. Sub. H.B. 67 of the 127th G.A.

**Purpose:** Moneys deposited to the credit of the fund consist of federal grants awarded for the purpose of assisting the state and local governments with criminal justice activities, most notably JAG Program funding administered by the federal Bureau of Justice Assistance.

The JAG Program, which reflects the consolidation of the Byrne Formula and Local Law Enforcement Block Grant (LLEBG) Programs into a single funding mechanism, supports a broad range of activities, including, but not limited to, law enforcement programs, prosecution and court programs, prevention and education programs, corrections and community corrections programs, drug treatment programs, and planning, evaluation, and technology improvement programs.

The procedure for allocating JAG funds is a formula based on population and crime statistics, in combination with a minimum allocation to ensure that each state and territory receives an appropriate share. Traditionally, under the Byrne Formula and LLEBG Programs, funds were distributed 60/40 between state and local recipients. This distribution continues under JAG. State allocations also have a mandatory variable "pass through" requirement to units of local governments, calculated by the federal Bureau of Justice Statistics (BJS) from each state's crime expenditures.

**3BF0 764692 Federal Contraband, Forfeiture, and Other**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$965,027	\$65,492	\$0	\$0	\$0	\$0
	-93.2%				

**Source:** FED: (1) Moneys received by the Ohio State Highway Patrol pursuant to federal law from a sale of forfeited contraband, proceeds from another disposition of forfeited contraband, or forfeited contraband moneys and (2) interest or other earnings derived from investment of the proceeds or forfeited moneys in the fund; prior to FY 2006, these moneys were deposited in the state treasury to the credit of the Highway Patrol State Contraband, Forfeiture, and Other Fund (Fund 83C0); pursuant to Am. Sub. H.B. 530 of the 126th G.A., cash stream redirected to the Highway Patrol Justice Contraband Fund (Fund 83J0) and the Highway Patrol Treasury Contraband Fund (83T0) as appropriate

**Legal Basis:** Repealed fund (originally established by Am. Sub. H.B. 66 of the 126th G.A.; ORC 2933.43(D)(4)(b) subsequently amended pursuant to Am. Sub. H.B. 530 of the 126th G.A. to replace this fund (Fund 3BF0) with two new funds: the Highway Patrol Justice Contraband Fund (Fund 83J0) and the Highway Patrol Treasury Contraband Fund (Fund 83T0)

**Purpose:** Prior state law directed that the moneys deposited to the credit of the fund be used in accordance with applicable federal law, i.e., activities authorized by the federal Equitable Sharing Program. In order to comply with federal law, the fund was repealed and its revenue stream and related purpose were subsequently redirected by Am. Sub. H.B. 530 of the 126th G.A. to the Highway Patrol Justice Contraband Fund (Fund 83J0) and the Highway Patrol Treasury Contraband Fund (83T0) as appropriate.

**3CB0 768691 Federal Justice Grants - FFY06**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$0	\$0	\$3,263,537	\$2,000,000	<b>\$920,000</b>	<b>\$795,000</b>
		N/A	-38.7%	<b>-54.0%</b>	<b>-13.6%</b>

**Source:** FED: Federal grants to improve the criminal justice system in the state that require all money from such grants be deposited into an interest-bearing account or fund, are intended to provide funding to local criminal justice programs, and that require the investment earnings be distributed for program purposes; primary federal grant to date, CFDA 16.738, Edward Byrne Memorial Justice Assistance Grant (JAG) Program. This fund is specifically for the federal FY 2006 JAG Award, so as to keep interest calculations separated

**Legal Basis:** ORC 5502.62; Section 513.10 of Am. Sub. H.B. 699 of the 126th G.A.

**Purpose:** Moneys deposited to the credit of the fund consist of federal grants awarded for the purpose of assisting the state and local governments with criminal justice activities, most notably JAG Program funding administered by the federal Bureau of Justice Assistance.

The JAG Program, which reflects the consolidation of the Byrne Formula and Local Law Enforcement Block Grant (LLEBG) Programs into a single funding mechanism, supports a broad range of activities, including, but not limited to, law enforcement programs, prosecution and court programs, prevention and education programs, corrections and community corrections programs, drug treatment programs, and planning, evaluation, and technology improvement programs.

The procedure for allocating JAG funds is a formula based on population and crime statistics, in combination with a minimum allocation to ensure that each state and territory receives an appropriate share. Traditionally, under the Byrne Formula and LLEBG Programs, funds were distributed 60/40 between state and local recipients. This distribution continues under JAG. State allocations also have a mandatory variable "pass through" requirement to units of local governments, calculated by the federal Bureau of Justice Statistics (BJS) from each state's crime expenditures.

**3CC0 768609 Justice Assistance Grant - FFY07**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$0	\$0	\$2,186,556	\$4,000,000	\$1,450,000	\$1,215,000
		N/A	82.9%	-63.8%	-16.2%

**Source:** FED: Federal grants to improve the criminal justice system in the state that require all money from such grants be deposited into an interest-bearing account or fund, are intended to provide funding to local criminal justice programs, and that require the investment earnings be distributed for program purposes; primary federal grant to date, CFDA 16.738, Edward Byrne Memorial Justice Assistance Grant (JAG) Program. This fund is specifically for the federal FY 2007 JAG Award, so as to keep interest calculations separated

**Legal Basis:** Established by Controlling Board on March 24, 2008

**Purpose:** Moneys deposited to the credit of the fund consist of federal grants awarded for the purpose of assisting the state and local governments with criminal justice activities, most notably JAG Program funding administered by the federal Bureau of Justice Assistance.

The JAG Program, which reflects the consolidation of the Byrne Formula and Local Law Enforcement Block Grant (LLEBG) Programs into a single funding mechanism, supports a broad range of activities, including, but not limited to, law enforcement programs, prosecution and court programs, prevention and education programs, corrections and community corrections programs, drug treatment programs, and planning, evaluation, and technology improvement programs.

The procedure for allocating JAG funds is a formula based on population and crime statistics, in combination with a minimum allocation to ensure that each state and territory receives an appropriate share. Traditionally, under the Byrne Formula and LLEBG Programs, funds were distributed 60/40 between state and local recipients. This distribution continues under JAG. State allocations also have a mandatory variable "pass through" requirement to units of local governments, calculated by the federal Bureau of Justice Statistics (BJS) from each state's crime expenditures.

**3L50 768604 Justice Program**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$26,580,878	\$12,906,121	\$11,073,465	\$12,056,300	\$12,056,300	\$12,056,300
	-51.4%	-14.2%	8.9%	0.0%	0.0%

**Source:** FED: Various federal, principally criminal justice financial assistance programs, that distribute money that is not required to be credited to an interest-bearing fund or account; largest historically had been the Edward Byrne Memorial Formula Grant Program (CFDA 16.579) until phase-out of its revenues and programmatic activity began with federal FY 2005 (no funds were made available subsequent to federal FY 2004); additional federal financial assistance programs, more or less in order of monetary magnitude, include Violence Against Women Formula Grants (CFDA 16.588), Family Violence Prevention and Services Grants (CFDA 93.671), Residential Substance Abuse Treatment for State Prisoners (CFDA 16.593), National Criminal History Improvement Program (NCHIP) (CFDA 16.554), Project Safe Neighborhoods (CFDA 16.609), Paul Coverdell Forensic Sciences Improvement Grant Program (CFDA 16.742), Project Safe Neighborhood Anti-Gang (CFDA 16.744), Criminal Justice Statistics Development (CFDA 16.550), and Bullet Proof Vest Partnership Program (CFDA 16.607)

**Legal Basis:** ORC 5502.62(B)(10); Section 217.10 of Am. Sub. H.B. 67 of the 127th G.A. (replaced Fund 3L50, line item 196604, Justice Programs, reflecting consolidation of the Office of Criminal Justice Services within the Department of Public Safety as the Division of Criminal Justice Services pursuant to Am. Sub. H.B. 66 of the 126th G.A.)

**Purpose:** Each of these forms of federal financial assistance comes attached with specifically authorized uses and use restrictions. Generally speaking, these federal awards fund efforts to: (1) improve criminal justice information systems, (2) assist in drug law enforcement and improve the functioning of the criminal justice system, (3) combat crimes against women, (4) reduce family violence, and (5) reduce gun violence.

**3N50 763644 US Department of Energy Agreement**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$31,764	\$11,031	\$27,243	\$175,000	\$31,358	\$31,672
	-65.3%	147.0%	542.4%	-82.1%	1.0%

**Source:** FED: U.S. Department of Energy financial assistance passed through the Ohio EPA's Office of Federal Facilities Oversight (previously CFDA 81.103, Office of Science and Technology for Environmental Management, which has been consolidated into CFDA 81.104, Office of Environmental Cleanup and Acceleration)

**Legal Basis:** Section 215.10 of Am. Sub. H.B. 67 of the 127th G.A. (originally established by Controlling Board on February 7, 1994)

**Purpose:** These moneys, which are passed through the Ohio EPA, are used to finance the Ohio Emergency Management Agency's role in the management and oversight of U.S. Department of Energy sites located in Ohio (coordination and public awareness, emergency planning and exercising, hazardous assessments, and data management).

*State Special Revenue Fund Group*

**4V30 763662 EMA Service and Reimbursement**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$473,050	\$378,795	\$333,168	\$650,000	\$4,474,751	\$4,653,743
	-19.9%	-12.0%	95.1%	588.4%	4.0%

**Source:** SSR: Moneys collected under the Emergency Management Agency Law (ORC 5502.21 to 5502.38); revenue stream includes, but is not limited to: (1) reimbursement of costs associated with maintaining rain gauges that are part of the Ohio Rain/Snow Monitoring System (STORMS), (2) contract work performed for the National Oceanic and Atmospheric Administration (NOAA) of the National Weather Service, the Council of State Governments, and the U.S. Army Corps of Engineers, and (3) equipment repair and maintenance work performed under contract by the Ohio EMA's Radiological Instrumentation, Maintenance and Calibration Section; executive budget covering FYs 2010 and 2011 enhances this fund's revenue stream by statutorily directing that it receive \$2.25 of the proposed \$6 increase in the existing \$2 fee for driver, vehicle, and certificate of title abstracts

**Legal Basis:** ORC 5502.39; Section 215.10 of Am. Sub. H.B. 67 of the 127th G.A. (originally established by Controlling Board on September 16, 1996)

**Purpose:** Moneys deposited in the fund are statutorily restricted to paying the costs of administering EMA programs. Moneys collected: (1) support EMA operations, (2) pay the costs associated with labor, travel and parts for the maintenance of rain gauges that are part of the Ohio Rain/Snow Monitoring System (STORMS), (3) reimburse the EMA for activities associated with work performed for the Council of State Governments, NOAA, the U.S. Army Corps of Engineers, and (4) to pay Radiological Instrument Calibration and Repair (RIMC) facility contract work.

Related permanent law excepts this statutory restriction by permitting the Director of Budget and Management to transfer excess money from the fund to the State Highway Safety Fund (Fund 7036), if the Director of Public Safety determines that the amount of money in the fund exceeds the amount needed to pay the costs of administering programs of the Ohio EMA and requests the Director of Budget and Management to make the transfer.

**5390 762614 Motor Vehicle Dealers Board**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$130,823	\$59,475	\$29,350	\$200,000	<b>\$200,000</b>	<b>\$200,000</b>
	-54.5%	-50.7%	581.4%	<b>0.0%</b>	<b>0.0%</b>

**Source:** SSR: (1) \$0.04 of the \$5.00 fee that the clerk of a court of common pleas is statutorily required to charge for each certificate of motor vehicle title and (2) all investment earnings of the fund

**Legal Basis:** ORC 4505.09(B)(2)(a); Section 207.10 of Am. Sub. H.B. 67 of the 127th G.A. (originally established by Am. Sub. H.B. 295 of the 114th G.A.)

