

# **LSC Redbook**

**Analysis of the Executive Budget Proposal**

## **Transportation Budget Bill (H.B. 114 of the 129th General Assembly)**

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## TABLE OF CONTENTS

<b>TRANSPORTATION BUDGET BILL</b> .....	<b>1</b>
OVERVIEW .....	1
Department of Transportation.....	1
Department of Public Safety.....	2
Public Works Commission.....	2
Department of Development.....	2
Executive Recommendations for FY 2012-FY 2013.....	2
Appropriations by Agency and Fund Group .....	2
<b>DEPARTMENT OF TRANSPORTATION</b> .....	<b>5</b>
OVERVIEW .....	5
Agency Overview .....	5
Appropriation Overview .....	5
Funding Distribution .....	6
By Functional Category.....	6
By Category of Expense .....	6
Transportation Budget Environment.....	7
Major Features of the Budget .....	9
Public-Private Partnerships.....	9
Design-Build Contracts and Value-based Selection Process.....	10
Evaporation Discount for Fuel Dealers/Retailers .....	10
Gas Tax Distributions/Transfer to State Highway Patrol .....	11
Bonding in the Highway Construction Program.....	11
Public Transit Assistance Initiative.....	12
FACTS AND FIGURES.....	14
Highway Operating Fund Revenue and Expenditures.....	14
Federal Stimulus Spending .....	15
ANALYSIS OF EXECUTIVE PROPOSAL .....	17
Introduction.....	17
Category 1: Highway Construction .....	19
Highway Construction and Maintenance (772421, 772422, 772424, and 773431).....	19
GARVEE Debt Service (772437 and 772438) .....	27
State Infrastructure Bank (772426, 772427, 772430, 772431, and 772433) .....	27
Highway Construction – Bonds (772723).....	28
Highway Infrastructure Bank – Bonds (772428).....	29
General Permanent and Temporary Law Provisions .....	29

H.B. 114 – FY 2012-FY 2013 Transportation Budget Bill

Category 2: Transportation Planning and Research.....34  
    Planning and Research – Federal (772412) .....34  
    Planning and Research – State (771411) .....35  
Category 3: Public Transportation .....36  
    Public Transportation – Federal (775452).....36  
    Elderly and Disabled Special Equipment (775459) .....37  
    Public Transportation – Other (775454).....38  
    Transit Infrastructure Bank – State (775457) .....38  
Category 4: Rail Transportation.....40  
    Grade Crossing – Federal (776462) .....40  
    Rail Transportation – Other (776664) .....41  
    Panhandle Lease Reserve Payments (776663).....42  
Category 5: Aviation .....43  
    Aviation Administration (777475) .....43  
    Aviation Infrastructure Bank – State (777477) .....44  
    County Airport Maintenance (777615) .....44  
    Airport Improvements – Federal (777472) .....44  
Category 6: Administration .....45  
    Administration – State (779491).....45  
    Permanent and Temporary Law.....45  
REQUESTS NOT FUNDED.....47  
**DEPARTMENT OF PUBLIC SAFETY .....49**  
OVERVIEW .....49  
    Duties and Responsibilities .....49  
    Staffing Levels.....50  
    Appropriations Overview .....50  
    Ohio State Highway Patrol Funding .....52  
    Abstract Fee Increase .....54  
    MARCS Task Force .....54  
    Bureau of Motor Vehicles Study Group .....55  
    Federal Real ID Act .....55  
    Cash Transfers.....56  
    Title Defect Recision and Automated Title Processing Fund Fees.....56  
ANALYSIS OF EXECUTIVE PROPOSAL .....58  
    Introduction.....58  
    Category 1: Traffic Safety and Education .....62  
        Operating Expense – Information and Education (HSF line item 761321).....63  
        Salvage and Exchange – Administration (HSF line item 761603).....63  
        Information and Education – Federal (HSF line item 761610) .....63  
        Traffic Safety – Federal (HSF line item 761612).....64

H.B. 114 – FY 2012-FY 2013 Transportation Budget Bill

Seat Belt Programs (HSF line items 761611 and 761613) .....64

Motorcycle Safety Education (HSF line item 761625).....65

Hilltop Utility Reimbursement (GSF line item 766661) .....65

Federal Salvage/GSA (AGY line item 761678) .....66

Category 2: Bureau of Motor Vehicles.....67

    Operating Expense – BMV (HSF line item 762321).....68

    Registrations Supplement (HSF line item 762410) .....69

    License Plate Contributions (HSF line item 762682).....69

    Financial Responsibility Compliance (HSF line item 762616) .....69

    Local Immobilization Reimbursement (HSF line item 762639).....70

    Automated Title Processing Board (HSF line item 762627) .....70

    Motor Vehicle Dealers Board (SSR line item 762614) .....71

    Indigent Interlock and Alcohol Monitoring (SSR line item 762621) .....71

    BMV Grants (FED line item 762628).....72

    Motor Vehicle Registration .....72

Category 3: State Highway Patrol .....73

    Minor Capital Projects (HSF line item 764033) .....75

    Operating Expense – Highway Patrol (HSF line item 764321).....75

    Motor Carrier Enforcement (HSF line items 764605 and 764659) .....75

    Patrol – Federal (HSF line item 764610).....76

    Turnpike Policing (HSF line item 764602).....76

    Patrol Reimbursement (HSF line item 764606).....77

    Law Enforcement Automated Data System (HSF line item 764657).....77

    OMVI Enforcement/Education (HSF line item 764633) .....77

    State and Federal Forfeitures (HSF line items 764630, 764693, and 764694) .....78

    State Fairgrounds (HSF line items 764607 and 764626) .....79

    Security and Investigations (HSF line item 764617) .....79

    Salvage and Exchange – Highway Patrol (HSF line item 764603) .....80

    Highway Patrol Continuing Professional Training (GSF line item 764695) .....80

Category 4: Homeland Security.....81

    Homeland Security – Federal (HSF line item 769631) .....81

    Operating Expenses (HSF line item 769632 and SSR line item 769630) .....82

    Private Investigator and Security Guard Provider (SSR line item 766632) .....82

Category 5: Emergency Medical Services.....84

    EMS – Federal (HSF line item 765610) .....84

    Operating Expenses – Trauma and EMS (HSF line item 765624).....84

    EMS Grants (HSF line item 765637).....85

Category 6: Investigations .....86

- Liquor Enforcement – Operations (LCF line item 767321) .....87
- Food Stamp Trafficking & Liquor Enforcement (HSF line item 769610).....87
- Investigative Unit Continuing Professional Training (GSF line item 767696) .....88
- Federal Investigative Seizure (SSR line item 767691) .....88
- Investigations (SSR line item 769634) .....88
- Investigative, Contraband, and Forfeiture (SSR line item 767615) .....89
- Investigative Unit Salvage (SSR line item 767628).....89

Category 7: Emergency Management .....90

- Federal Mitigation Program (FED line item 763645) .....91
- Federal Disaster Relief (FED line item 763609).....91
- Emergency Management Assistance and Training (FED line item 763647) .....92
- U.S. Department of Energy Agreement (FED line item 763644) .....92
- EMA Service and Reimbursement (SSR line item 763662) .....93
- Utility Radiological Safety (SSR line item 763652).....93
- SARA Title III HAZMAT Planning (SSR line item 763653) .....93
- State Disaster Relief .....94

Category 8: Criminal Justice Services .....95

- Operating Expenses (GSF line item 768601 and SSR line item 768687) .....96
- Drug Law Enforcement (GSF line item 768625) .....97
- Federal Grants (FED line items 768604, 768609, 768610, 768611, 768612, 768613, 768614, 768691, and 768697).....97
- Family Violence Shelter Programs (SSR line item 768689) .....97
- Family Violence Prevention Fund (Fund 5BK0) .....98

Category 9: Debt Service .....99

- Lease Rental Payments (HSF line item 761401) .....99

Category 10: Revenue Distribution.....101

- Revenue Distribution (Holding line items 762619 and 762623) .....101

**PUBLIC WORKS COMMISSION.....103**

OVERVIEW .....103

- Agency Overview .....103
- Appropriation Overview .....103
- Summary of FY 2012-FY 2013 Budget Issues .....104
  - Development of New Information Technology Platform .....104
  - Continuing Initiatives .....104

ANALYSIS OF EXECUTIVE PROPOSAL .....105

- Aid to Local Governments .....105
  - Local Transportation Improvement Program (150701) .....105
  - Local Transportation Improvement Program Operating (150402).....105
  - State Capital Improvements Program – Operating Expenses (150321) .....106

TEMPORARY LAW .....107

    Public Works Operating Expenses (Section 209.10) .....107

    District Administration Costs (Section 209.10) .....107

    Reappropriations (Section 209.10) .....107

**DEPARTMENT OF DEVELOPMENT .....109**

    ANALYSIS OF EXECUTIVE PROPOSAL .....109

    Roadwork Development (195629) .....109

**ATTACHMENTS FOR EACH AGENCY:**

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

# Transportation Budget Bill

- Total proposed biennial funding is \$7.0 billion
- Transportation proposal continues focus on system preservation with new authority for public-private partnerships.
- Public Works Commission to continue working toward development of new IT platform
- Public Safety proposal to eliminate late fee for driver license transactions
- 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. This overview highlights the major features of the Governor's proposed transportation budget for the four agencies included in the bill. More detailed information can be found under the tabs for each agency within this Redbook.

## Department of Transportation

There are several factors affecting DOT's highway construction and maintenance operations that appear to have shaped the budget recommended by the executive. Namely, state motor fuel tax revenue, one of DOT's two primary sources of funding, has either declined or grown slowly in recent years with persistently high unemployment and increasingly fuel efficient vehicles on the road limiting DOT's main source of state revenue. In addition, there is uncertainty regarding the level of future federal transportation funding, which is the other major component of DOT's budget. Sagging revenues and increasing spending from the federal Highway Trust Fund in recent years have required billions of dollars in transfers from the federal general fund to support federally funded highway projects. Further, a number of extensions to the most recent federal highway program reauthorization bill have been required to keep the federal highway programs running, as a new reauthorization bill has yet to be enacted by Congress.

The executive budget reacts to these pressures in a variety of ways. First, the budget continues to place emphasis on system preservation projects to ensure the existing highway system is adequately maintained before any "Major/New" construction projects that add capacity or reduce congestion are funded. Second, the budget reduces the overall level of bond appropriations, which are backed by state

motor fuel taxes and federal highway revenues, for highway projects by about \$21 million (7.3%) compared to the current FY 2010-FY 2011 budget, excluding \$200 million in bonding authority provided to DOT to allow it to recoup a corresponding amount transferred to PWC during FY 2010 and FY 2011 pursuant to the Jobs Stimulus Bill of the 127th General Assembly. Finally, the executive budget provides the statutory framework for DOT to enter into public-private partnerships, which would be used to leverage private investment in order to finance, construct, operate, or maintain transportation projects.

### **Department of Public Safety**

The executive budget proposes to eliminate the \$20 late fee collected on driver's license renewals. According to the Department of Public Safety, this could amount to a loss in revenue of up to \$4.0 million for the Highway Patrol annually. In order to help offset this loss in revenue the executive budget recommends a \$10 increase in title fees.

### **Public Works Commission**

In contrast to the constraints facing DOT and DPS, funding for local infrastructure projects administered by PWC has dramatically increased in the last several fiscal years as a result of H.B. 554, the Jobs Stimulus Bill that was enacted in the summer of 2008. As alluded to above, that bill directed an additional \$200 million toward the Local Transportation Improvement Program (LTIP) for local road and bridge projects and accelerated funding for the State Capital Improvements Program by \$120 million. The Governor's proposal returns FY 2012-FY 2013 funding for the LTIP Program to more typical levels of about \$56 million per year.

### **Department of Development**

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 2012-FY 2013 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.

### **Executive Recommendations for FY 2012-FY 2013**

The executive proposes funding of \$3.4 billion in FY 2012 and \$3.6 billion in FY 2013, for a total of \$7.0 billion over the biennium. Overall, this is an increase of approximately 1.5% from the FY 2010-FY 2011 budget of \$6.9 billion.

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

Specifically, the executive recommends \$5.5 billion for DOT, accounting for 79.2% of the proposed funding in the bill. DPS funding of \$1.3 billion makes up a further 18.6% of the total recommended. Finally, the proposed outlay for PWC and

DEV amounts to \$151.8 million, or 2.2% 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>FY 2012-FY 2013 Executive Transportation Budget by Department and Fund Group</b>			
<b>Fund Group</b>	<b>FY 2011* Adjusted Appropriations</b>	<b>FY 2012 Recommendation</b>	<b>FY 2013 Recommendation</b>
<b>Department of Transportation</b>			
Highway Operating Fund Group	\$2,580,451,915	\$2,615,077,108	\$2,651,918,393
Highway Capital Improvement Fund Group	\$163,000,000	\$36,600,000	\$91,600,000
Infrastructure Bank Obligations Fund Group	\$65,000,000	\$45,400,000	\$98,000,000
State Special Revenue Fund Group	\$4,620,800	\$3,495,800	\$3,495,800
<b>Subtotal</b>	<b>\$2,813,072,715</b>	<b>\$2,700,572,908</b>	<b>\$2,845,014,193</b>
<b>Department of Public Safety</b>			
State Highway Safety Fund Group	\$494,680,980	\$490,470,733	\$481,631,900
Federal Special Revenue Fund Group	\$153,653,780	\$130,214,683	\$132,862,715
State Special Revenue Fund Group	\$16,820,930	\$14,018,073	\$14,157,224
Liquor Control Fund Group	\$11,897,178	\$11,897,178	\$11,897,178
General Services Fund Group	\$10,607,572	\$5,503,904	\$5,647,247
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
<b>Subtotal</b>	<b>\$691,395,440</b>	<b>\$655,839,571</b>	<b>\$649,931,264</b>
<b>Public Works Commission</b>			
Local Transportation Improvements Fund Group	\$168,908,178	\$56,299,246	\$56,296,555
Local Infrastructure Fund Group	\$918,912	\$918,000	\$910,000
<b>Subtotal</b>	<b>\$169,827,090</b>	<b>\$57,217,246</b>	<b>\$57,206,555</b>
<b>Department of Development</b>			
State Special Revenue 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>\$3,692,995,145</b>	<b>\$3,432,329,625</b>	<b>\$3,570,851,912</b>

\*FY 2011 figures represent adjusted appropriations.

### Department of Transportation

The Department of Transportation's recommended transportation budget appropriation is approximately \$2.70 billion for FY 2012, a decrease of \$112.5 million, or 4.0%, from FY 2011 adjusted appropriations of \$2.81 billion. The FY 2013 executive recommendation of \$2.85 billion represents an increase of \$144.4 million, or 5.3%, over the amount recommended for FY 2012. Programs related to highway construction and maintenance account for over 90% of the proposed funding. The remaining portion is

directed toward planning and research, public transit, rail, aviation, and administrative programs.

### **Department of Public Safety**

The Department of Public Safety's recommended budget for FY 2012 totals \$655.8 million, a decrease of approximately \$35.6 million, or 5.1%, from the total FY 2011 appropriation of \$691.4 million. For FY 2013, the executive budget recommends a total of \$649.9 million, or 0.9% below the FY 2012 recommendation. The primary reason for the decrease from FY 2011 to FY 2012 is due to the loss of grant moneys received as a result of the American Recovery and Reinvestment Act of 2009. Based on the agency's 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.

### **Public Works Commission**

The Public Works Commission's recommended budget is \$57.2 million per year over the biennium. The vast majority of this amount provides grants to local governments for road and bridge projects using revenue received from one cent per gallon of the state motor fuel tax. A major objective of the Commission for FY 2012-FY 2013 will be to continue the development of a new information technology platform to replace existing systems that date back to the early 1990s.

### **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 2011, DEV had awarded 24 Roadwork Development Grants for a total of \$11.9 million from FY 2011 funds.

# Department of Transportation

- Total biennial budget of over \$5.5 billion with focus on system preservation
- DOT granted authority to enter into public-private partnerships

## 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. Overall, DOT is the state's second largest agency in terms of employees by headcount.

### Appropriation Overview

The executive budget for DOT is approximately \$2.70 billion in FY 2012, a \$112.5 million (4.0%) decrease from FY 2011 funding of \$2.81 billion. The proposed FY 2013 appropriation is \$2.85 billion, an increase of \$144.4 million (5.3%) over the funding levels recommended for FY 2012. The Highway Operating Fund Group provides about 95% of the operating and capital support for the agency's programs. Next, the Highway Capital Improvement Fund and Infrastructure Bank Obligations Fund receive state and federal bond proceeds. Lastly, the State Special Revenue Fund Group supports rail and aviation projects. The proposed distribution of funding is shown in Table 1 below.

Table 1: Executive Budget Recommendations by Fund Group, FY 2012-FY 2013					
Fund Group	FY 2011*	FY 2012	% Change, FY 2011-FY 2012	FY 2013	% Change, FY 2012-FY 2013
Highway Operating	\$2,580,451,915	\$2,615,077,108	1.3%	\$2,651,918,393	1.4%
Hwy. Capital Improvement	\$163,000,000	\$36,600,000	(77.5%)	\$91,600,000	150.3%)
Infrastr. Bank Obligations	\$65,000,000	\$45,400,000	(30.2%)	\$98,000,000	115.9%
State Special Revenue	\$4,620,800	\$3,495,800	24.3%	\$3,495,800	0.0%
<b>TOTAL</b>	<b>\$2,813,072,715</b>	<b>\$2,700,572,908</b>	<b>(4.0%)</b>	<b>\$2,845,014,193</b>	<b>5.3%</b>

\*FY 2011 figures represent adjusted appropriations.

## Funding Distribution

### By Functional Category

Most of DOT's budget goes to programs in the Highway Construction area. As always, pavement and bridge construction will continue to be DOT's biggest outlay over the biennium. Table 2 below shows the recommended budget by functional category.

Functional Category	FY 2012	FY 2013	Biennium Total	% of Total Budget
Highway Transportation	\$2,453.6	\$2,593.8	\$5,047.5	91.0%
Program Management	\$136.5	\$140.9	\$277.4	5.0%
Planning and Research	\$52.1	\$52.0	\$104.1	1.9%
Public Transportation	\$33.5	\$33.5	\$67.1	1.2%
Rail Transportation	\$17.1	\$17.1	\$34.2	0.6%
Aviation	\$7.7	\$7.6	\$15.4	0.3%
<b>TOTAL</b>	<b>\$2,700.6</b>	<b>\$2,845.0</b>	<b>\$5,545.6</b>	<b>100%</b>

Figures may not add to totals due to rounding.

### By Category of Expense

Of the recommended funding, 83.6% of DOT's expenditures over the biennium are budgeted for capital improvements and personnel costs. Capital spending is planned to grow from \$1.7 billion in FY 2012 to \$1.9 billion in FY 2013, while the Department's personnel expenses are forecasted to decrease by 3.0%, from \$509.6 million in FY 2012 to \$494.2 million in FY 2013. Table 3 below shows the budget by category of expense.

Category of Expense	FY 2012	FY 2013	Biennium Total	% of Total Budget
Personal Services	\$509.6	\$494.2	\$1,003.8	18.1%
Purchased Services	\$14.3	\$14.3	\$28.6	0.5%
Supplies and Maintenance	\$163.0	\$175.1	\$338.1	6.1%
Equipment	\$23.4	\$26.4	\$49.7	0.9%
Subsidies	\$51.6	\$51.6	\$103.2	1.9%
Capital Improvements	\$1,748.0	\$1,885.9	\$3,633.9	65.5%
Debt Service	\$172.6	\$179.4	\$352.0	6.4%
Transfers and Other	\$18.2	\$18.0	\$36.2	0.7%
<b>TOTAL</b>	<b>\$2,700.6</b>	<b>\$2,845.0</b>	<b>\$5,545.6</b>	<b>100%</b>

Figures may not add to totals due to rounding.

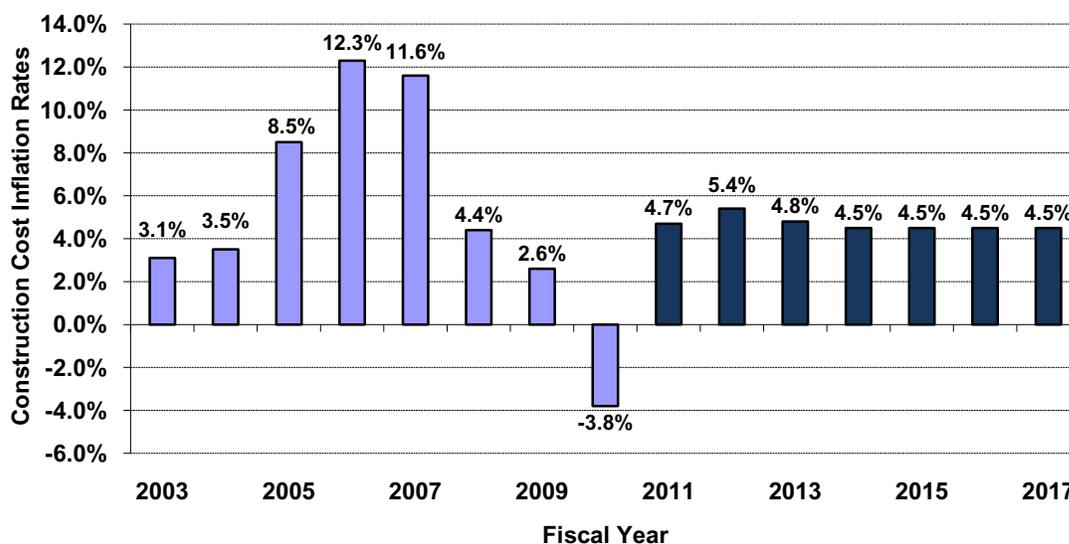
## Transportation Budget Environment

The major factors taken into account in developing the executive transportation budget are construction cost inflation, state motor fuel tax revenue growth, and federal investments. The Department currently operates on a "Fix It First" approach that emphasizes system maintenance over "Major/New" construction. That is, after debt service and routine operations are paid for, system preservation, safety, and federal funds for local projects are given priority over funding for projects that add system capacity or reduce congestion. To augment public funding sources for transportation projects, the executive budget provides DOT with the authority to enter into public-private partnerships to leverage private investment and enhance the state's transportation system. This initiative is described in more detail under the heading "Major Features of the Budget" within this section.

### Highway Construction Cost Inflation

Construction cost inflation has been lower than expected in recent years due to the recession's effect on demand for construction commodities and energy prices. This follows a number of years of dramatic increases that severely impacted the Department's purchasing power. As Chart 1 below shows, construction cost inflation was highly elevated from FY 2005 through FY 2007. Since FY 2008, the rate of growth has slowed significantly, including an actual decline of 3.8% in FY 2010. When DOT's FY 2008-FY 2009 business plan was developed, inflation was anticipated to be 10% in FY 2008 and 8% in FY 2009. Instead, prices for construction materials rose only 4.4% and 2.6%, respectively. This development has had a positive effect on DOT's construction program, enabling more projects to be funded than originally thought. DOT is forecasting inflation rates to grow moderately through FY 2017 based on the latest available estimates.

**Chart 1: Construction Cost Inflation Rates, FY 2003-FY 2017**



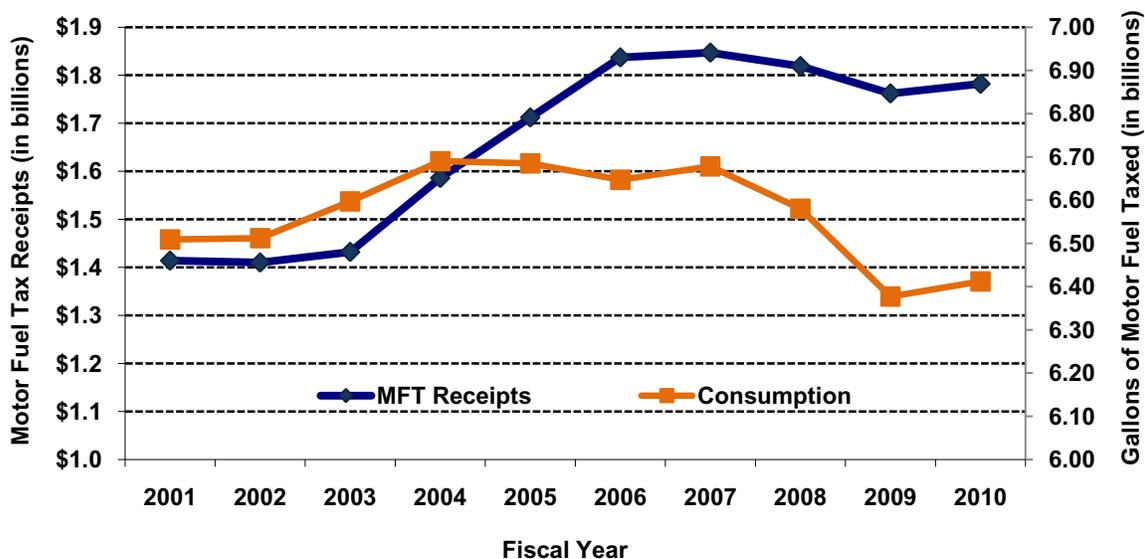
## State Motor Fuel Tax Revenues, Uncertain Federal Revenue

### State Motor Fuel Tax Receipts Rebound in FY 2010

While construction cost inflation has moderated in recent years, state motor fuel tax (MFT) receipts increased in FY 2010 for the first time since FY 2007. According to Ohio Department of Taxation (TAX) reports, FY 2010 net MFT revenue increased 1.1% to \$1.78 billion. However, this amount is still shy of the record \$1.85 billion received from the tax during FY 2007. The sluggishness in the MFT is likely due to persistently high unemployment and increasingly fuel efficient vehicles. The 28-cent MFT provides the vast majority of the state revenue DOT receives. According to the state's accounting system, DOT's portion of the tax has provided roughly \$830 million to \$900 million in revenue for the Department in recent fiscal years after accounting for certain draws of motor fuel tax funds distributed to local governments and certain state agencies. Changes 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.

Going forward, DOT is expecting FY 2011 motor fuel tax revenue to be flat with FY 2010 receipts, then increase by 0.5% in FY 2012 and by 1.0% in FY 2013. Chart 2 below illustrates total state motor fuel tax receipts between FY 2001 and FY 2010 based on MFT reports compiled by TAX. The large increase in receipts is due to the cumulative six-cent increase in the gasoline tax between FY 2004 and FY 2006.

Chart 2: Motor Fuel Tax Revenue vs. Gallons Taxed, FY 2001-FY 2010



### **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 was approximately \$1.3 billion in FY 2010. However, a major concern is that federal gas tax receipts in the Trust Fund are declining. HTF revenue has not been sufficient to support the Trust Fund's spending levels, which has necessitated various transfers totaling \$34.5 billion from the federal general fund in the last three years.<sup>1</sup> Further complicating the efforts of transportation planners is the lack of a new long-term surface transportation reauthorization bill. The previous reauthorization bill, the Safe Accountable Flexible Efficient Transportation Equity Act: a Legacy for Users (SAFETEA-LU), expired on September 30, 2009. Thus far, six extensions of SAFETEA-LU have been enacted with the most recent such act, the Continuing Appropriations and Surface Transportation Extensions Act of 2011 (P.L. 111-322), extending SAFETEA-LU through March 4, 2011. According to the Department's Business Plan, the Department expects growth in federal revenue ranging from 1.5% in FY 2011 to 3% from FY 2012 to FY 2017.

### **Major Features of the Budget**

#### **Public-Private Partnerships**

The bill provides DOT the authority to enter into public-private agreements based on solicited and unsolicited proposals from private entities relating to transportation facilities. The bill establishes the procedures for selecting a proposal and the terms of the agreement, including grounds for terminating an agreement. Local governments would be permitted to participate in these public-private agreements.