**Purpose:** Moneys deposited to the credit of the fund are required to be used by the Motor Vehicle Dealers Board created under ORC 4517.30, together with other moneys appropriated to it, in the exercise of its powers and the performance of its duties under ORC Chapter 4517., except that the Director of Budget and Management may transfer excess money from the Motor Vehicle Dealers Board Fund to the State Bureau of Motor Vehicles Fund (Fund 4W40) if the Registrar determines that the amount of money in the Motor Vehicle Dealers Board Fund, together with other moneys appropriated to the Board, exceeds the amount required for the exercise of its powers and the performance of its duties under ORC Chapter 4517. and requests the Director to make the transfer.

**5B90 766632 Private Investigator and Security Guard Provider**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$960,291	\$724,551	\$847,671	\$1,289,883	\$1,341,478	\$1,395,137
	-24.5%	17.0%	52.2%	4.0%	4.0%

**Source:** SSR: (1) Fees paid by private investigators and security guard providers for applications for examination, issuance of licenses or registration cards, replacement or duplicate licenses or registration cards, transfer of licenses, and annual renewal of licenses and registrations and (2) one-third of moneys received in payment of fines levied pursuant to ORC 4749.99

**Legal Basis:** ORC 4749.07(A); Section 213.10 of Am. Sub. H.B. 67 of the 127th G.A. (the regulatory authority and related revenue stream for private investigators and security guard providers was transferred from the Division of Real Estate and Professional Licensing in the Department of Commerce to the Department of Public Safety pursuant to Sub. H.B. 230 of the 125th G.A.)

**Purpose:** Moneys deposited to the credit of the fund are used to pay for operating expenses of the Division of Homeland Security's Private Investigator/Security Guard Section, which oversees the licensing and regulation of the private investigator and security guard provider industries in Ohio, and expenses of the Ohio Private Investigation and Security Services Commission, which is charged with advising the Director of Public Safety on all matters related to the regulation of private investigation and the business of security services.

**5BK0 768687 Criminal Justice Services - Operating**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$0	\$0	\$396,653	\$400,000	\$400,000	\$400,000
			0.8%	0.0%	0.0%

**Source:** SSR: (1) An additional \$1.50 fee for each certified copy of a birth record, each certification of birth, and each copy of a death record, (2) an additional \$5.50 fee for the filing of a divorce decree or dissolution, and (3) all earnings resulting from investment of the fund, except that actual administration costs incurred by the Treasurer of State in administering the fund may be deducted from the earnings resulting from investments (amount that may be deducted cannot exceed three per cent of the total amount of fees credited to the fund in each fiscal year; balance of the investment earnings are credited to the fund)

**Legal Basis:** ORC 3705.242(B); Section 217.10 of Am. Sub. H.B. 67 of the 127th G.A.

**Purpose:** Moneys deposited to the credit of the fund and appropriated to this line item are statutorily restricted to operate the Division of Criminal Justice Services. A related temporary law provision in Section 217.10 of Am. Sub. H.B. 67 of the 127th G.A. requires that the first \$750,000 in revenues deposited in the state treasury to the credit of the Family Violence Prevention Fund (Fund 5BK0) in each of FYs 2008 and 2009 be appropriated to line item 768689, Family Violence Shelter Programs, the next \$400,000 in revenues in each of those fiscal year be appropriated to line item 768687, Criminal Justice Services Operating, and any remaining revenues in excess of the aforementioned appropriated amounts in each fiscal year be appropriated to line item 768689, Family Violence Shelter Programs, with the approval of the Controlling Board, to be disbursed as grants to family violence shelters in Ohio. The executive budget covering FYs 2010 and 2011 proposes to continue this temporary law provision.

**5BK0 768689 Family Violence Shelter Programs**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$417,910	\$829,319	\$1,747,224	\$750,000	<b>\$750,000</b>	<b>\$750,000</b>
	98.4%	110.7%	-57.1%	<b>0.0%</b>	<b>0.0%</b>

**Source:** SSR: (1) An additional \$1.50 fee for each certified copy of a birth record, each certification of birth, and each copy of a death record, (2) an additional \$5.50 fee for the filing of a divorce decree or dissolution, and (3) all earnings resulting from investment of the fund, except that actual administration costs incurred by the Treasurer of State in administering the fund may be deducted from the earnings resulting from investments (amount that may be deducted cannot exceed 3% of the total amount of fees credited to the fund in each fiscal year; balance of the investment earnings are credited to the fund)

**Legal Basis:** ORC 3705.242(B); Section 217.10 of Am. Sub. H.B. 67 of the 127th G.A. (replaced GRF line item 196405, Violence Prevention Subsidy, reflecting consolidation of the Office of Criminal Justice Services within the Department of Public Safety as the Division of Criminal Justice Services pursuant to Am. Sub. H.B. 66 of the 126th G.A)

**Purpose:** Moneys deposited to the credit of the fund and appropriated to this line item are statutorily restricted to be used by the Director of Public Safety to provide grants to family violence shelters in Ohio. A related temporary law provision in Section 217.10 of Am. Sub. H.B. 67 of the 127th G.A. requires that the first \$750,000 in revenues deposited in the state treasury to the credit of the Family Violence Prevention Fund (Fund 5BK0) in each of FYs 2008 and 2009 be appropriated to line item 768689, Family Violence Shelter Programs, the next \$400,000 in revenues in each of those fiscal year be appropriated to line item 768687, Criminal Justice Services Operating, and any remaining revenues in excess of the aforementioned appropriated amounts in each fiscal year be appropriated to line item 768689, Family Violence Shelter Programs, with the approval of the Controlling Board, to be disbursed as grants to family violence shelters in Ohio. The executive budget covering FYs 2010 and 2011 proposes to continue this temporary law provision.

**5CC0 768607    Public Safety Services**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$375,000	\$325,000	\$125,000	\$125,000	\$0	\$0
	-13.3%	-61.5%	0.0%		

**Source:** SSR: Cash transfers from the State Fire Marshal's Fund (Fund 5460) earmarked for certain purposes pursuant to temporary law provisions in the main operating appropriations acts of the 126th and 127th General Assemblies (Am. Sub. H.B. 66 and Am. Sub. H.B. 119, respectively)

**Legal Basis:** Section 367.10 of Am. Sub. H.B. 119 of the 127th G.A. (originally established by Section 209.51 of Am. Sub. H.B. 66 of the 126th G.A.) (executive budget covering FYs 2010 and 2011 does not appropriate any moneys for this purpose)

**Purpose:** Temporary law requires all of the moneys appropriated to the fund in each of FYs 2008 and 2009 be distributed directly to the Southern Ohio Drug Task Force.

The moneys appropriated to the fund in FYs 2006 and 2007 were earmarked and distributed as follows: (1) \$100,000 in FY 2006 and \$200,000 in FY 2007 to the City of Warren to assist the city in providing essential public safety services to its citizens, (2) \$125,000 in each fiscal year to the Southern Ohio Drug Task Force, and (3) \$150,000 in FY 2006 to the City of Eastlake to assist the city in providing essential public safety services to its citizens.

Effective July 1, 2009, the executive budget covering FYs 2010 and 2011 does appropriate any moneys for this line item and any associated earmarks.

**5CM0 767691 Federal Investigative Seizure**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$63,380	\$27,528	\$245,943	\$642,175	<b>\$642,175</b>	<b>\$642,175</b>
	-56.6%	793.4%	161.1%	<b>0.0%</b>	<b>0.0%</b>

**Source:** SSR: (1) Moneys received by the Investigative Unit pursuant to federal law from a sale of forfeited contraband, proceeds from another disposition of forfeited contraband, or forfeited contraband moneys and (2) all interest or other earnings derived from investment of the proceeds or forfeited moneys in the fund; prior law directed such moneys for deposit in the Investigative, Contraband, and Forfeiture Fund (Fund 6220)

**Legal Basis:** ORC 2981.14; Section 213.10 of Am. Sub. H.B. 67 of the 127th G.A. (prior legal authority resided in ORC 2933.43(D)(4)(c), which was repealed by Sub. H.B. 241 of the 126th G.A.; originally established by Controlling Board on June 6, 2005)

**Purpose:** Per federal guidelines, moneys deposited to the credit of the fund are to be used for law enforcement-related purchases, including, but not limited to, firearms, computers, surveillance equipment, and vehicles.

**5DS0 769630 Homeland Security**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$0	\$0	\$0	\$0	<b>\$517,350</b>	<b>\$538,044</b>
					<b>4.0%</b>

**Source:** SSR: As proposed in the executive budget, (1) \$1.25 of the abstract fee collected pursuant to ORC 4501.34, 4503.26, 4506.08, 4509.05, 1548.14, 4505.14, and 4519.63 and (2) all investment earnings of the fund

**Legal Basis:** ORC 5502.03(E) (as amended in the executive budget covering FYs 2010 and 2011)

**Purpose:** Moneys deposited to the credit of the fund are statutorily restricted to pay the expenses of administering the law relative to the powers and duties of the Executive Director of the Division of Homeland Security. Related permanent law excepts this statutory restriction by permitting the Director of Budget and Management to transfer excess money from the fund to the State Highway Safety Fund (Fund 7036), if the Director of Public Safety determines that the amount of money in the fund exceeds the amount required to cover such costs incurred by the Division of Homeland Security and requests the Director of Budget and Management to make the transfer.

**5FF0 762621 Indigent Interlock and Alcohol Monitoring**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$0	\$0	\$0	\$0	\$1,600,000	\$2,750,000
					71.9%

**Source:** SSR: \$50 of the \$475 fee collected pursuant to ORC 4511.191 for the reinstatement of a driver's license that was suspended for operating a motor vehicle while under the influence of alcohol or drugs (OMVI)

**Legal Basis:** ORC 4511.191(F)(2)(h) (originally established by Am. Sub. S.B. 17 of the 127th G.A.)

**Purpose:** Moneys credited to the fund are statutorily required to be distributed by the Department to the county indigent drivers interlock and alcohol monitoring funds, the county juvenile indigent drivers interlock and alcohol funds, and the municipal indigent drivers interlock and alcohol funds that are required to be established by counties and municipal corporations. These moneys distributed to counties and municipal corporations may only be used to pay for the cost of immobilizing or disabling devices used by an offender or juvenile offender who is ordered to use the device by a county, juvenile, or municipal court judge and who is determined by the county, juvenile, or municipal court judge not to have the means to pay for the person's use of the device.

**5FL0 769634 Investigations**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$0	\$0	\$0	\$0	\$1,172,080	\$1,195,522
					2.0%

**Source:** SSR: As proposed in the executive budget, (1) \$0.75 of the abstract fee collected pursuant to ORC 4501.34, 4503.26, 4506.08, 4509.05, 1548.14, 4505.14, and 4519.63 and (2) all investment earnings of the fund

**Legal Basis:** ORC 5502.131 (as enacted in the executive budget covering FYs 2010 and 2011)

**Purpose:** Moneys deposited to the credit of the fund are statutorily restricted to cover investigative costs incurred by the Investigative Unit. Related permanent law excepts this statutory restriction by permitting the Director of Budget and Management to transfer excess money from the fund to the State Highway Safety Fund (Fund 7036), if the Director of Public Safety determines that the amount of money in the fund exceeds the amount required to cover investigative costs incurred by the Investigative Unit and requests the Director of Budget and Management to make the transfer.

**6220 767615 Investigative, Contraband, and Forfeiture**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$254,025	\$345,356	\$164,107	\$375,000	\$375,000	\$375,000
	36.0%	-52.5%	128.5%	0.0%	0.0%

**Source:** SSR: Effective July 1, 2007, moneys received by the Investigative Unit from the disposal of contraband, proceeds, and instrumentalities forfeited pursuant to the state's criminal and civil forfeiture laws (ORC Chapter 2981.); prior to FY 2006, moneys of this nature seized under federal law were deposited in the state treasury to the credit of Fund 6220, including all interest or other earnings derived from the investment of the proceeds or forfeited moneys received under federal law; effective FY 2006, these moneys related to seizure of property under federal criminal laws were directed for deposit in the newly created Investigative Unit Federal Equitable Share Account (Fund 5CM0)

**Legal Basis:** ORC 2981.13(C)(1); Section 213.10 of Am. Sub. H.B. 67 of the 127th G.A.; previously codified in ORC 2933.43(D)(1)(c)(ii), which was repealed by Sub. H.B. 241 of the 126th G.A. (originally established by Am. Sub. H.B. 163 of the 123rd G.A.; under prior law, if the Department of Public Safety received funds as a result of the sale of seized contraband property, the money had to be credited to either the Liquor Enforcement Contraband, Forfeiture, and Other Fund (Fund 8630) or the Food Stamp Contraband, Forfeiture, and Other Fund (Fund 4M30), depending on whether the liquor control or food stamp trafficking unit was involved in the seizure; act merged these two funds into, and created, the Investigative Unit Contraband, Forfeiture, and Other Fund)

**Purpose:** The Department is statutorily: (1) permitted to utilize the moneys deposited to the credit of the fund for law enforcement purposes that are determined to be appropriate and (2) prohibited from using the fund's moneys for operating costs that are unrelated to law enforcement.

**6570 763652 Utility Radiological Safety**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$1,169,307	\$1,129,023	\$1,512,343	\$1,415,980	\$1,413,889	\$1,415,945
	-3.4%	34.0%	-6.4%	-0.1%	0.1%

**Source:** SSR: Utility Radiological Safety Board assessments against nuclear electric utilities to fund emergency response planning and preparedness

**Legal Basis:** ORC 4937.05; Section 215.10 of Am. Sub. H.B. 67 of the 127th G.A. and Section 506.03 of Am. Sub. H.B. 119 of the 127th G.A. (originally established by Controlling Board in July 1988)

**Purpose:** Moneys deposited to the credit of the fund are statutorily restricted for the purpose of enabling a member agency to fulfill its authority and duties under the statutes related to nuclear safety or the Utility Safety Radiological Board, or under agreements with the Nuclear Regulatory Commission.

**6810 763653 SARA Title III HAZMAT Planning**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$255,135	\$212,704	\$189,402	\$271,510	\$254,794	\$262,438
	-16.6%	-11.0%	43.4%	-6.2%	3.0%

**Source:** SSR: Grant funds received from the State Emergency Response Commission

**Legal Basis:** Section 215.10 of Am. Sub. H.B. 67 of the 127th G.A. (originally established by Am. Sub. H.B. 111 of the 118th G.A.)

**Purpose:** Moneys deposited to the credit of the fund consist of grants from the State Emergency Response Commission, the fiscal agent of which is the Ohio EPA, to implement the Emergency Management Agency's responsibilities under ORC Chapter 3750. These moneys support planning for hazardous and toxic chemical emergencies.

The state enacted ORC Chapter 3750. to implement the federal requirements contained in the Emergency Planning and Community Right-to-Know Act (EPCRA) passed by Congress in 1986. EPCRA was included as Title III of the Superfund Amendments and Reauthorization Act (SARA) and is sometimes referred to as SARA Title III. EPCRA provides for the collection and availability of information regarding the use, storage, production, and release of hazardous chemicals to the public and emergency responders in local communities.

**8500 767628 Investigative Unit Salvage**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$65,985	\$0	\$49,000	\$100,000	\$100,000	\$100,000
			104.1%	0.0%	0.0%

**Source:** SSR: Proceeds from the sale of motor vehicles and related equipment of the Department of Public Safety's Investigative Unit

**Legal Basis:** ORC 4501.10(A); Section 213.10 of Am. Sub. H.B. 67 of the 127th G.A. (originally established by Am. Sub. H.B. 87 of the 125th G.A.; under prior law, moneys received from the sale of motor vehicles and related equipment was generally required to be deposited into either the Highway Safety Salvage and Exchange Administration Fund or the Highway Safety Salvage and Exchange Highway Patrol Fund, as appropriate)

**Purpose:** Moneys deposited to the credit of the fund are statutorily restricted for the purpose of purchasing replacement motor vehicles and related equipment for the Investigative Unit.

*Liquor Control Fund Group*

**7043 767321 Liquor Enforcement - Operating**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$9,653,151	\$10,135,656	\$9,968,752	\$11,546,052	\$12,007,894	\$11,897,178
	5.0%	-1.6%	15.8%	4.0%	-0.9%

**Source:** LCF: Moneys appropriated from the Liquor Control Fund, which consists primarily of revenue associated with wholesale and retail liquor sales

**Legal Basis:** ORC 4301.12; Section 213.10 of Am. Sub. H.B. 67 of the 127th G.A. (originally established by Am. Sub. H.B. 117 of the 121st G.A.)

**Purpose:** These moneys are appropriated from the Liquor Control Fund (Fund 7043) for the purpose of funding the Investigative Unit's operating expenses (payroll, purchased personal services, supplies, and equipment).

## Agency Fund Group

### 5J90 761678 Federal Salvage/GSA

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$207,073	\$2,483,319	\$1,816,380	\$1,500,000	<b>\$1,500,000</b>	<b>\$1,500,000</b>
	1099.2%	-26.9%	-17.4%	<b>0.0%</b>	<b>0.0%</b>

**Source:** AGY: Moneys received from local governments for the purpose of making purchases of surplus federal property from the U.S. General Services Administration (GSA)

**Legal Basis:** Section 205.10 of Am. Sub. H.B. 67 of the 127th G.A. (originally established by Controlling Board on September 27, 1999)

**Purpose:** Moneys deposited to the credit of the fund are used to make purchases of surplus federal property on behalf of local governments.

## Holding Account Redistribution Fund Group

### R024 762619 Unidentified Motor Vehicle Receipts

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$1,462,633	\$1,625,357	\$1,594,558	\$1,885,000	<b>\$1,885,000</b>	<b>\$1,885,000</b>
	11.1%	-1.9%	18.2%	<b>0.0%</b>	<b>0.0%</b>

**Source:** 090: (1) Moneys received by the Department of Public Safety that are provisional in nature or for which proper identification or disposition cannot immediately be determined (deputy registrar receipts, contingent money for licenses or inspection fees, photographic copies, accident reports and similar evidentiary material, and other miscellaneous fees), and (2) all investment earnings of the fund; most of the receipts are eventually transferred to the Auto Registration Distribution (Fund 7051) for distribution to the taxing districts; prior to FY 2006, fund consisted exclusively of moneys being held by the Bureau of Motor Vehicles

**Legal Basis:** ORC 4501.26; Section 223.10 of Am. Sub. H.B. 67 of the 127th G.A.

**Purpose:** Refunds and other disbursements from the fund are made once proper identification and disposition is determined. Prior to FY 2006, the fund was referred to as the Unidentified Motor Vehicle Receipts Fund. Effective July 1, 2005, the fund was: (1) renamed the Unidentified Public Safety Receipts Fund and (2) the Highway Patrol Fee Refund Fund (Fund R027) was eliminated and its revenue and purpose merged with the Unidentified Public Safety Receipts Fund (Fund R024).

**R052 762623 Security Deposits**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$309,834	\$288,332	\$245,089	\$350,000	\$350,000	\$350,000
	-6.9%	-15.0%	42.8%	0.0%	0.0%

**Source:** 090: (1) All security deposits that the Registrar of Motor Vehicles requires to be paid under ORC 4509.12 and (2) prior to FY 2006, all investment earnings of the fund; effective, July 1, 2005, pursuant to ORC 122.14, all investment earnings of the fund are directed for deposit to the credit of the Roadwork Development Fund (Fund 4W00), which is administered by the Department of Development

**Legal Basis:** ORC 4509.27; Section 223.10 of Am. Sub. H.B. 67 of the 127th G.A.

**Purpose:** Moneys in the fund may be applied only to the payment of a judgment for damages arising out of an accident as provided in ORC 4509.28 and to the return of security deposits as provided in ORC 4509.25 and 4509.29.

**Tobacco Master Settlement Agreement Fund Group**

**L087 767406 Under-Age Tobacco Use Enforcement**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$473,499	\$609,298	\$348,515	\$375,000	\$0	\$0
	28.7%	-42.8%	7.6%		

**Source:** TSF: (1) Amounts transferred from the Tobacco Master Settlement Agreement Fund (Fund 087) to the Ohio's Public Health Priorities Trust Fund (Fund L087) and (2) all investment earnings of Fund L087; effective June 30, 2007, Am. Sub. H.B. 119 of the 127th G.A. repealed the Tobacco Master Settlement Agreement Fund and the schedule for transferring moneys in the fund to various other trust funds

**Legal Basis:** ORC 183.18(B); Section 367.10 of Am. Sub. H.B. 119 of the 127th G.A. (originally established by Controlling Board in December 2000)

**Purpose:** Moneys credited to the fund and appropriated to this line item are statutorily restricted for the purpose of enforcing ORC 2927.02, which prohibits the distribution of cigarettes or other tobacco products to children.

The executive budget covering Fys 2010 and 2011 does not propose any appropriations for this purpose.

*Local Transportation Improvement Program Fund Group*

**7052 150402 Local Transportation Improvement Program - Operating**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$241,837	\$245,519	\$236,551	\$306,178	\$299,001	\$306,178
	1.5%	-3.7%	29.4%	-2.3%	2.4%

**Source:** 052: Investment income

**Legal Basis:** ORC 164.14 and 5735.23; Section 229.10 of Am. Sub. H.B. 67 of the 127th. G.A. (originally established by Am. Sub. H.B. 298 of the 119th G.A.)

**Purpose:** This line item funds the operating expenses of the Local Transportation Improvement Program.

**7052 150701 Local Transportation Improvement Program**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$61,170,473	\$79,176,095	\$71,290,174	\$67,500,000	\$67,317,000	\$67,400,000
	29.4%	-10.0%	-5.3%	-0.3%	0.1%

**Source:** 052: One cent per gallon of the motor vehicle fuel tax

**Legal Basis:** ORC 164.14 and 5735.23; Section 229.10 of Am. Sub. H.B. 67 of the 127th. G.A. (originally established by Am. Sub. H.B. 381 of the 118th G.A.)

**Purpose:** This line item funds grants to local governments to finance road and bridge projects.

*Local Infrastructure Improvement Fund Group*

**7038 150321 State Capital Improvements Program - Operating Expenses**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$754,224	\$784,325	\$720,465	\$918,912	\$897,383	\$918,912
	4.0%	-8.1%	27.5%	-2.3%	2.4%

**Source:** LIF: Investment income

**Legal Basis:** ORC 164.08 (originally established by Am. Sub. H.B. 152 of the 120th G.A.); Section 229.10 of Am. Sub. H.B. 67 of the 127th. G.A.