The bill permits bonds to be issued under existing statutory authority provided in the State Infrastructure Bank Law to provide funds for the development or financing of a transportation facility that is subject to a public-private agreement and allows DOT to accept federal, state, local, and private funds to finance a transportation facility that is subject to a public-private agreement. Transportation facilities operated under a public-private agreement would be exempt from state and local property taxes.

The ability to enter into public-private partnerships provides an additional tool for DOT to use in order to finance, construct, operate, or maintain transportation projects. While an overall goal of these partnerships is to leverage private investment for and transfer the risk of building or operating transportation facilities, public-private

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<sup>1</sup> \$8.017 billion transferred in FFY 2008 pursuant to P.L. 110-318, \$7.0 billion transferred in FFY 2009 pursuant to P.L. 111-46, \$19.5 billion transferred in FFY 2010 pursuant to P.L. 111-147.

partnerships can take many forms. The specific fiscal effects would depend on the terms of each arrangement.

### **Design-Build Contracts and Value-based Selection Process**

The bill establishes that the amount of money that may be spent on design-build projects per fiscal year cannot exceed \$1 billion, rather than \$1 billion for the current FY 2010-FY 2011 biennium and \$250 million per biennium thereafter as under existing law. In addition, the bill permanently authorizes DOT to use a value-based selection process for design-build projects, combining technical qualifications and competitive bidding elements. Under current law, this authority extends to FY 2010 and FY 2011 only. DOT has used the value-based selection process on large projects such as the Cleveland Innerbelt Bridge and the reconstruction of the I-71/I-670 Interchange in Columbus. If design-build contracts are utilized more frequently, this change may increase project delivery efficiencies and reduce overall design and construction costs for the state.

Finally, the bill provides specific statutory authority to DOT to pay compensation for a preliminary design concept to an unsuccessful bidder. Used in conjunction with design-build projects, stipends to unsuccessful bidders are intended to promote better technical proposals and to treat the design-build firms fairly since they do not include technical proposal development in their normal cost of doing business, as a contractor would for traditional bid preparation. The change is also aimed at increasing competition. It will also allow DOT the rights to proprietary information that can be transferred from an unsuccessful bidder to the successful bidder.

### **Evaporation Discount for Fuel Dealers/Retailers**

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 executive recommendation sets shrinkage allowance at the amount in the current transportation budget, which allows wholesalers to subtract 1.0% of those gallons as an allowance for shrinkage minus 0.5% on gallons sold to retailers, 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.

### **Gas Tax Distributions/Transfer to State Highway Patrol**

The bill carries forward provisions in the current main operating budget that (1) require the first 2% of motor fuel tax received each month to be deposited into the Highway Operating Fund (Fund 7002) and (2) authorize transfers in cash from the Highway Operating Fund to the State Highway Safety Fund (Fund 7036), which funds the Ohio State Highway Patrol. Under current law for FY 2010 and FY 2011, these transfers total \$16.22 million per fiscal year. The bill would reduce this amount by 7.5% to \$15 million per year, further reducing the Ohio State Highway Patrol's reliance on gas tax funding.

The bill also reduces the draw of motor fuel tax dollars from the Highway Operating Fund (Fund 7002) to local governments. The current transportation budget provides for transfers of \$183.5 million each fiscal year to counties, townships, and municipal corporations. The bill reduces these transfers to \$163.9 million in FY 2012 and \$170.4 million in FY 2013.

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

In addition to state motor fuel tax funds and federal highway program revenues, DOT also receives proceeds from bond issuances in order to finance highway construction projects. The transportation budget provides the appropriations necessary to spend these proceeds. Overall, the Governor's proposal provides total bond appropriations of \$271.6 million over the FY 2012-FY 2013 biennium. This is \$21.4 million (7.3%) lower than the \$293.0 million in combined bond appropriations for FY 2010 and FY 2011, excluding \$200 million in bond appropriations that were provided to DOT to recoup a corresponding amount that was transferred to the Public Works Commission. There are two types of bonds that are issued on behalf of DOT: state highway bonds, which are retired with state motor fuel tax revenues, and federal grant anticipation revenue vehicle (GARVEE) bonds, which are retired primarily with federal highway program revenues. For each type of bond, the sections below briefly discuss the amount of FY 2012-FY 2013 bond appropriations included in the Governor's proposal.

#### **State Highway Bonding**

The bill provides the authority to issue up to \$123 million in state highway bonds over the FY 2012-FY 2013 biennium. This amount is substantially lower than the \$352 million in issuance authority provided for the current FY 2010-FY 2011 biennium. However, included within the authority for the current biennium is \$200 million that allows DOT to recoup the money transferred to the Public Works Commission's Local Transportation Improvement Program. These transfers fulfilled the intent of H.B. 554, the Jobs Stimulus Bill of the 127th General Assembly, which authorized an additional \$200 million for local road and bridge projects. Under the Governor's proposal, state

highway bond proceeds are programmed mostly toward Major/New construction projects in the upcoming biennium. The remaining portion is programmed for pavement and bridge preservation projects.

The debt service on state highway bonds amounted to \$169.4 million in FY 2010, with FY 2011 appropriations for this purpose being \$203.4 million. DOT's policy is to have no more than 20% of state revenue dedicated to debt service on these bonds. According to the Department's FY 2010 annual report, the debt service on state highway bonds amounted to 15.9% of state revenues that year.

### **GARVEE Bonding**

The executive proposal provides GARVEE bond appropriations of \$143.4 million over the biennium. This compares to \$136 million appropriated for the FY 2010-FY 2011 biennium. All GARVEE bond appropriations will be programmed toward pavement and bridge preservation projects for the FY 2012-FY 2013 biennium. The debt service on GARVEE bonds is paid out of the Highway Operating Fund (Fund 7002) and amounted to \$144.8 million in FY 2010. FY 2011 appropriations for this purpose are \$164.1 million. Similar to the policy on state debt service costs, DOT's policy is to have no more than 20% of federal revenue dedicated to GARVEE bond debt service. Such debt service amounted to 11.1% of federal revenues in FY 2010.

### **State Debt**

To provide perspective on the bonding picture, as of January 1, 2011, DOT had outstanding debt (principal and interest) of nearly \$2.4 billion. The table below displays the total outstanding debt on both state bonds and GARVEE bonds.

<b>Table 4: Total DOT Outstanding Debt (in millions)</b>			
	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
GARVEE Bonds	\$1,062.5	\$238.7	<b>\$1,301.1</b>
State Highway Bonds	\$885.1	\$208.8	<b>\$1,093.9</b>
<b>TOTAL</b>	<b>\$1,947.6</b>	<b>\$447.5</b>	<b>\$2,395.1</b>

Figures may not add to totals due to rounding.

### **Public Transit Assistance Initiative**

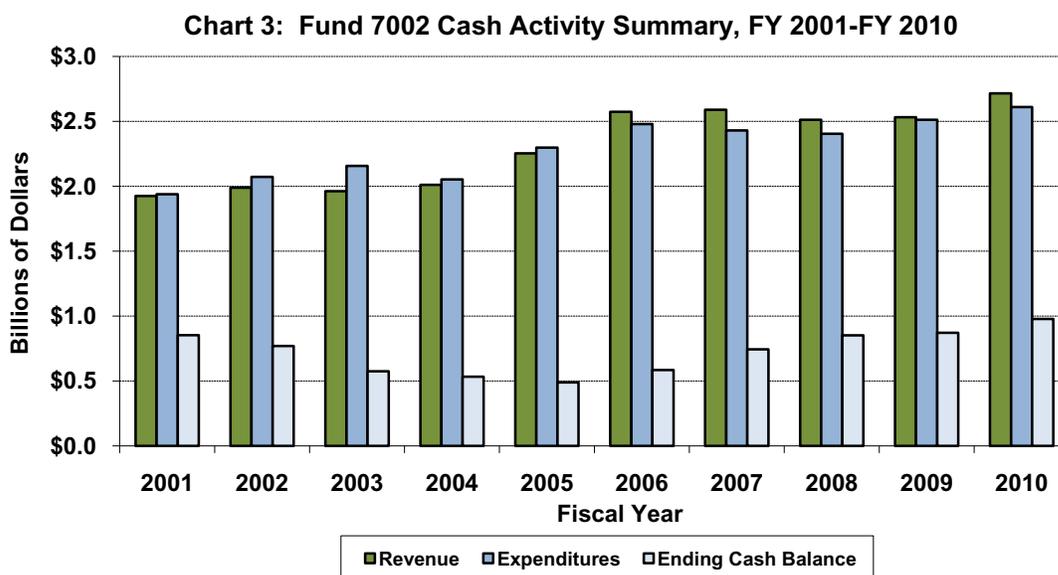
For FY 2012 and FY 2013, the Governor's proposal designates \$20 million per year in flexible federal highway dollars to further assist transit agencies. Six million dollars per year will be distributed to transit systems by formula while the remaining \$14 million per year will be competitively awarded to fund replacement of transit vehicles that are beyond their useful lives, capitalized operating expenses (e.g., preventive maintenance, tires, and fuel), and facility rehabilitation and renovation. Under the current budget for FY 2011, \$40 million in such federal dollars has been set

aside, with \$25 million allocated to assist transit agencies with operating expenses and \$15 million going toward the purchase of environmentally friendly buses.

## FACTS AND FIGURES

### Highway Operating Fund Revenue and Expenditures

The Highway Operating Fund (Fund 7002) is DOT's primary operating fund, supporting highway construction and maintenance activities, administration, as well as portions of the public transportation, rail, and aviation programs. Chart 3 below depicts both revenue to (including transfers in) and expenditures from (including transfers out) Fund 7002 over the last ten fiscal years. As the chart shows, revenue and expenditures jumped in the middle part of the decade commensurate with an increase in the gas tax, which was phased in over three years. After declining for the first four fiscal years of this period, the fund's fiscal year-end cash balance has increased from \$489.1 million in FY 2005 to \$977.5 million in FY 2010.



During this span, federal funds have made up an average of 45.8% of Fund 7002 resources while state motor fuel tax revenue has averaged 43.3%. Most of the remainder of Fund 7002's contributions is comprised of motor vehicle license tax receipts, local government participation dollars, motor fuel use tax receipts, and miscellaneous revenues and transfers in. In FY 2010, fund revenues and transfers in reached \$2.7 billion while fund expenditures and transfers out amounted to \$2.6 billion.

Roughly 90% of the fund's disbursements are devoted to highway-related purposes, including the payment of debt service on federal GARVEE bonds. The remainder funds administration, public transportation, rail, and aviation programs. Transfers out of the fund consist of distributions of motor fuel tax revenues to local governments (via Fund 7060), the Department of Development for Roadwork Development grants, the State Highway Patrol, and the Inspector General's Office to

fund the Deputy Inspector General for the Department of Transportation. Recently, transfers out have also consisted of distributions to the Public Works Commission for local government road projects as part of the Bipartisan Jobs Stimulus Plan enacted in H.B. 554 of the 127th General Assembly.

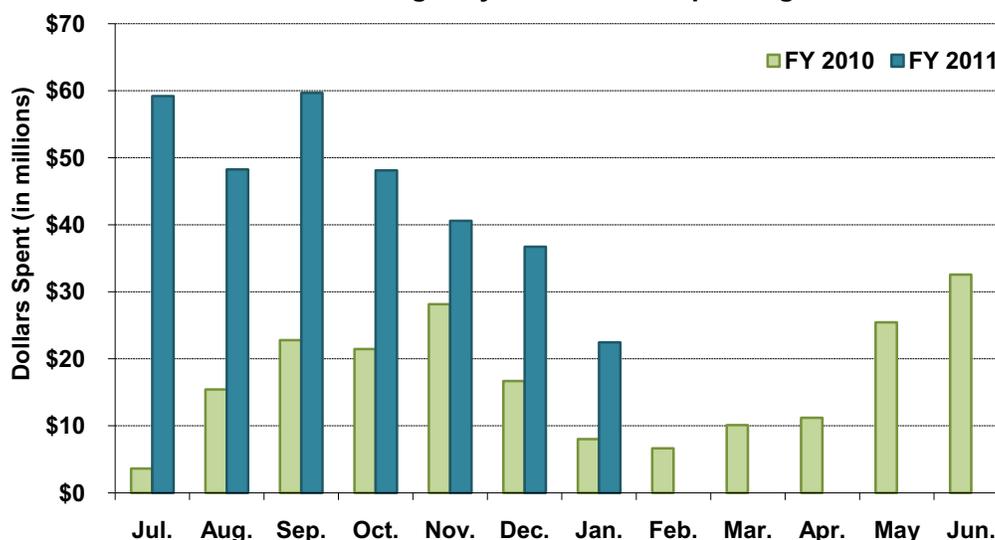
### Federal Stimulus Spending

According to American Recovery and Reinvestment Act of 2009 (ARRA) spending reported by the U.S. Department of Transportation, outlays for transportation-related programs have been \$681.2 million, a number that includes various programs that are not routed through DOT. That is, they are distributed directly to recipients by the federal government. Overall, Ohio was allocated or awarded roughly \$1.2 billion in ARRA transportation program moneys. Details concerning ARRA spending in the programs that received state appropriations, including highway construction formula grants and rural transit capital and operating assistance, the two largest ARRA transportation programs for Ohio, are provided below.

#### Highway Construction

To date, highway construction spending funded by the ARRA has reached \$529.6 million. Over the summer months of CY 2010, ARRA highway construction spending in Ohio increased considerably, far outpacing the spending at the same time during CY 2009 as the program was getting under way. This spike in spending can be seen in the following chart, which shows spending per month since the beginning of the program. The amount spent thus far represents about 57.6% of the \$918.7 million obligated for Ohio projects. According to the Federal Highway Administration (FHWA), 271 (63.8%) of the state's 425 stimulus highway projects have been completed while work is in progress on 136 (35.1%) projects.