**Purpose:** This line item funds the operating expenses of the State Capital Improvement Program.

## Highway Operating Fund Group

### 2120 772426 Highway Infrastructure Bank-Federal

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$10,542,981	\$4,207,735	\$4,409,995	\$4,018,649	<b>\$4,018,649</b>	<b>\$4,018,649</b>
	-60.1%	4.8%	-8.9%	<b>0.0%</b>	<b>0.0%</b>

**Source:** HOF: Federal motor fuel tax revenues

**Legal Basis:** Section 203.10 of Am. Sub. H.B. 67 of the 127th G.A. (originally established by Controlling Board on September 16, 1996)

**Purpose:** Moneys in this line item represent first generation federal dollars used for loans to entities for highway construction. Projects must be CFR Title 23/49 eligible. The objectives of the State Infrastructure Bank (SIB) include project acceleration, economic development, and stimulation of private investment. The following phases of a project are eligible for State Infrastructure Bank funding: right-of-way purchases, final design, and construction. Federal funds cover 80% of the project cost and state motor fuel tax revenues cover the 20% state match.

### 2120 772427 Highway Infrastructure Bank-State

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$13,981,913	\$12,665,975	\$11,445,406	\$10,209,272	<b>\$10,209,272</b>	<b>\$10,209,272</b>
	-9.4%	-9.6%	-10.8%	<b>0.0%</b>	<b>0.0%</b>

**Source:** HOF: Federal motor fuel tax revenues

**Legal Basis:** Section 203.10 of Am. Sub. H.B. 67 of the 127th G.A. (originally established by Am. Sub. H.B. 210 of the 122nd G.A.)

**Purpose:** Moneys in this line item represent second generation federal funds used for loans for highway infrastructure projects. Second generation funds are non-federal funds that were used to pay back original loans financed with federal funds. No state match is required to use these funds. The following phases of a project are eligible for State Infrastructure Bank funding: right of way purchases, final design, and construction. The only requirement placed on using these funds is that they qualify as CFR Title 23/49 eligible.

**2120 772429 Highway Infrastructure Bank-Local**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$0	\$0	\$0	\$11,499,999	\$11,499,999	\$11,499,999
			N/A	0.0%	0.0%

**Source:** HOF: Motor fuel tax revenues

**Legal Basis:** Section 203.10 of Am. Sub. H.B. 67 of the 127th G.A. (originally established in Am. Sub. H.B. 210 of the 122nd G.A.)

**Purpose:** This line item will help support the State Infrastructure Bank (SIB) Bond Program. The bond program will leverage incoming SIB loan repayments to allow local governments to complete certain project phases more quickly. The appropriations will be used in case DOT sells the project on behalf of the local government and is required to pay the contractor directly. In that instance, DOT would request the cash from the trustee to support the payment.

**2120 772430 Infrastructure Debt Reserve Title 23-49**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$0	\$0	\$0	\$1,500,000	\$1,500,000	\$1,500,000
			N/A	0.0%	0.0%

**Source:** HOF: Loan Repayments

**Legal Basis:** Section 203.10 of Am. Sub. H.B. 67 of the 127th G.A.

**Purpose:** This line item helps support the State Infrastructure Bank Bond Program. The bond program leverages incoming SIB loan repayments to allow local governments to complete certain project phases more quickly. The appropriations will be used in case DOT sells the project on behalf of a local government. In this situation, DOT would request the cash from the local entity to support the payment.

**2120 775408 Transit Infrastructure Bank-Local**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$0	\$0	\$0	\$812,685	\$812,685	\$812,685
			N/A	0.0%	0.0%

**Source:** HOF: Motor fuel tax revenues

**Legal Basis:** Section 203.10 of Am. Sub. H.B. 67 of the 127th G.A. (originally established in Am. Sub. H.B. 210 of the 122nd G.A.)

**Purpose:** This line item supports the State Infrastructure Bank Bond Program. The bond program leverages incoming SIB loan repayments to allow local governments to complete certain project phases more quickly. The appropriations will be used in case DOT sells the project on behalf of the local government and is required to pay the contractor directly. In that instance, DOT would request the cash to support the payment.

**2120 775455 Title 49 Infrastructure Bank - State**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$0	\$0	\$0	\$312,795	\$312,795	\$312,795
			N/A	0.0%	0.0%

**Source:** HOF: Federal motor fuel tax revenues

**Legal Basis:** Section 203.10 of Am. Sub. H.B. 67 of the 127th G.A. (originally established in Am. Sub. H.B. 210 of the 122nd G.A.)

**Purpose:** Moneys in this line item represent second generation federal funds used for loans for highway infrastructure projects and transit projects. Second generation funds are non-federal funds that were used to pay back original loans financed with federal funds. No state match is required to use these funds. The following phases of a project are eligible for State Infrastructure Bank funding: right of way purchases, final design, and construction. The only requirement placed on using these funds is that they qualify as CFR Title 23/49 eligible.

**2130 772431 Roadway Infrastructure Bank - State**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$0	\$3,930,023	\$760,395	\$1,000,000	\$1,000,000	\$1,000,000
	N/A	-80.7%	31.5%	0.0%	0.0%

**Source:** HOF: GRF and state motor fuel tax revenues

**Legal Basis:** Section 203.10 of Am. Sub. H.B. 67 of the 127th G.A. (originally established in Am. Sub. H.B. 210 of the 122nd G.A.)

**Purpose:** Moneys in this line item represent federal funds used for loans for highway infrastructure projects and transit projects. No state match is required to use these funds. These funds will not be loaned to any local government if the repayment stream is made with original federal funds. The following phases of a project are eligible for State Infrastructure Bank funding: right of way purchases, final design, and construction. The only requirement placed on using these funds is that they qualify as CFR Title 23/49 eligible.

**2130 772432 Roadway Infrastructure Bank-Local**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$0	\$0	\$0	\$6,000,000	\$6,000,000	\$6,000,000
			N/A	0.0%	0.0%

**Source:** HOF: Motor fuel tax revenues, bonds, and payments from local governments

**Legal Basis:** Section 203.10 of Am. Sub. H.B. 67 of the 127th G.A.

**Purpose:** Moneys in this line item represent second generation federal funds used for loans for highway infrastructure projects and transit projects. Second generation funds are non-federal funds that were used to pay back original loans financed with federal funds. No state match is required to use these funds. The following phases of a project are eligible for State Infrastructure Bank funding: right of way purchases, final design, and construction. The only requirement placed on using these funds is that they qualify as CFR Title 23/49 eligible.

**2130 772433 Infrastructure Debt Reserve - State**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$0	\$202,923	\$269,630	\$2,000,000	\$2,000,000	\$2,000,000
	N/A	32.9%	641.8%	0.0%	0.0%

**Source:** HOF: State motor fuel tax revenues

**Legal Basis:** Section 203.10 of Am. Sub. H.B. 67 of the 127th G.A. (originally established in Am. Sub. H.B. 210 of the 122nd G.A.)

**Purpose:** This line item will help support the State Infrastructure Bank Bond Program. The bond program will leverage incoming SIB loan repayments to allow local governments to complete certain project phases more quickly. The appropriations will be used in case DOT sells the project on behalf of the local government and is required to pay the contractor directly. In that instance, DOT would request the cash from the trustee to support the payment.

**2130 775457 Transit Infrastructure Bank - State**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$0	\$0	\$0	\$312,082	\$312,082	\$312,082
			N/A	0.0%	0.0%

**Source:** HOF: Motor fuel tax revenues and bonds

**Legal Basis:** Section 203.10 of Am. Sub. H.B. 67 of the 127th G.A. (originally established in Am. Sub. H.B. 210 of the 122nd G.A.)

**Purpose:** This line item is used to provide loans under the State Infrastructure Bank.

**2130 775460 Transit Infrastructure Bank-Local**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$0	\$0	\$0	\$1,000,000	\$1,000,000	\$1,000,000
			N/A	0.0%	0.0%

**Source:** HOF: Motor fuel tax revenues and bonds

**Legal Basis:** Section 203.10 of Am. Sub. H.B. 67 of the 127th G.A.

**Purpose:** This line item will help support the State Infrastructure Bank Bond Program. The bond program will leverage incoming SIB loan repayments to allow local governments to complete certain project phases more quickly. The appropriations will be used in case DOT sells the project on behalf of the local government and is required to pay the contractor directly. In that instance, DOT would request the cash from the trustee to support the payment.

**2130 777477 Aviation Infrastructure Bank-State**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$609,455	\$0	\$0	\$3,500,000	\$3,500,000	\$3,500,000
			N/A	0.0%	0.0%

**Source:** HOF: Motor fuel tax revenues and bonds

**Legal Basis:** Section 203.10 of Am. Sub. H.B. 67 of the 127th G.A. (originally established by Am. Sub. H.B. 210 of the 122nd G.A.)

**Purpose:** This line item represents the state share of aviation infrastructure projects funded through the State Infrastructure Bank.

**2130 777478 Aviation Infrastructure Bank-Local**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$0	\$0	\$0	\$6,000,000	\$6,000,000	\$6,000,000
			N/A	0.0%	0.0%

**Source:** HOF: Motor fuel tax revenues and bonds

**Legal Basis:** Section 203.10 of Am. Sub. H.B. 67 of the 127th G.A.

**Purpose:** This line item will help support the State Infrastructure Bank Bond Program. The bond program will leverage incoming SIB loan repayments to allow local governments to complete certain project phases more quickly. The appropriations will be used in case DOT sells the project on behalf of the local government and is required to pay the contractor directly. In that instance, DOT would request the cash from the trustee to support the payment.

**2140 770401 Infrastructure Debt Service-Federal**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$73,372,557	\$91,963,591	\$0	\$0	\$0	\$0
	25.3%				

**Source:** HOF: Federal motor fuel tax revenues

**Legal Basis:** Discontinued line item (originally established by Am. Sub. H.B. 68 of the 126th G.A.)

**Purpose:** Moneys appropriated to this line item were used to pay the debt service on bonds issued to build major/new construction projects. The Department of Transportation has instead used the proceeds from GARVEE bonds to offset a portion of the increase in construction material costs as well as cover Major/New projects and other program needs. The debt service on these GARVEE bonds is paid from appropriation items 772-438, GARVEE Debt Service-Federal and 772-437, GARVEE Debt Service-State.

**2140 772434 Infrastructure Lease Payments-Federal**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$2,614,380	\$0	\$0	\$0	\$0	\$0

**Source:** HOF: Federal dollars

**Legal Basis:** Discontinued line item (originally established by Am. Sub. H.B. 68 of the 126th G.A.)

**Purpose:** This line item was used to fund semi-annual payments for the lease of the Michael A. Fox Highway. The lease payments enabled the Butler County Transportation Improvement District to make principal and interest payments on bonds issued to build the highway.

**2160 772439 New Generation Highway Loan**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$0	\$0	\$0	\$0	\$50,000,000	\$0

**Source:** HOF: Loan repayments; financing mechanisms and revenue such as tolling proceeds generated by the proposed transportation innovation authorities (TIAs)

**Legal Basis:** Proposed by the Executive Budget

**Purpose:** This line item, part of the New Generation Highway and Multi-Modal State Infrastructure Bank, provides funding through loans to local governments and the newly proposed transportation innovation authorities (TIAs) for highway projects across the state.

**2160 772440 New Generation Highway Bond**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$0	\$0	\$0	\$0	\$50,000,000	\$0

**Source:** HOF: Bond proceeds; financing mechanisms and revenue such as tolling proceeds generated by the proposed transportation innovation authorities (TIAs)

**Legal Basis:** Proposed by the Executive Budget

**Purpose:** This line item, part of the New Generation Highway and Multi-Modal State Infrastructure Bank, provides funding through bonds to local governments and the newly proposed transportation innovation authorities (TIAs) for highway projects across the state.

**2180 775461 New Generation Multi Modal Loan**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$0	\$0	\$0	\$0	\$120,000,000	\$0

**Source:** HOF: Loan repayments; financing mechanisms and revenue such as tolling proceeds generated by the proposed transportation innovation authorities (TIAs)

**Legal Basis:** Proposed by the Executive Budget

**Purpose:** This line item, part of the New Generation Highway and Multi-Modal State Infrastructure Bank, provides funding through loans to local governments and the newly proposed transportation innovation authorities (TIAs) for multi-modal projects across the state.

**2180 775462 New Generation Multi Modal Bond**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$0	\$0	\$0	\$0	\$120,000,000	\$0

**Source:** HOF: Bond proceeds; financing mechanisms and revenue such as tolling proceeds generated by the proposed transportation innovation authorities (TIAs)

**Legal Basis:** As proposed in the transportation budget bill of the 128th G.A.

**Purpose:** This line item, part of the New Generation Highway and Multi-Modal State Infrastructure Bank, provides funding through bonds to local governments and the newly proposed transportation innovation authorities (TIAs) for multi-modal projects across the state.

**7002 770003 Administration-State-Debt Service**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$12,964,242	\$10,865,614	\$10,519,831	\$3,614,700	\$3,415,700	\$1,821,000
	-16.2%	-3.2%	-65.6%	-5.5%	-46.7%

**Source:** HOF: Motor fuel tax revenues and other highway-related revenues

**Legal Basis:** Section 203.10 of Am. Sub. H.B. 67 of the 127th G.A. (originally established by Am. Sub. H.B. 107 of the 121st G.A.)

**Purpose:** This line item provides debt service payments for the bonds issued for the rehabilitation and construction of district and county garages and outposts, as well as DOT's central office in Columbus. The last debt service payment is scheduled for FY 2011.

**7002 771411 Planning and Research-State**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$16,048,766	\$16,133,430	\$16,153,413	\$21,733,301	\$21,044,516	\$21,463,169
	0.5%	0.1%	34.5%	-3.2%	2.0%

**Source:** HOF: Motor fuel tax revenues and other highway-related revenues

**Legal Basis:** ORC 5501.03 and 5501.11; Sections 203.10 and 203.40 of Am. Sub. H.B. 67 of the 127th G.A. (originally established by Am. Sub. H.B. 107 of the 121st G.A.)

**Purpose:** Funds are used for collection and review of statewide traffic monitoring data, maintaining the state road inventory, long-range and urban plan development, and other planning activities.

**7002 771412 Planning and Research-Federal**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$24,821,192	\$25,818,158	\$25,963,607	\$30,324,572	\$23,970,770	\$24,214,310
	4.0%	0.6%	16.8%	-21.0%	1.0%

**Source:** HOF: Federal motor fuel tax revenues (CFDA 20.205, Highway Planning and Construction - Federal-Aid Highway Program)

**Legal Basis:** ORC 5501.03 and 5501.11; Sections 203.10 and 203.40 of Am. Sub. H.B. 67 of the 127th G.A.

**Purpose:** Funds are used for collection and review of statewide traffic monitoring data, maintaining the state road inventory, long-range and urban plan development, and other planning activities.

**7002 772421 Highway Construction-State**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$493,079,108	\$505,620,899	\$468,788,283	\$504,184,419	\$542,801,332	\$517,419,558
	2.5%	-7.3%	7.6%	7.7%	-4.7%

**Source:** HOF: State motor fuel tax revenues and other highway-related revenues

**Legal Basis:** Sections 203.10, 203.40, 203.50, and 203.60 of Am. Sub. H.B. 67 of the 127th G.A. (originally established by Am. Sub. H.B. 107 of the 121st G.A.)

**Purpose:** This line item provides state operating and capital dollars for the following: major-new construction; pavement preservation; local government road projects; bridge preservation; road safety; state infrastructure bank loans; special discretionary projects; and construction of grade crossing separations.

**7002 772422 Highway Construction-Federal**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$1,086,636,087	\$1,089,947,284	\$948,975,766	\$1,083,674,110	\$1,091,378,700	\$1,065,737,629
	0.3%	-12.9%	14.2%	0.7%	-2.3%

**Source:** HOF: Federal motor fuel tax revenues and other federal-highway related revenues (CFDA 20.205, Highway Planning and Construction - Federal-Aid Highway Program)

**Legal Basis:** Sections 203.10 and 203.40 of Am. Sub. H.B. 67 of the 127th G.A. (originally established by Am. Sub. H.B. 107 of the 121st G.A.)

**Purpose:** This line item provides federal capital dollars for the following: major-new construction; pavement preservation; local government road projects; bridge preservation; road safety; special discretionary projects; and construction of grade crossing separations.

The Executive Budget requires \$10 million per year of this line item to be used to provide grants to local transit authorities to purchase or improve public transit vehicles in an effort to increase fuel efficiency, reduce emissions, and use alternative fuels.

**7002 772424 Highway Construction-Other**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$52,305,838	\$49,952,760	\$67,129,058	\$100,379,155	\$121,377,011	\$109,694,836
	-4.5%	34.4%	49.5%	20.9%	-9.6%

**Source:** HOF: Local government project participation dollars

**Legal Basis:** Sections 203.10 and 203.40 of Am. Sub. H.B. 67 of the 127th G.A. (originally established by Am. Sub. H.B. 107 of the 121st G.A.)

**Purpose:** Moneys in this line item provide for the following: local highway and bridge design; resurfacing, restoration, replacement, and upgrading; new construction; noise walls/barriers; and pedestrian/bicycle facilities. These projects are awarded and administered by DOT. Project funding may range from being entirely supported by the local government to the federal government contributing 80% of a project's cost.

**7002 772437 GARVEE Debt Service - State**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$0	\$0	\$6,937,210	\$19,273,500	\$21,778,200	\$27,547,900
			177.8%	13.0%	26.5%

**Source:** HOF: State motor fuel tax revenues

**Legal Basis:** Sections 203.10 and 203.40 of Am. Sub. H.B. 67 of the 127th G.A.

**Purpose:** This line item provides the debt service on federal grant anticipated revenue vehicle bonds (GARVEEs). GARVEE bonds are used to leverage federal motor fuel tax revenues appropriated from the federal Highway Trust Fund. Limited growth in both state and federal motor fuel tax revenues and the rising costs of construction materials and fuel led DOT to use the proceeds from GARVEE bonds to offset a portion of the cost of increased construction material costs as well as cover Major/New projects and other program needs, the rationale being that the overall inflation rate applied to construction materials is likely to exceed the interest rate of bond debt.

**7002 772438 GARVEE Debt Service - Federal**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$0	\$0	\$111,870,317	\$139,015,000	\$131,814,700	\$136,513,200
			24.3%	-5.2%	3.6%

**Source:** HOF: Federal motor fuel tax revenues

**Legal Basis:** Sections 203.10 and 203.40 of Am. Sub. H.B. 67 of the 127th G.A.

**Purpose:** This line item provides the debt service on federal grant anticipated revenue vehicle bonds (GARVEEs). GARVEE bonds are used to leverage federal motor fuel tax revenues appropriated from the federal Highway Trust Fund. Limited growth in both state and federal motor fuel tax revenues and the rising costs of construction materials and fuel led DOT to use the proceeds from GARVEE bonds to offset a portion of the cost of increased construction material costs as well as cover Major/New projects and other program needs, the rationale being that the overall inflation rate applied to construction materials is likely to exceed the interest rate of bond debt.

**7002 773431 Highway Maintenance-State**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$370,516,138	\$375,710,054	\$388,768,820	\$412,915,187	<b>\$405,633,542</b>	<b>\$425,329,858</b>
	1.4%	3.5%	6.2%	-1.8%	4.9%

**Source:** HOF: Motor fuel tax revenues and other highway-related revenues

**Legal Basis:** Sections 203.10 and 203.40 of Am. Sub. H.B. 67 of the 127th G.A. (originally established by Am. Sub. H.B. 107 of the 121st G.A.)

**Purpose:** Moneys appropriated to this line item fund the Department's maintenance program. Maintenance activities include: rest area maintenance; guardrail maintenance; garage operations; snow and ice control; roadside maintenance; pavement and bridge maintenance; and traffic system maintenance. Funds are also used to build and maintain DOT buildings and to acquire equipment such as cars, backhoes, and garage equipment. Several maintenance services are accomplished by DOT employees while others are contracted out.

**7002 775452 Public Transportation-Federal**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$20,730,219	\$21,052,789	\$29,436,638	\$35,391,763	<b>\$27,060,785</b>	<b>\$27,060,785</b>
	1.6%	39.8%	20.2%	<b>-23.5%</b>	<b>0.0%</b>

**Source:** HOF: CFDA 20.507, Federal Transit Formula Grants; 20.509, Public Transportation for Non-urbanized Areas (Non-urbanized Formula Grants, Section 5311)

**Legal Basis:** Sections 203.10 and 203.40 of Am. Sub. H.B. 67 of the 127th G.A. (originally established by Am. Sub. H.B. 107 of the 121st G.A.)

**Purpose:** This line item provides federal funding for the Ohio Public Transportation Grant Program. Funding is also used to provide technical assistance to individual transit systems and assist in transit planning activities.

**7002 775454 Public Transportation-Other**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$658,843	\$327,766	\$627,319	\$1,500,000	<b>\$1,500,000</b>	<b>\$1,500,000</b>
	-50.3%	91.4%	139.1%	<b>0.0%</b>	<b>0.0%</b>

**Source:** HOF: Motor fuel tax revenues and other highway-related revenues

**Legal Basis:** Section 203.10 of Am. Sub. H.B. 67 of the 127th G.A. (originally established by Am. Sub. H.B. 107 of the 121st G.A.)

**Purpose:** This line item establishes expenditure authority for an unfunded rotary account which was established to enable the collection of local shares for vehicles purchased through the Elderly and Disabled Special Equipment Program and for consortium purposes for non-profit grantees under the Rural Transit Program. Because these agencies are not eligible to purchase vehicles directly from DOT term contracts, DOT purchases the vehicles on their behalf.

**7002 775459 Elderly and Disabled Special Equipment**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$2,213,228	\$999,078	\$2,345,864	\$4,730,000	<b>\$4,730,000</b>	<b>\$4,730,000</b>
	-54.9%	134.8%	101.6%	<b>0.0%</b>	<b>0.0%</b>

**Source:** HOF: Motor fuel tax revenues and other highway-related revenues

**Legal Basis:** Section 203.10 of Am. Sub. H.B. 67 of the 127th G.A. (originally established by Am. Sub. H.B. 107 of the 121st G.A.)

**Purpose:** Funds provide federal capital assistance to non-profit agencies providing transportation services to the elderly and people with disabilities. This program was established in 1975 and is authorized under 49 U.S.C Section 5310. DOT is designated as the recipient of these funds and is required to oversee their distribution and their subsequent investment in local transportation services. DOT directly awards term contracts for the purchase of vehicles on behalf of the recipient agencies.

**7002 776462 Grade Crossings-Federal**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$8,593,475	\$11,483,625	\$10,423,806	\$13,000,000	\$15,000,000	\$15,000,000
	33.6%	-9.2%	24.7%	15.4%	0.0%

**Source:** HOF: CFDA 20.205, Highway Planning and Construction (Federal-Aid Highway Program)

**Legal Basis:** Sections 203.10 and 203.40 of Am. Sub. H.B. 67 of the 127th G.A. (originally established by Am. Sub. H.B. 107 of the 121st G.A.)