**Chart 4: ARRA Highway Construction Spending in Ohio**



Thus far, most ARRA highway construction spending has been devoted to pavement and bridge preservation projects (\$255.3 million) followed by local government program funds sub-allocated to Metropolitan Planning Organizations (\$124.8 million), Major/New construction (\$97.9 million), rail-related projects (\$28.3 million), and other projects, including those for transportation enhancements, safety, geological site management, forest highways, and so on (\$23.3 million).

### **Transit**

To date, ARRA capital and operating assistance to nonurbanized (rural) transit agencies amounts to \$11.4 million. This represents around 38% of the \$29.8 million that Ohio's rural transit agencies were allocated for transit projects. This amount is distributed through DOT. The remainder of ARRA moneys allocated for transit is distributed directly by the federal government to the transit agencies serving urban areas.

## **ANALYSIS OF EXECUTIVE PROPOSAL**

### **Introduction**

This section provides an analysis of the Governor's recommended funding for each non-GRF line 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
6. Administration

To aid the reader in finding each item in the analysis, the following table shows the category in to 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.

<b>Categorization of DOT's Line items for Analysis of Executive Proposal</b>			
<b>Fund</b>	<b>ALI</b>	<b>ALI Name</b>	<b>Category</b>
<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	772430	Infrastructure Debt Reserve Title 23-49	1: Highway Construction
2130	772431	Roadway Infrastructure Bank – State	1: Highway Construction
2130	772433	Infrastructure Debt Reserve – State	1: Highway Construction
2130	775457	Transit Infrastructure Bank – State	3: Public Transportation
2130	777477	Aviation Infrastructure Bank – State	5: Aviation
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 2012</b>	<b>FY 2013</b>
<b>Highway Operating Fund Group</b>				
7002	772422	Highway Construction – Federal	\$ 1,146,641,723	\$ 1,180,471,714
7002	772421	Highway Construction – State	\$ 495,573,672	\$ 472,982,710
7002	773431	Highway Maintenance – State	\$ 454,853,435	\$ 469,400,101
7002	772438	GARVEE Debt Service – Federal	\$ 139,155,600	\$ 144,590,400
7002	772424	Highway Construction – Other	\$80,000,000	\$80,000,000
7002	772437	GARVEE Debt Service – State	\$31,918,500	\$33,276,100
2120	772427	Highway Infrastructure Bank – State	\$12,700,000	\$12,750,000
2120	772426	Highway Infrastructure Bank – Federal	\$6,775,000	\$6,725,000
2130	772431	Roadway Infrastructure Bank – State	\$2,500,000	\$2,500,000
2130	772433	Infrastructure Debt Reserve – State	\$1,000,000	\$1,000,000
2120	772430	Infrastructure Debt Reserve Title 23-49	\$525,000	\$525,000
<b>Highway Operating Fund Group Subtotal</b>			<b>\$2,371,642,930</b>	<b>\$2,404,221,025</b>
<b>Highway Capital Improvement Fund Group</b>				
7042	772723	Highway Construction – Bonds	\$36,600,000	\$91,600,000
<b>Highway Capital Improvement Fund Group Subtotal</b>			<b>\$36,600,000</b>	<b>\$91,600,000</b>
<b>Infrastructure Bank Obligations Fund Group</b>				
7045	772428	Highway Infrastructure Bank – Bonds	\$45,400,000	\$98,000,000
<b>Infrastructure Bank Obligations Fund Group Subtotal</b>			<b>\$45,400,000</b>	<b>\$98,000,000</b>
<b>Total Funding: Highway Construction</b>			<b>\$2,453,642,930</b>	<b>\$2,593,821,025</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 \$373.5 million per year (about 81%) of line item 773431, Highway Maintenance – State, funds a portion of the Highway Operating Program. The balance funds the Department's maintenance contracts, both of which are discussed in greater detail below.

These four line items comprise the majority of the agency's budget, totaling approximately \$2.18 billion in FY 2012 and \$2.20 billion in FY 2013. Combined, the recommended FY 2012 appropriation is 2.8% higher than the FY 2011 appropriation of \$2.12 billion. The \$2.20 billion recommended for FY 2013 is 1.2% higher than the FY 2012 amount. 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, has been recommended state and federal motor fuel tax funding of \$60.3 million in FY 2012 and \$50.3 million in FY 2013. These amounts are supplemented by \$50 million in prior year appropriations carried forward for FY 2012 and state highway bond funding of \$73 million in FY 2013.

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. The funding directed toward rail-highway grade crossings is discussed in conjunction with line item 776462, Grade Crossings – Federal, in the Rail Transportation category.

<b>Highway Construction and Maintenance Program Allocations (in millions)</b>			
<b>Program</b>	<b>FY 2011 Est.</b>	<b>FY 2012 Rec.</b>	<b>FY 2013 Rec.</b>
Preservation of Pavement and Bridges	\$662.6	\$857.2	\$870.0
Highway Operating	\$516.5	\$544.8	\$543.3
Local Government Programs	\$387.0	\$365.2	\$373.3
Other Construction Programs	\$309.0	\$174.6	\$178.0
Highway Maintenance Contracts	\$64.8	\$82.8	\$94.6
Safety Programs	\$79.9	\$71.3	\$72.7
Major/New Construction	\$55.7	\$60.3	\$50.3
Public Transit Assistance	\$12.4	\$20.0	\$20.0
Rail-Highway Grade Crossings	\$0.7	\$0.8	\$0.8
Passenger Rail Studies	\$29.5	\$0	\$0
<b>TOTAL</b>	<b>\$2,118.2</b>	<b>\$2,177.1</b>	<b>\$2,202.9</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, the program remedies deficiencies in bridge paint condition, wearing surfaces, and deck condition. All of the program's funds over the biennium will be 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. Generally, two-thirds of this program's funding is allocated to pavement projects while the remaining one-third is allocated to bridge preservation projects. Because of the "fix it first" philosophy, pavement and bridge preservation needs are fully funded prior to addressing new capacity or congestion reduction projects.

Within the core highway construction and maintenance line items mentioned above, the executive recommendation provides \$857.2 million in FY 2012 and \$870.0 million in FY 2013. However, the executive recommendation also supplements the Pavement and Bridge Preservation Program with an additional \$82 million in FY 2012 and \$116.6 million in FY 2013 generated from bond proceeds (in line items 772428 and 772723). This brings the total Pavement and Bridge Preservation recommendation to \$939.2 million in FY 2012 and \$986.6 million in FY 2013. The total FY 2012 recommendation for the program is 5.5% higher than estimated FY 2011 program spending of \$890.6 million, while the FY 2013 recommended budget is 5.0% higher than that for FY 2012. These amounts fully fund DOT's budget request for the program.

### ***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 full-time equivalent employees (FTEs) are funded with the executive recommendations of \$544.8 million in FY 2012 and \$543.3 million in FY 2013. The FY 2012 amount is 5.5% above the FY 2011 amount of \$516.5 million for this purpose. The growth in FY 2012- FY 2013 funding in this area is attributable to personnel costs,

since payroll and fringe benefit costs drive the budget for the highway operating program. Over the biennium, \$825.0 million (75.8%) will be directed to wages and fringe benefits, \$212.8 million (19.6%) to supplies and maintenance, \$36.0 million (3.3%) to equipment, and \$14.3 million to purchased services and other miscellaneous expenses (1.3%).

The bill includes two provisions involving the activities funded in this program. First, the bill gives the Director of DOT and local authorities the power to revoke overweight and oversize vehicle permits if the permit holder violates the terms or conditions of the permit, in addition to their current power to grant or withhold a permit. Second, the bill updates the statutes outlining the administration of the traffic generator sign program. Traffic generator signs are also known as "brown signs." Similar to the existing business logo sign program, the bill allows the Director of DOT to contract with any person to operate, construct, maintain, or market the traffic generator sign program (under current law, the Department is responsible for these functions) and requires that the contract must allow for a reasonable profit by the vendor. Program participation fees are directed into the Highway Operating Fund (Fund 7002).

#### **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 \$365.2 million in FY 2012 and \$373.3 million in FY 2013 for these programs. The FY 2012 amount is \$21.7 million, or 5.6%, lower than FY 2011 funding of \$387.0 million for these programs. The FY 2013 recommendation is \$8.1 million, or 2.2%, higher than the FY 2012 recommendation.

<b>Budgeted Amounts for Local Government Subprograms (in millions)</b>		
<b>Subprogram</b>	<b>FY 2012</b>	<b>FY 2013</b>
Metropolitan Planning Organizations	\$190.1	\$195.8
Local Participation	\$80.0	\$80.0
County Bridge and Surface Program	\$61.0	\$62.9
Transportation Enhancement Projects	\$11.0	\$11.0
Small Cities Program	\$8.7	\$8.9
Municipal Bridge Program	\$8.7	\$8.9
Safe Routes to Schools	\$5.7	\$5.7
<b>TOTAL</b>	<b>\$365.2</b>	<b>\$373.3</b>

Figures may not add to totals due to rounding.

**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. Of the amount set aside for MPOs, 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, Ohio's share of federal transportation funds has been provided to MPOs at levels greater than required by federal standards. The recommended funding for these purposes is \$190.1 million in FY 2012 and \$195.8 million in FY 2013. These amounts represent just over 52% of funding available under the Local Government Programs area.

**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. The funding recommendation for this subprogram is \$80.0 million in each fiscal year for the FY 2012-FY 2013 biennium.

**County Bridge and Surface Program.** This program consists of the County Local Bridge (CLB) and the County Surface Transportation (CST) subprograms. The County Engineers Association of Ohio (CEAO) serves as the program manager and is responsible for project selection, funding criteria, and program priorities in both of these areas. The CLB Program provides counties with federal money 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: (1) a regular construction funding program for eligible roadway improvements and (2) a program administered by the Department of Public Safety (DPS) for safety studies. Out of the CST Program, \$750,000 is set aside for safety studies. Like the CLB Program, each county is permitted to program eligible construction projects up to a \$5 million overall CST funding limit for projects within any four-year program period, subject to a six-year statewide programming limit. Specific project funding limits under the CST Program are \$300,000 per county for each guardrail project, \$150,000 per county for each pavement marking project, and \$75,000 per county for each raised pavement marker project.

**Transportation Enhancement Program.** This is a federally funded program that, under the Governor's funding proposal, will provide \$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 \$9 million each fiscal year to cities with populations between 5,000 and 24,999. 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 \$9 million annually in federal funds for municipal bridge projects. Federal funding provides 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.

**Safe Routes to Schools.** This program provides funds to local communities to make walking and bicycling to school a safe and routine activity. Funding is available for a wide variety of programs and projects, from building safer street crossings to establishing programs that encourage children and their parents to walk and bicycle safely to school. The funding recommendations provide for \$5.7 million in each fiscal year in this area.

#### ***Other Construction Programs***

There are a number of programs that fall under the Other Construction Programs banner, for which the executive recommendation provides \$174.6 million in FY 2012 and \$178.0 million in FY 2013 from state and federal motor fuel tax sources. Uses of these moneys include (1) the allocation of federally earmarked funds to the appropriate local government, (2) the construction of the Appalachian corridor highways in Ohio, (3) funding for geologic site management projects, including slopes and slides, rockfalls, underground mines, and erosion, (4) provision of 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, (5) funding for the replacement and rehabilitation for the rest areas on the state and national highway system, (6) 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, (7) funding for retrofitting roadways with noise barriers statewide, and (8) funding for transportation improvement projects that improve safety for motorists and horse drawn vehicles.

#### ***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 crash fatality rate by 5% and a 10% decline in the number of serious crashes by 2015. Overall, the fatality rate per 100 million vehicle miles traveled has declined from a rate of 1.31 in 2002 to 0.92 in 2009, a nearly 30% improvement.

Eligible projects include signing, striping, clearing brush, traffic signal coordination, two-way left turn lanes, additional lanes, and other roadway modifications. The executive recommends \$71.3 million in FY 2012 and \$72.7 million in FY 2013 for these purposes. The FY 2012 amount is \$8.6 million, or 10.8%, lower than estimated FY 2011 spending of \$79.9 million for these projects. The FY 2013 amount is \$1.4 million, or 1.9%, higher than the FY 2012 recommendation. The recommended amount will fund about 200 safety projects over the course of the FY 2012-FY 2013 biennium.

### **Highway Maintenance Contracts**

These contracts provide 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. Appropriation item 773431, Highway Maintenance – State, funds several programs, described below, with \$82.8 million in FY 2012 and \$94.6 million in FY 2013, amounts that are significantly higher than the FY 2011 allocation of \$64.8 million for this program. According to DOT, the additional appropriations represent contingency funds that DOT holds for such occurrences as revenue shortfalls or weather emergency events (e.g., flooding). If necessary, excess funds in this and other operating line items can be moved to other line items to assist in funding capital projects.

**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 106 rest areas, 88 central county garages, 122 outpost facilities, and 12 district headquarters, in addition to the central office headquarters.

**Traffic System Maintenance.** This program maintains traffic control devices on the state highway system. Examples of traffic control signals include highway lighting, signage, striping, and raised pavement markers. The program also includes the state's Intelligent Traffic Systems (ITS), which provides real-time travel information to DOT managers and the traveling public for travel route decision making.

**Roadway 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 damage. Also included are upgrades and repairs to guardrail systems to meet current standards. The replacement schedule for a

guardrail is 20 years. DOT invoices drivers for damage caused if cited by the State Highway Patrol. Finally, this program also is responsible for the removal of vegetation, mowing, tree/flower planting, erosion control, drainage ditch obstructions, litter, and the repair of pavement drop-offs.

### **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 basic system maintenance and operational needs are met. 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 revenues decrease or if other program costs increase.

The executive budget recommends \$60.3 million in FY 2012 state and federal motor fuel tax funds for the Major/New Program, an 8.4% increase from the FY 2011 amount of \$55.7 million from those sources. For FY 2013, the Major/New recommendation is reduced to \$50.3 million, a decline of 16.7%. However, by using \$50 million in funding carried forward from prior years in FY 2012 and \$73 million in state highway bond moneys in FY 2013, the overall Major/New budget will actually be \$110.3 million in FY 2012 and \$123.3 million in FY 2013. These amounts fully fund DOT's budget request for the program.

### **Public Transit Assistance**

Under the Governor's proposal, \$20 million in flexible federal dollars each year will be used to provide additional funding to Ohio's transit systems. For FY 2012 and FY 2013, \$6 million per year will be distributed to transit systems by formula while the remaining \$14 million per year will be competitively awarded to fund replacement of transit vehicles that are beyond their useful lives, capitalized operating expenses (e.g., preventive maintenance, tires, and fuel), and facility rehabilitation and renovation. For FY 2011, \$40 million in flexible federal funding has been set aside for these purposes, with \$25 million used to assist transit agencies with operating expenses and \$15 million for the purchase of environmentally friendly buses.

### **Earmarks**

The executive budget earmarks funds out of line item 772421, Highway Construction – State, for the construction, reconstruction, or maintenance of certain roads. For instance, \$5 million in each fiscal year is slated for work on public access

roads, including support features, to and within state facilities owned or operated by the Department of Natural Resources. Also, about \$2.2 million in each fiscal year is slated for park drives or park roads within the boundaries of metropolitan parks. The line item may also be used to perform road reconstruction or maintenance work on behalf of the Ohio Expositions Commission at the state fairgrounds. These earmarks have also been included in recent transportation budget acts.

### **Permanent and Temporary Law Provisions**

#### ***Maintenance of Interstate Highways (Section 203.60)***

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. This language also appeared in the transportation budget for the FY 2010-FY 2011 biennium.

#### ***Public Transportation Highway Grants (Section 203.70)***

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 language also appeared in the transportation budget for the FY 2010-FY 2011 biennium.

#### **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 \$1.1 billion in federal grant anticipated revenue vehicle bond (GARVEEs) principal outstanding as of January 2011. GARVEE bonds allow the state to issue debt to finance qualified construction projects using the expected federal motor fuel tax revenues appropriated from the federal Highway Trust Fund. The executive recommendation provides \$171.1 million in FY 2012 and \$177.9 million in FY 2013 under these line items. Total GARVEE bond debt service appropriations for FY 2012 are \$7.0 million (4.3%) greater than FY 2011 appropriations of \$164.1 million for this purpose. The FY 2013 amounts are \$6.8 million (4.0%) greater than the FY 2012 amounts.

#### **State Infrastructure Bank (772426, 772427, 772430, 772431, 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 right-of-way and construction costs. Local governments may pledge their gas

tax revenues as loan repayments. SIB was capitalized in 1997 with \$87 million in federal funds, \$40 million in General Revenue Funds (GRF), 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. 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. Loans are offered to projects that typically do not qualify for federal or state funds. As of the end of FY 2010, 127 loans and two bonds totaling over \$352 million have been issued since SIB was created, most of which went to highway-related projects. At that time, there were a total of 73 loans and two bonds in repayment, with 52 loans having been completely paid back. The average loan size is \$2.8 million.

The various line items that support SIB are comprised of first generation federal dollars that require a 20% state match or second generation funds, which are nonfederal funds used to pay back original loans financed with federal funds and do not require a state match. The executive recommendation funds these highway SIB line items with combined funding of approximately \$23.5 million in each fiscal year. This amount is lower than previous budgets, specifically because the line items funding the bond portion of the program have not been recommended to receive any new appropriations for the FY 2012-FY 2013 biennium. However, these line items, which would only be used if a local government was awarded a SIB bond for a project let and administered by DOT, have sufficient unused appropriations from prior years that have been carried forward.

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

This line item is used for pavement preservation and Major/New construction projects. Bond sales are dependent on cash needs related to project expenditures. The debt service on 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 \$123 million in general obligation bonds to finance highway projects. Similar to GARVEE bonds, DOT uses state highway bonds to finance large construction projects to avoid tying up cash that could be used elsewhere. To provide flexibility with respect to cash needs, a provision in the bill 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 to the amounts previously transferred. 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 debt service on the bonds issued is paid out of Fund 7072, line item 155902, Highway Capital Improvement Bond Retirement Fund, which appears under the Commissioners of the Sinking Fund section of the main operating budget.

The executive recommendation provides bond appropriations of \$36.6 million in FY 2012 and \$91.6 million in FY 2013 for a biennium total of \$128.2 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 2012 is 77.5% lower than FY 2011 appropriations of \$163 million. The table below shows the recommended allocation of state highway construction bonds for the FY 2012-FY 2013 biennium.

<b>ALI 772723, Highway Construction – Bonds, Program Allocation (in millions)</b>				
<b>Program</b>	<b>FY 2012</b>	<b>FY 2013</b>	<b>Biennium Total</b>	<b>Percent</b>
Pavement and Bridge Preservation	\$36.6	\$18.6	\$55.2	43.1%
Major/New	\$0	\$73.0	\$73.0	56.9%
<b>TOTAL</b>	<b>\$36.6</b>	<b>\$91.6</b>	<b>\$128.2</b>	<b>100.0%</b>

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

This line item funds system preservation projects or Major/New construction with GARVEE bonds, which are issued against and retired primarily with DOT's federal highway revenues. The debt service on these bonds is paid out of the Highway Operating Fund (Fund 7002) in line items 772437 and 772438 (discussed above within this section of the Redbook). Although the fund group and line item reference the "Infrastructure Bank," neither have anything to do with the State Infrastructure Bank Bond and Loan Program.

For the FY 2012-FY 2013 biennium, recommended GARVEE bond appropriations are \$143.4 million over the biennium. This compares to \$136 million appropriated for the FY 2010-FY 2011 biennium. Taking a look at the Governor's proposal by fiscal year, the executive recommendation provides GARVEE bond appropriations of \$45.4 million in FY 2012 and \$98.0 million in FY 2013. The amount recommended for FY 2012 is 30.2% lower than FY 2011 appropriations of \$65 million. The amount recommended for FY 2013 is 116% higher than the amount for FY 2012. All FY 2012 and FY 2013 GARVEE bond appropriations are allocated to pavement and bridge preservation projects.

### **General Permanent and Temporary Law Provisions**

#### **Public Private Partnership Authority (R.C. 5501.70 to 5501.83)**

The bill provides DOT the authority to enter into public-private agreements based on solicited and unsolicited proposals from private entities relating to transportation facilities. The bill establishes the procedures for selecting a proposal and the terms of the agreement, including grounds for terminating an agreement. Local governments would be permitted to participate in these public-private agreements.

The bill permits bonds to be issued under existing statutory authority provided in the State Infrastructure Bank Law to provide funds for the development or financing of a transportation facility that is subject to a public-private agreement and allows DOT to accept federal, state, local, and private funds to finance a transportation facility that is subject to a public-private agreement. Transportation facilities operated under a public-private agreement would be exempt from state and local property taxes.

Overall, this change gives DOT another way to finance, construct, operate, or maintain transportation projects. While an overall goal of these partnerships is to leverage private investment for and transfer the risk of building or operating transportation facilities, public-private partnerships can take many forms. The specific fiscal effects would depend on the terms of each arrangement.

#### **Reimbursement of a Utility for Certain Relocation Costs (R.C. 5501.51)**

The bill restricts the cost of the relocation of utility facilities necessitated by the construction of a highway project for which a utility may claim reimbursement to those costs that are eligible for reimbursement in accordance with federal law. Under current law unchanged by the bill, utilities must substantiate the cost of the relocation. DOT is permitted to audit all financial records to verify the actual cost incurred. There would be a reduction in utility reimbursements corresponding to the extent that utility companies currently include costs that are not eligible for federal reimbursement.

#### **Outdoor Advertising Control by Local Zoning Authorities (R.C. 5516.11)**

The bill specifically authorizes local zoning authorities to establish rules and regulations controlling the size, lighting, and spacing of outdoor advertising devices in commercial and industrial areas. The bill permits the Director of DOT to certify to the FHWA that the rules are consistent with the intent of the Highway Beautification Act of 1965 rather than equivalent and consistent with it, as under current law. The provision is intended to allow local zoning authorities greater control over outdoor advertising and to reduce compliance costs with the Highway Beautification Act.

#### **Design-Build Contracts/Value-based Selection Process (R.C. 5517.011)**

The bill establishes that the amount of money that may be spent on design-build projects per fiscal year cannot exceed \$1 billion, rather than \$1 billion for the current FY 2010-FY 2011 biennium and \$250 million per biennium thereafter as under existing law. In addition, the bill permanently authorizes DOT to use a value-based selection process for design-build projects, combining technical qualifications and competitive bidding elements. Under current law, this authority extends to FY 2010 and FY 2011 only. DOT has used the value-based selection process on large projects such as the Cleveland Innerbelt Bridge and the reconstruction of the I-71/I-670 Interchange in Columbus. If design-build contracts are utilized more frequently, this change may

increase project delivery efficiencies and reduce overall design and construction costs for the state.

Finally, the bill provides specific statutory authority to DOT to pay compensation for a preliminary design concept to an unsuccessful bidder. Used in conjunction with design-build projects, stipends to unsuccessful bidders are intended to promote better technical proposals and to treat the design-build firms fairly since they do not include technical proposal development in their normal cost of doing business, as a contractor would for traditional bid preparation. The change is also aimed at increasing competition. It will also allow DOT the rights to proprietary information that can be transferred from an unsuccessful bidder to the successful bidder.

#### **Confidentiality of Certain Portions of DOT Cost Estimates (R.C. 5525.15)**

The bill provides that, relative to a DOT construction project, unit price components of the official engineer's estimate of the project's cost are not public records even after the bid opening for the project has occurred. This provision is in response to several legal challenges to the confidentiality of information used to develop and prepare DOT's cost estimate for construction projects. The engineer's estimate is used to determine whether the bids submitted for a project are too high, too low, or if there is another issue that may cause the bids to be rejected. If contractors who bid on a project receive unit price components either prior to or shortly after the announcement of the bids, it may be that the estimating process will be undermined by contractors attempting to gain an unfair advantage over other contractors. The provision makes it clear that the cost estimate and the unit price components are not subject to release under the Public Records Law, the goal of which is to ensure a competitive bid process.

#### **Transfers of Highway Operating Fund Appropriations (Section 203.50)**

The bill includes several provisions that 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. This language also appeared in the transportation budget for the FY 2010-FY 2011 biennium.

#### **Transfer of Appropriations and Cash (Section 203.50)**

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.

The bill also provides the authority for the Director of Budget and Management to transfer appropriations and cash of the Ohio Tolling Fund and any sub-accounts

created within the Ohio Tolling Fund. Such transfers are to be reported to the Controlling Board. This language also appeared in the transportation budget for the FY 2010-FY 2011 biennium.

#### **Increasing Appropriations (Section 203.50)**

The bill contains several provisions permitting the Director of Transportation to request the Controlling Board to increase appropriations out of the Highway Operating Fund in the event that revenues or apportionments or allocations from the federal and local governments exceed estimates. This is also recurring temporary language.

#### **Reappropriations (Section 203.50)**

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 2011 and FY 2012 be reappropriated for the same purposes in FY 2012 and FY 2013, respectively, subject to the approval of the Director of Budget and Management.

#### **Monthly Transfers to Gasoline Excise Tax Fund (Section 511.20)**

This provision requires the Director of Budget and Management to transfer cash in equal monthly increments totaling \$163.9 million in FY 2012 and in equal monthly increments totaling \$170.4 million in FY 2013 from the Highway Operating Fund (Fund 7002) to the Gasoline Excise Tax Fund. Municipal corporations receive 42.86%, counties receive 37.14%, and townships receive 20% of the revenues from this source.

The total amounts transferred for FY 2012 and FY 2013 are lower than the \$183.5 million transferred each fiscal year to local governments under this provision in the current FY 2010-FY 2011 budget. As a result, this provision would lower the share of motor fuel tax revenue received by local governments and thus increase the share of motor fuel tax dollars retained by DOT.

#### **DOT Environmental Reviews (Section 755.10)**

The bill permits the Director of DOT to enter into agreements with an agency of the U.S. government for the purposes of dedicating staff to the review of environmentally related documents submitted by DOT that are necessary for the approval of federal permits. The Director of DOT is required to submit a request to the Controlling Board indicating the amount of the agreement, the services to be performed by the federal agency, and the circumstances giving rise to the agreement. This provision allows DOT to maintain agreements with federal agencies to assist in expeditious environmental reviews, potentially limiting project delays. Similar language authorizing these state-federal agreements exists in the current transportation budget.

**Motor Fuel Evaporation Tax Credit (Section 755.30)**

The bill provides for a continuation of the current evaporation discount rates on the motor fuel taxes paid by wholesale dealers and retailers. The current transportation budget allows wholesalers to subtract 1.0% of the number of gallons of taxable fuel handled as an allowance for shrinkage minus 0.5% on gallons sold to retailers, while retail dealers, with some exceptions, may apply for a refund of 0.5% of the gallons that they handle.

**Gas Tax Distributions/Transfer to State Highway Patrol (Section 755.40)**

The bill carries forward provisions in the current main operating budget that (1) require the first 2% of motor fuel tax received each month to be deposited into the Highway Operating Fund (Fund 7002) and (2) authorize transfers in cash from the Highway Operating Fund to the State Highway Safety Fund (Fund 7036), which funds the Ohio State Highway Patrol. Under current law, for FY 2010 and FY 2011, these transfers total \$16.22 million per fiscal year. The bill would reduce this amount by 7.5% to \$15 million per year, further reducing the Ohio State Highway Patrol's draw on gas tax funding.

## Category 2: Transportation Planning and Research

This category of appropriations is used to fund the Transportation Planning and Research Program.

Governor's Recommended Amounts for Transportation Planning and Research				
Fund	ALI and Name		FY 2012	FY 2013
<b>Highway Operating Fund (HOF) Group</b>				
7002	771412	Planning and Research – Federal	\$28,647,965	\$28,925,138
7002	771411	Planning and Research – State	\$23,474,971	\$23,057,800
<b>Total Funding: Transportation Planning and Research</b>			<b>\$52,122,936</b>	<b>\$51,982,938</b>

### 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 line item 771411, Planning and Research – State. DOT is also required by the federal government to 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 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 MPOs, and review of traffic congestion and travel demand. Research projects are conducted through contracts with research institutions. The Department also participates in pooled fund studies led by other states or the FHWA, which generates significant research with minimal financial investment.