**Purpose:** This line item funds the installation of warning devices at rail-highway crossings, the restoration and rehabilitation of rail-highway grade crossing pavements, and the placement of signs and pavement markings near crossings.

**7002 777472 Airport Improvements-Federal**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$211,169	\$23,384	\$26,464	\$405,000	\$405,000	\$405,000
	-88.9%	13.2%	1430.4%	0.0%	0.0%

**Source:** HOF: CFDA 20.106, Airport Improvement Program (AIP)

**Legal Basis:** ORC 4561.06 and 4561.08; Section 203.10 of Am. Sub. H.B. 67 of the 127th G.A. (originally established by Am. Sub. H.B. 107 of the 121st G.A.)

**Purpose:** Moneys appropriated to this line item provide Federal Aviation Administration (FAA) funds to contract with consultants for the preparation of individual master plans and layout plans to improve the attractiveness of local airports for corporate and other general aviation.

**7002 777475 Aviation Administration**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$5,490,564	\$3,577,913	\$3,536,481	\$5,358,100	<b>\$4,945,697</b>	<b>\$5,186,959</b>
	-34.8%	-1.2%	51.5%	-7.7%	4.9%

**Source:** HOF: Motor fuel tax revenues and other highway-related revenues; flight fees

**Legal Basis:** Sections 203.10 and 203.40 of Am. Sub. H.B. 67 of the 127th G.A. (originally established by Am. Sub. H.B. 107 of the 121st G.A.)

**Purpose:** This line item funds the Aviation Operating Program, which is responsible for operating DOT's aircraft. The DOT aircraft are used to transport state officials, including the Governor, legislators, and DOT and other state departments and personnel. If they are used for highway purposes, expenses are paid with gas tax revenues. If they are used for non-highway purposes, the user is billed for the cost of the flight. In addition, the line item funds the oversight of about 10,600 registered aircraft.

**7002 779491 Administration-State**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$105,983,054	\$108,801,139	\$105,191,149	\$127,601,493	\$131,087,437	\$134,889,042
	2.7%	-3.3%	21.3%	2.7%	2.9%

**Source:** HOF: Motor fuel tax revenues and other highway-related revenues

**Legal Basis:** Sections 203.10, 203.40, and 203.60 of Am. Sub. H.B. 67 of the 127th G.A. (originally established by Am. Sub. H.B. 107 of the 121st G.A.)

**Purpose:** This line item is used to fund the administrative functions of the Department, such as the offices of the Director, Assistant Directors, District Deputy Directors, Business Management (Information Technology, Finance, Personnel, Facilities), District Business and Human Resource Administrators, Chief of Staff, and Major and Local Programs Administration. As in previous transportation budget bills, the executive budget proposal contains language allowing the Director of OBM to approve requests from DOT for transfers of appropriations between certain line items (including this line item) funded from the Highway Operating Fund (Fund 002) to provide adequate flexibility to meet unforeseen circumstances and to adjust to circumstances affecting the obligation and expenditure of federal funds.

The executive budget requires that up to \$400,000 in each fiscal year from this line item be used to reimburse the Inspector General for costs incurred by the Deputy Inspector General for DOT in carrying out investigations. Should additional amounts be necessary, the Director of Transportation may seek Controlling Board approval to increase the amount designated and the appropriation as necessary.

*Federal Special Revenue Fund Group*

**3B90 776662 Rail Transportation-Federal**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$363	\$0	\$0	\$0	\$0	\$0

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

**Legal Basis:** Section 203.10 of Am. Sub. H.B. 67 of the 127th G.A. (originally established by Am. Sub. H.B. 107 of the 121st G.A.)

**Purpose:** This line item is used to provide grants to assist in acquiring railroad lines, rail property, state rail planning, and rail facility construction. The Executive Budget proposes to discontinue this line item.

*State Special Revenue Fund Group*

**4N40 776663 Panhandle Lease Reserve Payments**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$0	\$0	\$0	\$763,700	<b>\$762,600</b>	<b>\$764,300</b>
			N/A	-0.1%	0.2%

**Source:** SSR: Biannual rail operator fees

**Legal Basis:** Section 203.10 of Am. Sub. H.B. 67 of the 127th G.A. (originally established by Am. Sub. S.B. 351 of the 119th G.A.)

**Purpose:** This appropriation serves as a reserve to meet monthly lease payments to Caprail I, Inc. for the lease of the Panhandle rail line in case of default by the operating railroad. If an annual minimum of \$706,000 is not maintained, default clauses are activated. The reserve is in the amount of one year's bond payments for the certificates of participation (COPs) that financed the Panhandle purchase. It is only to be used in the event of non-payment by the operating railroad.

**4N40 776664 Rail Transportation-Other**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$1,040,201	\$204,170	\$1,751,100	\$2,111,500	<b>\$2,111,500</b>	<b>\$2,111,500</b>
	-80.4%	757.7%	20.6%	<b>0.0%</b>	<b>0.0%</b>

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

**Legal Basis:** Section 203.10 of Am. Sub. H.B. 67 of the 127th G.A. (originally established by Am. Sub. H.B. 100 of the 115th G.A.)

**Purpose:** This line item is used for the rehabilitation of rail lines, the construction of rail interchanges or connections, and maintenance of rail properties purchased by the state.

**5W90 777615 County Airport Maintenance**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$436,630	\$516,015	\$521,877	\$570,000	<b>\$620,000</b>	<b>\$620,000</b>
	18.2%	1.1%	9.2%	<b>8.8%</b>	<b>0.0%</b>

**Source:** SSR: General aviation license tax (\$15 per aircraft seat); annual flat rate of \$15 for gliders and balloons

**Legal Basis:** ORC 4561.18 and 4561.21; Section 203.10 of Am. Sub. H.B. 67 of the 127th G.A. (originally established by Am. Sub. H.B. 95 of the 125th G.A.)

**Purpose:** This line item supports the County Airport Maintenance Program by providing funds to publicly owned airports for maintenance, capital improvements, and runway crack sealing projects.

*Infrastructure Bank Obligations Fund Group*

**7045 772428 Highway Infrastructure Bank-Bonds**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$12,693,458	\$85,135,906	\$246,958,336	\$400,000,000	<b>\$71,000,000</b>	<b>\$65,000,000</b>
	570.7%	190.1%	62.0%	<b>-82.3%</b>	<b>-8.5%</b>

**Source:** 045: Proceeds from bonds (GARVEE bonds - Grant Anticipated Revenue Vehicles) issued against and retired with ODOT's Federal-Aid Highway Program revenues.

**Legal Basis:** ORC 5531.09; Section 203.10 of Am. Sub. H.B. 67 of the 127th G.A. (originally established by Am. Sub. H.B. 627 of the 121st G.A.)

**Purpose:** This line item funds system preservation and Major/New construction projects with Grant Anticipated Revenue Vehicles (GARVEE) bonds issued against and retired with ODOT's federal highway revenues. Most GARVEE bond appropriations will be allocated to the pavement and bridge preservation over the biennium. In the past, DOT has used GARVEE bonds to finance unusually large construction projects such as the Spring-Sandusky interchange and the Maumee River Crossing Bridge. The debt service on these bonds is paid out of the Highway Operating Fund (Fund 7002). Although the fund group and the appropriation item reference the "Infrastructure Bank," neither has anything to do with the State Infrastructure Bank Bond and Loan Program.

*Highway Capital Improvement Fund Group*

**7042 772723 Highway Construction-Bonds**

2006	2007	2008	2009 Adj Approp	2010 Executive Proposal	2011 Executive Proposal
\$164,862,472	\$153,302,438	\$164,225,624	\$100,000,000	<b>\$194,000,000</b>	<b>\$163,000,000</b>
	-7.0%	7.1%	-39.1%	<b>94.0%</b>	<b>-16.0%</b>

**Source:** 042: Proceeds from bond sales authorized under section 2m of Article VIII of the Ohio Constitution, and under ORC 5528.51 to 5528.56; no more than \$220 million can be issued in any fiscal year, and no more than \$1.2 billion can be outstanding at any one time. Proceeds from bonds are issued against, and retired with ODOT's state motor fuel tax revenues.

**Legal Basis:** ORC 5528.53; Section 203.10 of Am. Sub. H.B. 67 of the 127th G.A. (originally established by Am. Sub. H.B. 107 of the 121st G.A.)

**Purpose:** This line item is used for system preservation and Major/New highway construction projects. Bonds sales are dependent on cash needs from project expenditures. The debt service on the state bonds is paid from motor fuel tax revenues from the Highway Operating Fund (Fund 7002). The transportation budget bill of the 128th G.A. authorizes the state to issue up to \$352 million in general obligation bonds to finance highway projects. Similar to GARVEE bonds, DOT uses state highway bonds to finance large projects so as not to tie up cash.

## LSC Budget Spreadsheet by Line Item, FY 2010 - FY 2011

Fund	ALI	ALI Title	2008	Adj Approp 2009	Executive 2010	% Change 2009 to 2010	Executive 2011	% Change 2010 to 2011
<b>DEV Total All Budget Fund Groups</b>								
4W00	195629	Roadwork Development	\$ 11,299,302	\$ 18,699,900	\$ 18,699,900	0.0%	\$ 18,699,900	0.0%
<b>State Special Revenue Fund Group Total</b>			<b>\$ 11,299,302</b>	<b>\$ 18,699,900</b>	<b>\$ 18,699,900</b>	<b>0.0%</b>	<b>\$ 18,699,900</b>	<b>0.0%</b>
<b>Total All Budget Fund Groups</b>			<b>\$ 11,299,302</b>	<b>\$ 18,699,900</b>	<b>\$ 18,699,900</b>	<b>0.0%</b>	<b>\$ 18,699,900</b>	<b>0.0%</b>
<b>DPS Total All Budget Fund Groups</b>								
4W40	762321	Operating Expense - BMV	\$ 72,979,377	\$ 85,145,103	\$ 85,145,103	0.0%	\$ 89,005,103	4.5%
4W40	762410	Registrations Supplement	\$ 25,799,590	\$ 32,480,610	\$ 31,753,145	-2.2%	\$ 32,480,610	2.3%
5V10	762682	License Plate Contributions	\$ 1,864,434	\$ 2,100,000	\$ 2,100,000	0.0%	\$ 2,100,000	0.0%
7036	761321	Operating Expense - Information and Education	\$ 2,405,567	\$ 3,645,598	\$ 8,819,954	141.9%	\$ 8,828,661	0.1%
7036	761401	Lease Rental Payments	\$ 13,312,258	\$ 14,017,100	\$ 13,337,000	-4.9%	\$ 11,836,200	-11.3%
7036	761402	Traffic Safety Match	\$ 277,137	\$ 277,137	\$ 0	-100.0%	\$ 0	N/A
7036	764033	Minor Capital Projects	\$ 1,220,571	\$ 1,250,000	\$ 1,250,000	0.0%	\$ 1,250,000	0.0%
7036	764321	Operating Expense - Highway Patrol	\$ 238,505,160	\$ 267,539,597	\$ 269,887,828	0.9%	\$ 269,975,259	0.0%
7036	764605	Motor Carrier Enforcement Expenses	\$ 2,399,000	\$ 3,340,468	\$ 3,340,468	0.0%	\$ 3,340,468	0.0%
7036	766321	Operating Expense - Administration	\$ 4,080,506	\$ 4,461,836	\$ 0	-100.0%	\$ 0	N/A
8300	761603	Salvage & Exchange - Administration	\$ 0	\$ 20,000	\$ 20,800	4.0%	\$ 21,632	4.0%
8310	761610	Information & Education - Federal	\$ 295,464	\$ 722,982	\$ 468,982	-35.1%	\$ 468,982	0.0%
8310	764610	Patrol - Federal	\$ 2,147,353	\$ 2,455,484	\$ 2,455,484	0.0%	\$ 2,455,484	0.0%
8310	764659	Transportation Enforcement - Federal	\$ 5,235,814	\$ 6,132,592	\$ 6,132,592	0.0%	\$ 6,132,592	0.0%
8310	765610	EMS - Federal	\$ 197,557	\$ 582,007	\$ 582,007	0.0%	\$ 582,007	0.0%
8310	767610	Liquor Enforcement - Federal	\$ 127,534	\$ 514,184	\$ 514,184	0.0%	\$ 514,184	0.0%
8310	769610	Food Stamp Trafficking Enforcement - Federal	\$ 835,670	\$ 1,032,135	\$ 1,032,135	0.0%	\$ 1,032,135	0.0%
8310	769631	Homeland Security - Federal	\$ 1,090,851	\$ 2,062,500	\$ 2,100,000	1.8%	\$ 2,184,000	4.0%
8320	761612	Traffic Safety - Federal	\$ 10,909,900	\$ 16,577,565	\$ 16,577,565	0.0%	\$ 16,577,565	0.0%