The executive recommends \$28.6 million in FY 2012 and \$28.9 million in FY 2013 for this line item. The amount for FY 2012 is 18.3% higher than FY 2011 appropriations of \$24.2 million, while the amount recommended for FY 2013 is 1.0% higher than the FY 2012 recommendation. The recommended amounts are higher than those for FY 2011 because the Department reports that it did not request enough appropriations for planning and research activities for the FY 2010-FY 2011 budget. The activities receive federal funding at a certain rate based on actual federal revenues. Actual

federal revenues ended up being greater than expected. The Division was able to make up the difference through the use of unused, prior-year appropriations, which current and former transportation budget acts have permitted to be carried forward from year to year.

### **Planning and Research – State (771411)**

Approximately 72% 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 line item 771412, Planning and Research – Federal, 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 \$23.5 million for this line item in FY 2012 and \$23.1 million for FY 2013. These amounts fully fund the Department's request for this line item. The amount recommended for FY 2012 is 9.4% higher than FY 2011 appropriations of \$21.5 million while the amount recommended for FY 2013 is 2.0% higher than the FY 2012 recommendation.

Overall, FY 2012 and FY 2013 recommendations for this line item are greater than the FY 2011 level due to increased payroll costs. The increase is attributable to a departmental restructuring initiative in which the former Division of Planning was consolidated with another division into the Division of Transportation System Development. This resulted in some additional staff for planning and research activities. In addition, the recommended funding for this line item factors in the 32 hour personal leave cash-out in FY 2012 and the elimination of cost-savings days in each fiscal year of the biennium.

### Category 3: Public Transportation

This category of appropriations funds the state's capital, operating, technical, and planning assistance to the 59 transit systems receiving state assistance. Of the 59 transit systems, 24 systems are in urban areas and 35 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 GRF 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.

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. Data gathered by DOT show that over 134 million passenger trips were provided by state's transit systems during CY 2009. This amount is lower than in prior years due to the economic recession, which decreased both GRF and local funding for transit agencies. The recession's effect on employment also reduced the demand for transit services.

Governor's Recommended Amounts for Public Transportation				
Fund	ALI and Name		FY 2012	FY 2013
<b>Highway Operating Fund (HOF) Group</b>				
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	775457	Transit Infrastructure Bank – State	\$250,000	\$250,000
<b>Total Funding: Public Transportation</b>			<b>\$33,540,785</b>	<b>\$33,540,785</b>

#### Public Transportation – Federal (775452)

Accounting for 80.7% of the total recommended funding in the public transportation funding area, 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, 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, development disabilities 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 began funding the Coordination Program entirely with federal funds in CY 2009, 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 will conduct 48 quality assurance reviews of grant recipients, attend eight rail fixed guideway state safety and security oversight program meetings with the Greater Cleveland Regional Transit Authority, conduct 50 site visits to various grant recipients and provide 24 training workshops. In addition, the Department estimates that 20 scholarships for a total of \$10,000 will be awarded to grant recipients to assist with training opportunities.

The recommended funding of \$27.1 million for each fiscal year is the same as the amounts originally appropriated for each year of the current biennium. However, the Controlling Board increased the FY 2011 appropriation for this line item by \$13.5 million in November 2010 to account for a Federal Transit Administration (FTA) State of Good Repair Program grant award, which provided funds for Ohio transit systems to replace transit vehicles and improve transit facilities.

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

This line item provides federal capital assistance under the Specialized Transportation Program (STP) for the purchase of vehicles for urban and rural nonprofit agencies providing transportation services to the elderly and people with disabilities. The STP Program requires a 20% local match, the funds for which are deposited into the Highway Operating Fund (Fund 7002) and expended through line item 775454, Public Transportation – Other. DOT is recognized as the recipient of the federal funds and is required to oversee their distribution and subsequent investment in local transportation services. Thus, DOT purchases the vehicles on behalf of the

recipient agencies and receives reimbursement from the FTA. The executive recommends \$4.73 million in each fiscal year for this line item, the same amounts appropriated annually for the FY 2010-FY 2011 biennium.

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

This line item provides the 20% local matching funds collected for vehicles purchased through STP described above. The Department requires the local portion of funding up front and then purchases vehicles on behalf of the recipient agencies. The federal funding for this program is found in line item 775459, Elderly and Disabled Special Equipment. The executive recommends \$1.5 million per fiscal year for this line item, the same levels as the FY 2010-FY 2011 biennium.

#### **Transit Infrastructure Bank – State (775457)**

This line item funds the Transit Infrastructure Bank Loan Program, which provides another resource local governmental 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 GRF, 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. This was a \$6.9 million loan made in November 1998 to the Greater Cleveland Regional Transit Authority for structural rehabilitation of the Cuyahoga River Viaduct. That project was completed in September 2000. The loan has a repayment term of 15 years.

The executive recommendation provides \$250,000 in each fiscal year of the upcoming biennium. This amount is lower than previous budgets as the line items funding the bond portion of the SIB Program have not been recommended to receive any new appropriations for the FY 2012-FY 2013 biennium. These line items, which would only be used if a local government was awarded a SIB bond for a project and DOT let and administered the project on behalf of a local government, have sufficient appropriations from prior years that have not been used and thus, have been carried forward.

## **Permanent Law Provision**

### **Investigations of Incidents by Transit Systems Operating a Rail Fixed Guideway System (R.C. 5501.55)**

The bill includes a provision that makes a report that results from the investigation of an incident by a transit agency operating a rail fixed guideway system confidential and not subject to disclosure under the Public Records Law. This provision is in response to a common pleas court finding that current law does not protect investigations of incidents by rail fixed guideway system authorities. The change is in keeping with the intent of the current law, which has been to keep such investigations confidential.

## Category 4: Rail Transportation

This category of appropriations is administered by the Ohio Rail Development Commission (ORDC), an independent commission within DOT. ORDC programs support economic development and rail-highway safety, including equipment upgrades and removal of hazardous rail crossings. ORDC also receives GRF funding in the main operating appropriations bill that is used for operating expenses as well as financial assistance to railroads, businesses, and communities for rail-related infrastructure.

Governor's Recommended Amounts for Rail Transportation				
Fund	ALI and Name		FY 2012	FY 2013
<b>Highway Operating Fund (HOF) Group</b>				
7002	776462	Grade Crossing – Federal	\$14,200,000	\$14,240,000
<b>Highway Operating Fund Group Subtotal</b>			<b>\$14,200,000</b>	<b>\$14,240,000</b>
<b>State Special Revenue Fund (SSR) Group</b>				
4N40	776664	Rail Transportation – Other	2,111,500	2,875,800
4N40	776663	Panhandle Lease Reserve Payments	\$764,300	\$0
<b>State Special Revenue Fund Group Subtotal</b>			<b>\$2,875,800</b>	<b>\$2,875,800</b>
<b>Total Funding: Rail Transportation</b>			<b>\$17,075,800</b>	<b>\$17,115,800</b>

### Grade Crossing – Federal (776462)

This line item, which constitutes 83.2% of the recommended funding in the rail transportation category, 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. According to the Railroad Information System, a database that is maintained by ORDC and the Public Utilities Commission of Ohio that contains a comprehensive listing of highway-railroad grade crossings in the state, there are 5,856 public, at-grade crossings open to traffic. Of this amount, 3,778 (65%) have lights or gates and 2,078 (35%) do not. In FY 2010, 25 of the most hazardous grade crossings were identified for technical review and potential safety upgrades. In addition, three flashing light and roadway gate installations were completed for local governments in exchange for their agreement in closing four redundant grade crossings, nine grade crossing surface reconstruction projects were completed, and 12 preemption projects were funded. Preemption projects interconnect grade crossings and nearby highway traffic signals so that the normal sequence of a traffic signal is interrupted to clear the grade crossing area of vehicular traffic before a train arrives.

The executive recommends \$14.2 million in each year for this line item, an amount that is 5.3% lower than the FY 2011 appropriation of \$15.0 million. However, the executive recommendation supplements the funding provided to the grade crossing program with roughly \$800,000 per fiscal year in state motor fuel tax funds (appropriated under line item 772421, Highway Construction – State, thus maintaining the level of funding for the program at prior fiscal year levels. Based on historical averages, ORDC estimates that this funding level is likely to enable upgrades to warning devices at 50 to 60 crossings per year and 10 to 20 other crossing upgrade projects. The actual number of projects completed will depend on the cost associated with each project, which can vary based on site conditions and complexity.

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

This line item, in conjunction with GRF line 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.

The executive recommendation provides over \$2.1 million in FY 2012 for this line item, 34.8% lower than the adjusted appropriation of \$3.2 million for FY 2011. The FY 2011 amount reflects a \$1.1 million increase approved by the Controlling Board in September 2010 that allowed ORDC to receive a grant from CSX Transportation. This amount was to cover the FHWA's Eastern Federal Lands Highway Division's (EFL) oversight costs associated with the "National Gateway" project to increase bridge and tunnel clearance heights to accommodate double-stacked intermodal trains and intermodal terminal capacity. Since EFL did not have adequate resources to provide full oversight of the project, CSX Transportation agreed to provide the amount needed. Because EFL cannot directly accept private funds from CSX, ORDC accepted the grant from CSX and then granted the money to EFL.

The executive recommendation for FY 2013 is \$2.9 million, or 36.2% higher than the amount recommended for FY 2012. The increase associated with the FY 2013 amount is due to the \$764,300 panhandle lease reserve appropriation that will no longer be needed in FY 2013. These amounts fully fund the Department's budget request for this line item. Overall, the number and amount of grants or loans issued will depend on the characteristics of projects that apply for ORDC support. If GRF funding for the program is reduced, ORDC would respond by either providing financial assistance for fewer projects or providing a lesser amount of funding per 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 the 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 \$764,300 for FY 2012 and nothing for FY 2013, as bond payments on the certificates of participation will conclude in FY 2012. The FY 2012 amount is identical to that appropriated for FY 2011 for this purpose.

## Category 5: Aviation

This category of appropriations supports the operations of the Office of Aviation. This Office is responsible for working with airports to meet national safety standards, making infrastructure improvements, coordinating with the Federal Aviation Administration (FAA) registering aircraft, 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 2012</b>	<b>FY 2013</b>
<b>Highway Operating Fund (HOF) Group</b>				
7002	777475	Aviation Administration	\$5,453,108	\$5,374,144
2130	777477	Aviation Infrastructure Bank – State	\$1,250,000	\$1,250,000
7002	777472	Airport Improvements – Federal	\$405,000	\$405,000
<b>Highway Operating Fund Group Subtotal</b>			<b>\$7,108,108</b>	<b>\$7,029,144</b>
<b>State Special Revenue Fund (SSR) 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>\$7,728,108</b>	<b>\$7,649,144</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 26 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 10,140 registered aircraft.

The executive recommends \$5.5 million in FY 2012 and \$5.4 million in FY 2013 for this line item. The FY 2012 amount is 5.1% higher than FY 2011 appropriations of \$5.2 million, while the amount recommended for FY 2013 is 1.4% lower than that for FY 2012. The driving factors in the budget for this line item are fuel prices and aircraft maintenance costs.

**Aviation Infrastructure Bank – State (777477)**

This line item supports 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.

The executive recommendation provides \$1.3 million each fiscal year for Aviation Infrastructure Bank loans. This amount is lower than previous budgets as the line items funding the bond portion of the SIB Program have not been recommended to receive any new appropriations for the FY 2012-FY 2013 biennium. These line items, which would only be used if a local government was awarded a SIB bond for a project and DOT let and administered the project on behalf of a local government, have sufficient appropriations from prior fiscal years that have not been used and thus, have been carried forward.

**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. These grants cover 90% of the cost of obstruction removal or pavement resurfacing or reconstruction, not including project design expenses. Ninety-nine publicly owned airports are eligible for these grants. In FY 2010, the Aviation Improvement Program awarded ten grants totaling \$1.4 million. With GRF support of the program likely to be reduced, fewer airport pavement projects are likely to be funded. This may result in lower Pavement Condition Index (PCI) ratings for airport runways, taxiways, and aprons.

The line item is supported by a general aviation license tax of \$15 per aircraft seat and an annual flat rate of \$15 for gliders and balloons. These license revenues have generated between \$416,000 and \$512,000 per fiscal year in revenue since FY 2008. The executive recommends funding of \$620,000 in each fiscal year for the line item, the same amount appropriated for FY 2011.

**Airport Improvements – Federal (777472)**

This line item, also a component of the Aviation Improvement Program, provides expenditure authority for any grants the Department might receive from the FAA. However, the Department is currently not slated to receive any such grants at this time. The executive recommendation provides \$405,000 annually for this line item, the same amounts appropriated annually for the FY 2010-FY 2011 biennium.

## Category 6: Administration

This category of appropriations provides for the management support of all the Department's programs and supports capital improvements to DOT facilities.

Governor's Recommended Amounts for Administration				
Fund	ALI and Name		FY 2012	FY 2013
<b>Highway Operating Fund (HOF) Group</b>				
7002	779491	Administration – State	\$136,462,349	\$140,904,501
<b>Total Funding: Administration</b>			<b>\$136,462,349</b>	<b>\$140,904,501</b>

### Administration – State (779491)

This line item provides the management support needed to administer the Department's programs, including the Director's executive leadership staff, quality and human resources, financing and forecasting, information technology, facilities management, and local programs. The line item supports approximately 811 positions with an operating program budget averaging about \$119 million per year.

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 headquarters 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 is intended to fund any new capital projects that may be necessary to prevent excessive maintenance or repair costs. The executive budget provides \$17.4 million in FY 2012 and \$22 million in FY 2013 for these purposes, which will provide enough funding to replace two county garages per fiscal year. However, this rate of replacement is slower than what DOT would like in order to systematically replace buildings that reach the end of their useful lives.