## LSC Budget Spreadsheet by Line Item, FY 2010 - FY 2011

Fund	ALI	ALI Title	2008	Adj Approp 2009	Executive 2010	% Change 2009 to 2010	Executive 2011	% Change 2010 to 2011
<b>DPS Total All Budget Fund Groups</b>								
8350	762616	Financial Responsibility Compliance	\$ 4,252,072	\$ 6,063,600	\$ 6,063,600	0.0%	\$ 6,063,600	0.0%
8370	764602	Turnpike Policing	\$ 9,489,113	\$ 11,553,959	\$ 11,553,959	0.0%	\$ 11,553,959	0.0%
8380	764606	Patrol Reimbursement	\$ 8,492	\$ 175,000	\$ 100,000	-42.9%	\$ 100,000	0.0%
83C0	764630	Contraband, Forfeiture, Other	\$ 83,764	\$ 622,894	\$ 622,894	0.0%	\$ 622,894	0.0%
83F0	764657	Law Enforcement Automated Data System	\$ 6,231,774	\$ 8,275,898	\$ 10,984,978	32.7%	\$ 9,053,266	-17.6%
83G0	764633	OMVI Enforcement/Education	\$ 452,582	\$ 650,000	\$ 650,000	0.0%	\$ 650,000	0.0%
83J0	764693	Highway Patrol Justice Contraband	\$ 271,520	\$ 2,100,000	\$ 2,100,000	0.0%	\$ 2,100,000	0.0%
83M0	765624	Operating Expenses - Trauma and EMS	\$ 2,336,808	\$ 2,587,627	\$ 2,915,113	12.7%	\$ 2,924,562	0.3%
83N0	761611	Elementary School Seat Belt Program	\$ 203,116	\$ 375,000	\$ 390,000	4.0%	\$ 405,600	4.0%
83P0	765637	EMS Grants	\$ 3,757,367	\$ 4,562,912	\$ 4,562,912	0.0%	\$ 4,562,912	0.0%
83R0	762639	Local Immobilization Reimbursement	\$ 529,461	\$ 750,000	\$ 750,000	0.0%	\$ 750,000	0.0%
83T0	764694	Highway Patrol Treasury Contraband	\$ 0	\$ 21,000	\$ 21,000	0.0%	\$ 21,000	0.0%
8400	764607	State Fair Security	\$ 1,174,457	\$ 1,396,283	\$ 1,396,283	0.0%	\$ 1,396,283	0.0%
8400	764617	Security and Investigations	\$ 9,586,812	\$ 6,155,385	\$ 6,317,530	2.6%	\$ 6,432,686	1.8%
8400	764626	State Fairgrounds Police Force	\$ 864,471	\$ 788,375	\$ 830,769	5.4%	\$ 849,883	2.3%
8400	769632	Homeland Security - Operating	\$ 1,191,873	\$ 1,989,807	\$ 1,552,049	-22.0%	\$ 1,614,131	4.0%
8410	764603	Salvage and Exchange - Highway Patrol	\$ 0	\$ 1,339,399	\$ 1,339,399	0.0%	\$ 1,339,399	0.0%
8440	761613	Seat Belt Education Program	\$ 508,478	\$ 411,528	\$ 400,000	-2.8%	\$ 400,000	0.0%
8460	761625	Motorcycle Safety Education	\$ 2,501,450	\$ 4,010,865	\$ 3,324,987	-17.1%	\$ 3,538,903	6.4%
8490	762627	Automated Title Processing Board	\$ 8,738,142	\$ 19,240,839	\$ 19,240,839	0.0%	\$ 19,240,839	0.0%
<b>State Highway Safety Fund Group Total</b>			<b>\$ 435,865,493</b>	<b>\$ 517,427,269</b>	<b>\$ 520,633,559</b>	<b>0.6%</b>	<b>\$ 522,404,799</b>	<b>0.3%</b>
4P60	768601	Justice Program Services	\$ 74,755	\$ 100,000	\$ 1,070,962	971.0%	\$ 1,109,004	3.6%
4S20	764660	MARCS Maintenance	\$ 342	\$ 389,149	\$ 0	-100.0%	\$ 0	N/A
4S30	766661	Hilltop Utility Reimbursement	\$ 412,515	\$ 500,000	\$ 520,000	4.0%	\$ 540,800	4.0%
5330	763601	State Disaster Relief	\$ 7,399,599	\$ 0	\$ 0	N/A	\$ 0	N/A

## LSC Budget Spreadsheet by Line Item, FY 2010 - FY 2011

Fund	ALI	ALI Title	2008	Adj Approp 2009	Executive 2010	% Change 2009 to 2010	Executive 2011	% Change 2010 to 2011
<b>DPS Total All Budget Fund Groups</b>								
5ET0	768625	Drug Law Enforcement	\$ 719,406	\$ 800,000	\$ 4,200,000	425.0%	\$ 4,200,000	0.0%
5Y10	764695	Highway Patrol Continuing Professional Training	\$0	\$ 280,820	\$ 280,820	0.0%	\$ 280,820	0.0%
5Y10	767696	Investigative Unit Continuing Professional Training	\$ 2,300	\$ 15,000	\$ 15,000	0.0%	\$ 15,000	0.0%
<b>General Services Fund Group Total</b>			<b>\$ 8,608,915</b>	<b>\$ 2,084,969</b>	<b>\$ 6,086,782</b>	<b>191.9%</b>	<b>\$ 6,145,624</b>	<b>1.0%</b>
3290	763645	Federal Mitigation Program	\$ 4,409,648	\$ 13,848,251	\$ 10,801,636	-22.0%	\$ 11,233,702	4.0%
3370	763609	Federal Disaster Relief	\$ 27,124,441	\$ 27,707,636	\$ 27,707,636	0.0%	\$ 27,707,636	0.0%
3390	763647	Emergency Management Assistance and Training	\$ 35,091,644	\$ 85,265,885	\$ 84,031,935	-1.4%	\$ 84,072,023	0.0%
3AY0	768606	Federal Justice Grants	\$ 1,056,934	\$ 4,000,000	\$ 1,020,000	-74.5%	\$ 745,000	-27.0%
3CB0	768691	Federal Justice Grants - FFY06	\$ 3,263,537	\$ 2,000,000	\$ 920,000	-54.0%	\$ 795,000	-13.6%
3CC0	768609	Justice Assistance Grant - FFY07	\$ 2,186,556	\$ 4,000,000	\$ 1,450,000	-63.8%	\$ 1,215,000	-16.2%
3L50	768604	Justice Program	\$ 11,073,465	\$ 12,056,300	\$ 12,056,300	0.0%	\$ 12,056,300	0.0%
3N50	763644	US Department of Energy Agreement	\$ 27,243	\$ 175,000	\$ 31,358	-82.1%	\$ 31,672	1.0%
<b>Federal Special Revenue Fund Group Total</b>			<b>\$ 84,233,468</b>	<b>\$ 149,053,072</b>	<b>\$ 138,018,865</b>	<b>-7.4%</b>	<b>\$ 137,856,333</b>	<b>-0.1%</b>
4V30	763662	EMA Service and Reimbursement	\$ 333,168	\$ 650,000	\$ 4,474,751	588.4%	\$ 4,653,743	4.0%
5390	762614	Motor Vehicle Dealers Board	\$ 29,350	\$ 200,000	\$ 200,000	0.0%	\$ 200,000	0.0%
5B90	766632	Private Investigator and Security Guard Provider	\$ 847,671	\$ 1,289,883	\$ 1,341,478	4.0%	\$ 1,395,137	4.0%
5BK0	768687	Criminal Justice Services - Operating	\$ 396,653	\$ 400,000	\$ 400,000	0.0%	\$ 400,000	0.0%
5BK0	768689	Family Violence Shelter Programs	\$ 1,747,224	\$ 750,000	\$ 750,000	0.0%	\$ 750,000	0.0%
5CC0	768607	Public Safety Services	\$ 125,000	\$ 125,000	\$ 0	-100.0%	\$ 0	N/A
5CM0	767691	Federal Investigative Seizure	\$ 245,943	\$ 642,175	\$ 642,175	0.0%	\$ 642,175	0.0%
5DS0	769630	Homeland Security	\$0	\$ 0	\$ 517,350	N/A	\$ 538,044	4.0%
5FF0	762621	Indigent Interlock and Alcohol Monitoring	\$0	\$ 0	\$ 1,600,000	N/A	\$ 2,750,000	71.9%
5FL0	769634	Investigations	\$0	\$ 0	\$ 1,172,080	N/A	\$ 1,195,522	2.0%
6220	767615	Investigative, Contraband, and Forfeiture	\$ 164,107	\$ 375,000	\$ 375,000	0.0%	\$ 375,000	0.0%
6570	763652	Utility Radiological Safety	\$ 1,512,343	\$ 1,415,980	\$ 1,413,889	-0.1%	\$ 1,415,945	0.1%

## LSC Budget Spreadsheet by Line Item, FY 2010 - FY 2011

<i>Fund</i>	<i>ALI</i>	<i>ALI Title</i>	<i>2008</i>	<i>Adj Approp 2009</i>	<i>Executive 2010</i>	<i>% Change 2009 to 2010</i>	<i>Executive 2011</i>	<i>% Change 2010 to 2011</i>
<b>DPS Total All Budget Fund Groups</b>								
6810	763653	SARA Title III HAZMAT Planning	\$ 189,402	\$ 271,510	\$ 254,794	-6.2%	\$ 262,438	3.0%
8500	767628	Investigative Unit Salvage	\$ 49,000	\$ 100,000	\$ 100,000	0.0%	\$ 100,000	0.0%
<b>State Special Revenue Fund Group Total</b>			<b>\$ 5,639,863</b>	<b>\$ 6,219,548</b>	<b>\$ 13,241,517</b>	<b>112.9%</b>	<b>\$ 14,678,004</b>	<b>10.8%</b>
7043	767321	Liquor Enforcement - Operating	\$ 9,968,752	\$ 11,546,052	\$ 12,007,894	4.0%	\$ 11,897,178	-0.9%
<b>Liquor Control Fund Group Total</b>			<b>\$ 9,968,752</b>	<b>\$ 11,546,052</b>	<b>\$ 12,007,894</b>	<b>4.0%</b>	<b>\$ 11,897,178</b>	<b>-0.9%</b>
5J90	761678	Federal Salvage/GSA	\$ 1,816,380	\$ 1,500,000	\$ 1,500,000	0.0%	\$ 1,500,000	0.0%
<b>Agency Fund Group Total</b>			<b>\$ 1,816,380</b>	<b>\$ 1,500,000</b>	<b>\$ 1,500,000</b>	<b>0.0%</b>	<b>\$ 1,500,000</b>	<b>0.0%</b>
R024	762619	Unidentified Motor Vehicle Receipts	\$ 1,594,558	\$ 1,885,000	\$ 1,885,000	0.0%	\$ 1,885,000	0.0%
R052	762623	Security Deposits	\$ 245,089	\$ 350,000	\$ 350,000	0.0%	\$ 350,000	0.0%
<b>Holding Account Redistribution Fund Group Total</b>			<b>\$ 1,839,647</b>	<b>\$ 2,235,000</b>	<b>\$ 2,235,000</b>	<b>0.0%</b>	<b>\$ 2,235,000</b>	<b>0.0%</b>
L087	767406	Under-Age Tobacco Use Enforcement	\$ 348,515	\$ 375,000	\$ 0	-100.0%	\$ 0	N/A
<b>Tobacco Master Settlement Agreement Fund Group Total</b>			<b>\$ 348,515</b>	<b>\$ 375,000</b>	<b>\$ 0</b>	<b>-100.0%</b>	<b>\$ 0</b>	<b>N/A</b>
<b>Total All Budget Fund Groups</b>			<b>\$ 548,321,033</b>	<b>\$ 690,440,910</b>	<b>\$ 693,723,617</b>	<b>0.5%</b>	<b>\$ 696,716,938</b>	<b>0.4%</b>
<b>PWC Total All Budget Fund Groups</b>								
7052	150402	Local Transportation Improvement Program - Operating	\$ 236,551	\$ 306,178	\$ 299,001	-2.3%	\$ 306,178	2.4%
7052	150701	Local Transportation Improvement Program	\$ 71,290,174	\$ 67,500,000	\$ 67,317,000	-0.3%	\$ 67,400,000	0.1%
<b>Local Transportation Improvement Program Fund Group Total</b>			<b>\$ 71,526,725</b>	<b>\$ 67,806,178</b>	<b>\$ 67,616,001</b>	<b>-0.3%</b>	<b>\$ 67,706,178</b>	<b>0.1%</b>
7038	150321	State Capital Improvements Program - Operating Expenses	\$ 720,465	\$ 918,912	\$ 897,383	-2.3%	\$ 918,912	2.4%

## LSC Budget Spreadsheet by Line Item, FY 2010 - FY 2011

Fund	ALI	ALI Title	2008	Adj Approp 2009	Executive 2010	% Change 2009 to 2010	Executive 2011	% Change 2010 to 2011
<b>PWC Total All Budget Fund Groups</b>								
Local Infrastructure Improvement Fund Group Total			\$ 720,465	\$ 918,912	\$ 897,383	-2.3%	\$ 918,912	2.4%
<b>Total All Budget Fund Groups</b>			<b>\$ 72,247,190</b>	<b>\$ 68,725,090</b>	<b>\$ 68,513,384</b>	<b>-0.3%</b>	<b>\$ 68,625,090</b>	<b>0.2%</b>
<b>DOT Total All Budget Fund Groups</b>								
2120	772426	Highway Infrastructure Bank-Federal	\$ 4,409,995	\$ 4,018,649	\$ 4,018,649	0.0%	\$ 4,018,649	0.0%
2120	772427	Highway Infrastructure Bank-State	\$ 11,445,406	\$ 10,209,272	\$ 10,209,272	0.0%	\$ 10,209,272	0.0%
2120	772429	Highway Infrastructure Bank-Local	\$0	\$ 11,499,999	\$ 11,499,999	0.0%	\$ 11,499,999	0.0%
2120	772430	Infrastructure Debt Reserve Title 23-49	\$0	\$ 1,500,000	\$ 1,500,000	0.0%	\$ 1,500,000	0.0%
2120	775408	Transit Infrastructure Bank-Local	\$0	\$ 812,685	\$ 812,685	0.0%	\$ 812,685	0.0%
2120	775455	Title 49 Infrastructure Bank - State	\$0	\$ 312,795	\$ 312,795	0.0%	\$ 312,795	0.0%
2130	772431	Roadway Infrastructure Bank - State	\$ 760,395	\$ 1,000,000	\$ 1,000,000	0.0%	\$ 1,000,000	0.0%
2130	772432	Roadway Infrastructure Bank-Local	\$0	\$ 6,000,000	\$ 6,000,000	0.0%	\$ 6,000,000	0.0%
2130	772433	Infrastructure Debt Reserve - State	\$ 269,630	\$ 2,000,000	\$ 2,000,000	0.0%	\$ 2,000,000	0.0%
2130	775457	Transit Infrastructure Bank - State	\$0	\$ 312,082	\$ 312,082	0.0%	\$ 312,082	0.0%
2130	775460	Transit Infrastructure Bank-Local	\$0	\$ 1,000,000	\$ 1,000,000	0.0%	\$ 1,000,000	0.0%
2130	777477	Aviation Infrastructure Bank-State	\$0	\$ 3,500,000	\$ 3,500,000	0.0%	\$ 3,500,000	0.0%
2130	777478	Aviation Infrastructure Bank-Local	\$0	\$ 6,000,000	\$ 6,000,000	0.0%	\$ 6,000,000	0.0%
2160	772439	New Generation Highway Loan	\$0	\$ 0	\$ 50,000,000	N/A	\$ 0	-100.0%
2160	772440	New Generation Highway Bond	\$0	\$ 0	\$ 50,000,000	N/A	\$ 0	-100.0%
2180	775461	New Generation Multi Modal Loan	\$0	\$ 0	\$ 120,000,000	N/A	\$ 0	-100.0%
2180	775462	New Generation Multi Modal Bond	\$0	\$ 0	\$ 120,000,000	N/A	\$ 0	-100.0%
7002	770003	Administration-State-Debt Service	\$ 10,519,831	\$ 3,614,700	\$ 3,415,700	-5.5%	\$ 1,821,000	-46.7%
7002	771411	Planning and Research-State	\$ 16,153,413	\$ 21,733,301	\$ 21,044,516	-3.2%	\$ 21,463,169	2.0%
7002	771412	Planning and Research-Federal	\$ 25,963,607	\$ 30,324,572	\$ 23,970,770	-21.0%	\$ 24,214,310	1.0%

## LSC Budget Spreadsheet by Line Item, FY 2010 - FY 2011

Fund	ALI	ALI Title	2008	Adj Approp 2009	Executive 2010	% Change 2009 to 2010	Executive 2011	% Change 2010 to 2011
<b>DOT Total All Budget Fund Groups</b>								
7002	772421	Highway Construction-State	\$ 468,788,283	\$ 504,184,419	\$ 542,801,332	7.7%	\$ 517,419,558	-4.7%
7002	772422	Highway Construction-Federal	\$ 948,975,766	\$ 1,083,674,110	\$ 1,091,378,700	0.7%	\$ 1,065,737,629	-2.3%
7002	772424	Highway Construction-Other	\$ 67,129,058	\$ 100,379,155	\$ 121,377,011	20.9%	\$ 109,694,836	-9.6%
7002	772437	GARVEE Debt Service - State	\$ 6,937,210	\$ 19,273,500	\$ 21,778,200	13.0%	\$ 27,547,900	26.5%
7002	772438	GARVEE Debt Service - Federal	\$ 111,870,317	\$ 139,015,000	\$ 131,814,700	-5.2%	\$ 136,513,200	3.6%
7002	773431	Highway Maintenance-State	\$ 388,768,820	\$ 412,915,187	\$ 405,633,542	-1.8%	\$ 425,329,858	4.9%
7002	775452	Public Transportation-Federal	\$ 29,436,638	\$ 35,391,763	\$ 27,060,785	-23.5%	\$ 27,060,785	0.0%
7002	775454	Public Transportation-Other	\$ 627,319	\$ 1,500,000	\$ 1,500,000	0.0%	\$ 1,500,000	0.0%
7002	775459	Elderly and Disabled Special Equipment	\$ 2,345,864	\$ 4,730,000	\$ 4,730,000	0.0%	\$ 4,730,000	0.0%
7002	776462	Grade Crossings-Federal	\$ 10,423,806	\$ 13,000,000	\$ 15,000,000	15.4%	\$ 15,000,000	0.0%
7002	777472	Airport Improvements-Federal	\$ 26,464	\$ 405,000	\$ 405,000	0.0%	\$ 405,000	0.0%
7002	777475	Aviation Administration	\$ 3,536,481	\$ 5,358,100	\$ 4,945,697	-7.7%	\$ 5,186,959	4.9%
7002	779491	Administration-State	\$ 105,191,149	\$ 127,601,493	\$ 131,087,437	2.7%	\$ 134,889,042	2.9%
<b>Highway Operating Fund Group Total</b>			<b>\$ 2,213,579,452</b>	<b>\$ 2,551,265,782</b>	<b>\$ 2,936,108,872</b>	<b>15.1%</b>	<b>\$ 2,566,678,728</b>	<b>-12.6%</b>
4N40	776663	Panhandle Lease Reserve Payments	\$0	\$ 763,700	\$ 762,600	-0.1%	\$ 764,300	0.2%
4N40	776664	Rail Transportation-Other	\$ 1,751,100	\$ 2,111,500	\$ 2,111,500	0.0%	\$ 2,111,500	0.0%
5W90	777615	County Airport Maintenance	\$ 521,877	\$ 570,000	\$ 620,000	8.8%	\$ 620,000	0.0%
<b>State Special Revenue Fund Group Total</b>			<b>\$ 2,272,977</b>	<b>\$ 3,445,200</b>	<b>\$ 3,494,100</b>	<b>1.4%</b>	<b>\$ 3,495,800</b>	<b>0.0%</b>
7045	772428	Highway Infrastructure Bank-Bonds	\$ 246,958,336	\$ 400,000,000	\$ 71,000,000	-82.3%	\$ 65,000,000	-8.5%
<b>Infrastructure Bank Obligations Fund Group Total</b>			<b>\$ 246,958,336</b>	<b>\$ 400,000,000</b>	<b>\$ 71,000,000</b>	<b>-82.3%</b>	<b>\$ 65,000,000</b>	<b>-8.5%</b>
7042	772723	Highway Construction-Bonds	\$ 164,225,624	\$ 100,000,000	\$ 194,000,000	94.0%	\$ 163,000,000	-16.0%
<b>Highway Capital Improvement Fund Group Total</b>			<b>\$ 164,225,624</b>	<b>\$ 100,000,000</b>	<b>\$ 194,000,000</b>	<b>94.0%</b>	<b>\$ 163,000,000</b>	<b>-16.0%</b>

**LSC Budget Spreadsheet by Line Item, FY 2010 - FY 2011**

<i>Fund</i>	<i>ALI</i>	<i>ALI Title</i>	<i>2008</i>	<i>Adj Approp 2009</i>	<i>Executive 2010</i>	<i>% Change 2009 to 2010</i>	<i>Executive 2011</i>	<i>% Change 2010 to 2011</i>
<i>DOT Total All Budget Fund Groups</i>								
<i>Total All Budget Fund Groups</i>			\$ 2,627,036,389	\$ 3,054,710,982	\$ 3,204,602,972	4.9%	\$ 2,798,174,528	-12.7%