In total, the executive recommendation for this line item is \$136.5 million in FY 2012 and \$140.9 million in FY 2013. The FY 2012 recommendation is 1.2% higher than the FY 2011 appropriation of \$131.1 million, while the FY 2013 recommendation provides an increase of 3.3% over the FY 2012 recommendation.

### Permanent and Temporary Law

#### Deputy Inspector General for ODOT Fund (Section 511.30)

The bill authorizes the transfer of a total of \$400,000 in cash per fiscal year from the Highway Operating Fund (Fund 7002) in \$200,000 semiannual payments to the Deputy Inspector General for ODOT Fund (Fund 5FA0). If additional amounts are

necessary to fund the Deputy Inspector General's operations, the bill specifies that the Inspector General, with the consent of the Director of OBM, may seek Controlling Board approval for additional transfers of cash and appropriations. The cash transfers are appropriated in line item 965603, Deputy Inspector General for ODOT, which falls under the Office of the Inspector General's section of the main operating budget.

**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 line items during the FY 2012-FY 2013 biennium. Payments must be made upon certification by the Ohio Building Authority of the dates and amounts due on those dates.

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

This provision authorizes additional appropriations if they are necessary for lease and other 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.

## REQUESTS NOT FUNDED

This section describes agency requests that are not funded in the executive budget.

Highway Construction Bonds						
Fund Line Item	FY 2012 Recommended	FY 2012 Requested	Difference	FY 2013 Recommended	FY 2013 Requested	Difference
7002 772428	\$45,400,000	\$94,000,000	(\$48,600,000)	\$98,000,000	\$136,000,000	(\$38,000,000)
7002 772723	\$36,600,000	\$110,000,000	(\$73,400,000)	\$91,600,000	\$180,000,000	(\$88,400,000)
<b>Total</b>	<b>\$82,000,000</b>	<b>\$204,000,000</b>	<b>(\$122,000,000)</b>	<b>\$189,600,000</b>	<b>\$316,000,000</b>	<b>(\$126,400,000)</b>

Under the Governor's transportation budget funding proposal, the Department received a total of \$122 million and \$126.4 million less than requested in FY 2012 and FY 2013 bond appropriations, respectively. These appropriations enable the Department to spend the proceeds of state highway and GARVEE bond issuances. The reductions in recommended bond appropriations do not hamper the funding associated with pavement and bridge preservation or Major/New construction projects, as the executive budget fully funded the budget requests for those programs. In order to do so, the Governor's proposal allocates more state motor fuel tax and federal highway revenues to those programs than DOT requested. These state and federal resources were shifted away from funding requested for "Other Construction" subprograms, the Department's public transit assistance initiative, and passenger rail studies.

## Department of Transportation

### Highway Operating Fund Group

#### 2120 772426 Highway Infrastructure Bank-Federal

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$4,409,995	\$9,168,792	\$3,576,301	\$4,018,649	<b>\$6,775,000</b>	<b>\$6,725,000</b>
	107.9%	-61.0%	12.4%	<b>68.6%</b>	<b>-0.7%</b>

**Source:** Highway Operating Fund Group: Federal motor fuel tax revenues received to capitalize the State Infrastructure Bank

**Legal Basis:** ORC 5531.09; Section 203.10 of Am. Sub. H.B. 2 of the 128th G.A. (originally established by Controlling Board on September 16, 1996)

**Purpose:** This line item is used to account for original federal dollars used for State Infrastructure Bank (SIB) loans to public entities for highway construction. Projects must be eligible under federal Title 23 (Highways) or Title 49 (Transportation) and follow all federal regulations. Only right of way purchases and construction costs are eligible for SIB funding. Federal funds may cover up to 80% of the project cost, with state motor fuel tax revenues covering the state match.

#### 2120 772427 Highway Infrastructure Bank-State

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$11,445,406	\$17,758,977	\$12,340,914	\$10,209,272	<b>\$12,700,000</b>	<b>\$12,750,000</b>
	55.2%	-30.5%	-17.3%	<b>24.4%</b>	<b>0.4%</b>

**Source:** Highway Operating Fund Group: State motor fuel tax revenues transferred to capitalize the State Infrastructure Bank and loan repayments

**Legal Basis:** ORC 5531.09; Section 203.10 of Am. Sub. H.B. 2 of the 128th G.A. (originally established by Am. Sub. H.B. 210 of the 122nd G.A.)

**Purpose:** This line item accounts for second generation funds and state motor fuel tax funds used for State Infrastructure Bank (SIB) loans for highway infrastructure projects. Second generation funds are non-federal funds that were used to pay back SIB loans originally financed with federal funds. Only right of way purchases and construction costs are eligible for SIB funding. The only federal requirement placed on using these funds is that the project qualifies as federal Title 23 or Title 49 eligible. No match is required to use these funds.

## Department of Transportation

### 2120 772429 Highway Infrastructure Bank-Local

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$0	\$0	\$0	\$11,499,999	<b>\$0</b>	<b>\$0</b>
	N/A	N/A	N/A	<b>-100%</b>	<b>N/A</b>

**Source:** Highway Operating Fund Group: Federal Title 23 Transportation Infrastructure Bonds for highway projects

**Legal Basis:** ORC 5531.09; Section 203.10 of Am. Sub. H.B. 2 of the 128th G.A. (originally established in Am. Sub. H.B. 210 of the 122nd G.A.)

**Purpose:** This line item supports the Federal Title 23 Transportation Infrastructure Bond Fund component of the State Infrastructure Bank (SIB) Bond Program. This program leverages incoming SIB loan repayments to issue bonds on a project-by-project basis on behalf of eligible Ohio political subdivisions for highway and transit projects that are classified as federal Title 23 eligible. Bond proceeds are used to fund loans to borrowers. This line item is used if DOT sells a highway project on behalf of the local government and is required to pay the contractor or local governmental entity directly. In either instance, DOT would request the cash in advance from the trustee to support the payment.

### 2120 772430 Infrastructure Debt Reserve Title 23-49

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$0	\$445,959	\$515,961	\$1,500,000	<b>\$525,000</b>	<b>\$525,000</b>
	N/A	15.7%	190.7%	<b>-65.0%</b>	<b>0.0%</b>

**Source:** Highway Operating Fund Group: Loan repayments

**Legal Basis:** ORC 5531.09; Section 203.10 of Am. Sub. H.B. 2 of the 128th G.A. (originally established in Am. Sub. H.B. 68 of the 126th G.A.)

**Purpose:** This line item supports the State Infrastructure Bank (SIB) Bond Program by paying the debt service on bonds sold to create a \$5 million reserve fund for the Federal Title 23 Transportation Infrastructure Bond Fund established in July 2008. As a last resort, the appropriation may also be used if DOT has to make a debt service payment to the bond trustee due to default by a local borrower. Before the reserve fund is used, federal Title 23 loan repayments or cash from existing loan accounts are pledged to support any bond borrower repayment shortfall. Overall, the bond program leverages incoming SIB loan repayments to issue bonds on a project-by-project basis on behalf of eligible Ohio political subdivisions. Bond proceeds are used to fund loans to borrowers.

## Department of Transportation

### 2120 775408 Transit Infrastructure Bank-Local

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$0	\$0	\$0	\$812,685	<b>\$0</b>	<b>\$0</b>
	N/A	N/A	N/A	<b>-100%</b>	<b>N/A</b>

**Source:** Highway Operating Fund Group: Federal Title 23 Transportation Infrastructure Bonds for transit projects

**Legal Basis:** ORC 5531.09; Section 203.10 of Am. Sub. H.B. 2 of the 128th G.A. (originally established in Am. Sub. H.B. 210 of the 122nd G.A.)

**Purpose:** This line item supports the Federal Title 23 Transportation Infrastructure Bond Fund component of the State Infrastructure Bank (SIB) Bond Program. This program leverages incoming SIB loan repayments to issue bonds on a project-by-project basis on behalf of eligible Ohio political subdivisions for highway and transit projects that are classified as federal Title 23 eligible. Bond proceeds are used to fund loans to borrowers. This line item is used if DOT sells a transit project on behalf of the local government and is required to pay the contractor or local governmental entity directly. In either instance, DOT would request the cash in advance from the trustee to support the payment.

### 2120 775455 Title 49 Infrastructure Bank - State

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$0	\$0	\$0	\$312,795	<b>\$0</b>	<b>\$0</b>
	N/A	N/A	N/A	<b>-100%</b>	<b>N/A</b>

**Source:** Highway Operating Fund Group: Loan repayments

**Legal Basis:** ORC 5531.09; Section 203.10 of Am. Sub. H.B. 2 of the 128th G.A. (originally established in Am. Sub. H.B. 68 of the 126th G.A., as amended by Am. Sub. H.B. 66 of the 126th G.A.)

**Purpose:** This line item accounts for second generation funds used for State Infrastructure Bank (SIB) loans for Title 23 or Title 49 eligible transit projects. Second generation funds are non-federal funds that were used to pay back SIB loans originally financed with federal funds. Only right of way purchases and construction costs are eligible for SIB funding. The only requirement placed on using these funds is that they qualify as federal Title 23 or Title 49 eligible. No match is required to use these funds.

## Department of Transportation

### 2130 772431 Roadway Infrastructure Bank - State

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$760,395	\$4,027,369	\$7,149,783	\$1,000,000	<b>\$2,500,000</b>	<b>\$2,500,000</b>
	429.6%	77.5%	-86.0%	<b>150.0%</b>	<b>0.0%</b>

**Source:** Highway Operating Fund Group: Moneys transferred from the GRF to capitalize the State Infrastructure Bank

**Legal Basis:** ORC 5531.09; Section 203.10 of Am. Sub. H.B. 2 of the 128th G.A. (originally established in Am. Sub. H.B. 68 of the 126th G.A., as amended by Am. Sub. H.B. 66 of the 126th G.A.)

**Purpose:** This line item accounts for state funds used for State Infrastructure Bank (SIB) loans for local highway infrastructure projects. Only right of way purchases and construction costs are eligible for SIB funding. No 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.

### 2130 772432 Roadway Infrastructure Bank-Local

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$0	\$0	\$0	\$6,000,000	<b>\$0</b>	<b>\$0</b>
	N/A	N/A	N/A	<b>-100%</b>	<b>N/A</b>

**Source:** Highway Operating Fund Group: GRF State Transportation Infrastructure Bonds for highway projects

**Legal Basis:** ORC 5531.09; Section 203.10 of Am. Sub. H.B. 2 of the 128th G.A. (originally established in Am. Sub. H.B. 68 of the 126th G.A.)

**Purpose:** This line item supports the State Transportation Infrastructure Bond Fund component of the State Infrastructure Bank (SIB) Bond Program. This program leverages incoming SIB loan repayments to issue bonds on a project-by-project basis on behalf of eligible Ohio political subdivisions. Bond proceeds are used to fund loans to borrowers. This line item is used if DOT sells a highway project on behalf of the local government and is required to pay the contractor or local governmental entity directly. In either instance, DOT would request the cash in advance from the trustee to support the payment.

## Department of Transportation

### 2130 772433 Infrastructure Debt Reserve - State

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$269,630	\$298,506	\$290,076	\$2,000,000	<b>\$1,000,000</b>	<b>\$1,000,000</b>
	10.7%	-2.8%	589.5%	<b>-50.0%</b>	<b>0.0%</b>

**Source:** Highway Operating Fund Group: Loan repayments

**Legal Basis:** ORC 5531.09; Section 203.10 of Am. Sub. H.B. 2 of the 128th G.A. (originally established in Am. Sub. H.B. 68 of the 126th G.A., as amended by Am. Sub. H.B. 66 of the 126th G.A.)

**Purpose:** This line item supports the State Infrastructure Bank (SIB) Bond Program by paying the debt service on bonds sold to create a \$5 million reserve fund for the GRF State Transportation Infrastructure Bond Fund established in September 2006. As a last resort, the appropriation may also be used if DOT has to make a debt service payment to the bond trustee due to default by a local borrower. Before the reserve fund is used, GRF loan repayments or cash from existing loan accounts are pledged to support any bond borrower repayment shortfall. Overall, the bond program leverages incoming SIB loan repayments to issue bonds on a project-by-project basis on behalf of eligible Ohio political subdivisions. Bond proceeds are used to fund loans to borrowers.

### 2130 775457 Transit Infrastructure Bank - State

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$0	\$0	\$0	\$312,082	<b>\$250,000</b>	<b>\$250,000</b>
	N/A	N/A	N/A	<b>-19.9%</b>	<b>0.0%</b>

**Source:** Highway Operating Fund Group: Moneys transferred from the GRF to capitalize the State Infrastructure Bank

**Legal Basis:** ORC 5531.09; Section 203.10 of Am. Sub. H.B. 2 of the 128th G.A. (originally established in Am. Sub. H.B. 68 of the 126th G.A., as amended by Am. Sub. H.B. 66 of the 126th G.A.)

**Purpose:** This line item is used to provide transit loans to projects under the State Infrastructure Bank (SIB) that are not eligible for funding under federal Title 23 or Title 49. Only right of way and capital costs are eligible uses of the funds. There is no required match in order to qualify for funding.

## Department of Transportation

### 2130 775460 Transit Infrastructure Bank-Local

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$0	\$0	\$0	\$1,000,000	<b>\$0</b>	<b>\$0</b>
	N/A	N/A	N/A	<b>-100%</b>	<b>N/A</b>

**Source:** Highway Operating Fund Group: GRF State Transportation Infrastructure Bonds for transit projects

**Legal Basis:** ORC 5531.09; Section 203.10 of Am. Sub. H.B. 2 of the 128th G.A. (originally established in Am. Sub. H.B. 68 of the 126th G.A.)

**Purpose:** This line item supports the GRF State Transportation Infrastructure Bond Fund component of the State Infrastructure Bank (SIB) Bond Program. This program leverages incoming SIB loan repayments to issue bonds on a project-by-project basis on behalf of eligible Ohio political subdivisions. Bond proceeds are used to fund loans to borrowers. This line item is used if DOT sells a transit project on behalf of the local government and is required to pay the contractor or local governmental entity directly. In either instance, DOT would request the cash in advance from the trustee to support the payment.

### 2130 777477 Aviation Infrastructure Bank-State

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$0	\$0	\$0	\$3,500,000	<b>\$1,250,000</b>	<b>\$1,250,000</b>
	N/A	N/A	N/A	<b>-64.3%</b>	<b>0.0%</b>

**Source:** Highway Operating Fund Group: Moneys transferred from the GRF to capitalize the State Infrastructure Bank

**Legal Basis:** ORC 5531.09; Section 203.10 of Am. Sub. H.B. 2 of the 128th G.A. (originally established by Am. Sub. H.B. 210 of the 122nd G.A.)

**Purpose:** This line item is used to provide State Infrastructure Bank (SIB) loans for aviation projects, such as those related to hangars, safety, infrastructure, and right of way. Operating costs are not an eligible expense. There is no required match in order to qualify for funding. Only moneys originating from the GRF are used to fund SIB aviation projects.

## Department of Transportation

### 2130 777478 Aviation Infrastructure Bank-Local

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$0	\$0	\$0	\$6,000,000	<b>\$0</b>	<b>\$0</b>
	N/A	N/A	N/A	<b>-100%</b>	<b>N/A</b>

**Source:** Highway Operating Fund Group: GRF State Transportation Infrastructure Bonds for aviation projects

**Legal Basis:** ORC 5531.09; Section 203.10 of Am. Sub. H.B. 2 of the 128th G.A. (originally established in Am. Sub. H.B. 68 of the 126th G.A.)

**Purpose:** This line item supports the GRF State Transportation Infrastructure Bond Fund component of the State Infrastructure Bank (SIB) Bond Program. This program leverages incoming SIB loan repayments to issue bonds on a project-by-project basis on behalf of eligible Ohio political subdivisions. Bond proceeds are used to fund loans to borrowers. This line item is used if DOT sells an aviation project on behalf of the local government and is required to pay the contractor or local governmental entity directly. In either instance, DOT would request the cash in advance from the trustee to support the payment.

### 7002 770003 Administration-State-Debt Service

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$10,519,831	\$3,595,837	\$3,408,989	\$1,821,000	<b>\$0</b>	<b>\$0</b>
	-65.8%	-5.2%	-46.6%	<b>-100%</b>	<b>N/A</b>

**Source:** Highway Operating Fund Group: State motor fuel tax revenues and other highway-related revenues

**Legal Basis:** ORC 5501.40; Section 203.10 of Am. Sub. H.B. 2 of the 128th 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.

## Department of Transportation

### 7002 771411 Planning and Research-State

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$16,153,413	\$15,928,527	\$14,970,391	\$21,463,169	<b>\$23,474,971</b>	<b>\$23,057,800</b>
	-1.4%	-6.0%	43.4%	<b>9.4%</b>	<b>-1.8%</b>

**Source:** Highway Operating Fund Group: State motor fuel tax revenues and other highway-related revenues

**Legal Basis:** ORC 5501.03 and 5501.11; Sections 203.10 and 203.30 of Am. Sub. H.B. 2 of the 128th G.A. (originally established by Am. Sub. H.B. 107 of the 121st G.A.)

**Purpose:** This line item provides the state share of funds used for collection and review of statewide traffic monitoring data, maintaining the state road inventory, collection of data for the national Highway Performance Monitoring System, long-range and urban plan development, and other planning activities.

### 7002 771412 Planning and Research-Federal

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$25,963,607	\$27,535,392	\$22,668,185	\$24,214,310	<b>\$28,647,965</b>	<b>\$28,925,138</b>
	6.1%	-17.7%	6.8%	<b>18.3%</b>	<b>1.0%</b>

**Source:** Highway Operating Fund Group: Federal motor fuel tax revenues (CFDA 20.205, Highway Planning and Construction - Federal-Aid Highway Program, Federal Lands Highway Program)

**Legal Basis:** ORC 5501.03 and 5501.11; Sections 203.10, 203.30, and 325.10 of Am. Sub. H.B. 2 of the 128th G.A.

**Purpose:** This line item provides the federal share of funds used for collection and review of statewide traffic monitoring data, maintaining the state road inventory, collection of data for the national Highway Performance Monitoring System, long-range and urban plan development, and other planning activities.

## *Department of Transportation*

### **7002 772421 Highway Construction-State**

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$468,788,283	\$504,014,770	\$401,409,085	\$517,419,558	<b>\$495,573,672</b>	<b>\$472,982,710</b>
	7.5%	-20.4%	28.9%	<b>-4.2%</b>	<b>-4.6%</b>

**Source:** Highway Operating Fund Group: State motor fuel tax revenues and other highway-related revenues

**Legal Basis:** ORC 5501.11 and 5501.31; Sections 203.10, 203.11, 203.12, 203.30, and 203.60 of Am. Sub. H.B. 2 of the 128th 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: pavement and bridge preservation, Major/New construction, geologic site management, road safety, construction of grade crossing separations, noisewalls, and roadside rest areas. Am. Sub. H.B. 2 of the 128th G.A. earmarks \$5 million in each fiscal year for the construction, reconstruction, or maintenance of public access roads to and within state facilities owned or operated by the Department of Natural Resources and \$2.2 million in each fiscal year for the construction, reconstruction, or maintenance of park drives or park roads within the boundaries of metropolitan parks. DOT is also authorized to use funding in this line item to perform related road work on behalf of the Ohio Expositions Commission for the state fairgrounds as requested by the Commission and approved by the Director of Transportation. The executive budget proposal recommends that these earmarks continue for the FY 2012-FY 2013 biennium.

## Department of Transportation

### 7002 772422 Highway Construction-Federal

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$948,975,766	\$913,799,780	\$1,000,136,852	\$1,066,056,045	<b>\$1,146,641,723</b>	<b>\$1,180,471,714</b>
	-3.7%	9.4%	6.6%	<b>7.6%</b>	<b>3.0%</b>

**Source:** Highway Operating Fund Group: Federal motor fuel tax revenues and other federal-highway related revenues (CFDA 20.205, Highway Planning and Construction - Federal-Aid Highway Program, Federal Lands Highway Program)

**Legal Basis:** ORC 5501.11 and 5531; Sections 203.10, 203.13, 203.16, 203.30, and 325.10 of Am. Sub. H.B. 2 of the 128th 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: pavement and bridge preservation, Major/New construction, local government road projects, road safety, special discretionary projects, geologic site management, noisewalls, and construction of grade crossing separations. Am. Sub. H.B. 2 of the 128th G.A. also contains a supplemental FY 2009 appropriation of \$935.7 million in American Recovery and Reinvestment Act of 2009 (ARRA) funding for highway infrastructure projects.

Am. Sub. H.B. 2 earmarks \$7.5 million per year from this line item 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. The act also earmarks \$600,000 in FY 2010 for a truck stop electrification pilot project to reduce diesel emissions from commercial vehicles.

### 7002 772424 Highway Construction-Other

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$67,129,058	\$80,463,637	\$61,574,327	\$109,694,836	<b>\$80,000,000</b>	<b>\$80,000,000</b>
	19.9%	-23.5%	78.2%	<b>-27.1%</b>	<b>0.0%</b>

**Source:** Highway Operating Fund Group: Local government project participation dollars

**Legal Basis:** ORC 5501.11; Sections 203.10, 203.30, and 325.10 of Am. Sub. H.B. 2 of the 128th 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.

## Department of Transportation

### 7002 772437 GARVEE Debt Service - State

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$6,937,210	\$15,861,155	\$17,550,249	\$27,547,900	<b>\$31,918,500</b>	<b>\$33,276,100</b>
	128.6%	10.6%	57.0%	<b>15.9%</b>	<b>4.3%</b>

**Source:** Highway Operating Fund Group: State motor fuel tax revenues

**Legal Basis:** ORC 5531.10; Sections 203.10 and 203.30 of Am. Sub. H.B. 2 of the 128th G.A.

**Purpose:** This line item provides the state share of debt service on federal grant anticipated revenue vehicles (GARVEE bonds). GARVEE bonds are used to leverage federal motor fuel tax revenues appropriated from the federal Highway Trust Fund. The proceeds of GARVEE bond issuances are appropriated in Fund 7045 line item 772428, Highway Infrastructure Bank - Bonds.

### 7002 772438 GARVEE Debt Service - Federal

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$111,870,317	\$134,449,161	\$127,253,563	\$136,513,200	<b>\$139,155,600</b>	<b>\$144,590,400</b>
	20.2%	-5.4%	7.3%	<b>1.9%</b>	<b>3.9%</b>

**Source:** Highway Operating Fund Group: Federal motor fuel tax revenues

**Legal Basis:** ORC 5531.10; Sections 203.10 and 203.30 of Am. Sub. H.B. 2 of the 128th G.A.

**Purpose:** This line item provides the federal share of debt service on federal grant anticipated revenue vehicles (GARVEE bonds). GARVEE bonds are used to leverage federal motor fuel tax revenues appropriated from the federal Highway Trust Fund. The proceeds of GARVEE bond issuances are appropriated in Fund 7045 line item 772428, Highway Infrastructure Bank - Bonds.

## Department of Transportation

### 7002 772453 Federal Stimulus - Forest Highways

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$0	\$0	\$85,662	\$0	<b>\$0</b>	<b>\$0</b>
	N/A	N/A	-100%	<b>N/A</b>	<b>N/A</b>

**Source:** Highway Operating Fund Group: Federal allocation of American Recovery and Reinvestment Act of 2009 (ARRA) moneys for forest highways under the Federal Lands Highway Program (CFDA 20.205, Highway Planning and Construction - Federal-Aid Highway Program, Federal Lands Highway Program)

**Legal Basis:** ORC 5501.11 and 5531 (originally established by the Controlling Board on April 20, 2009)

**Purpose:** This line item is being used to pay for two projects funded by federal stimulus dollars authorized for the federal Forest Highway Program. The first is a repaving project on County Road 9 in Washington County for \$85,662. The second, with an award of \$400,000, will replace a culvert on Forest Highway 11 (State Route 26) in the Wayne National Forest.

### 7002 773431 Highway Maintenance-State

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$388,768,820	\$381,100,837	\$360,521,774	\$425,329,858	<b>\$454,853,435</b>	<b>\$469,400,101</b>
	-2.0%	-5.4%	18.0%	<b>6.9%</b>	<b>3.2%</b>

**Source:** Highway Operating Fund Group: State motor fuel tax revenues and other highway-related revenues

**Legal Basis:** ORC 5501.11, 5501.31, 5501.41, and 5501.42; Sections 203.10, 203.30, and 203.60 of Am. Sub. H.B. 2 of the 128th 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; traffic system maintenance, and intelligent traffic systems. Funds are also used to 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.

## Department of Transportation

### 7002 775452 Public Transportation-Federal

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$29,436,638	\$31,314,045	\$25,530,082	\$40,515,556	<b>\$27,060,785</b>	<b>\$27,060,785</b>
	6.4%	-18.5%	58.7%	<b>-33.2%</b>	<b>0.0%</b>

**Source:** Highway Operating Fund Group: CFDA 20.509, Formula Grants for Other Than Urbanized Areas

**Legal Basis:** ORC 5501.07 and 5501.071; Sections 203.10, 203.30, and 325.10 of Am. Sub. H.B. 2 of the 128th G.A. (originally established by Am. Sub. H.B. 107 of the 121st G.A.)

**Purpose:** This line item provides federal funding to rural transit systems for partial operating assistance and capital projects. Federal transit funding for urban areas is not distributed by the state. Rather, it flows directly to the transit systems serving those areas. This line item also funds the Ohio Coordination Program, which provides funding to public and private non-profit entities in counties that do not have a public transportation system to assist in the coordination of transportation services among local human service agencies. Funding is also used to provide technical assistance to individual transit systems and to assist in transit planning activities.

### 7002 775454 Public Transportation-Other

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$627,319	\$1,072,319	\$741,516	\$1,500,000	<b>\$1,500,000</b>	<b>\$1,500,000</b>
	70.9%	-30.8%	102.3%	<b>0.0%</b>	<b>0.0%</b>

**Source:** Highway Operating Fund Group: Local matching funds

**Legal Basis:** ORC 5501.07 and 5501.071; Sections 203.10 and 203.30 of Am. Sub. H.B. 2 of the 128th G.A. (originally established by Am. Sub. H.B. 107 of the 121st G.A.)

**Purpose:** This line item provides the 20% local matching funds collected for vehicles purchased through the federal Specialized Transportation Program, which provides funds that support transportation services for the elderly and people with disabilities. The department requires the local portion of funding up front and then purchases vehicles on behalf of the recipient agencies. The federal funding for this program is found in appropriation item 775459, Elderly and Disabled Special Equipment.

## Department of Transportation

### 7002 775459 Elderly and Disabled Special Equipment

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$2,345,864	\$3,877,994	\$3,173,349	\$4,730,000	<b>\$4,730,000</b>	<b>\$4,730,000</b>
	65.3%	-18.2%	49.1%	<b>0.0%</b>	<b>0.0%</b>

**Source:** Highway Operating Fund Group: CFDA 20.513, Capital Assistance Program for Elderly Persons and Persons with Disabilities

**Legal Basis:** ORC 5501.07 and 5501.071; Sections 203.10 and 203.30 of Am. Sub. H.B. 2 of the 128th G.A. (originally established by Am. Sub. H.B. 107 of the 121st G.A.)

**Purpose:** This line item provides federal capital assistance under the Specialized Transportation Program (STP) for the purchase of vehicles for urban and rural 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. The STP program requires a 20% local match, the funds for which are deposited into the Highway Operating Fund (Fund 7002) and expended through appropriation item 775454, Public Transportation - Other. DOT is designated as the recipient of these funds and is required to oversee their distribution and their subsequent investment in local transportation services. Thus, DOT purchases the vehicles on behalf of the recipient agencies and receives reimbursement from the FTA.

### 7002 775463 Federal Stimulus - Transit

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$0	\$0	\$6,680,059	\$0	<b>\$0</b>	<b>\$0</b>
	N/A	N/A	-100%	<b>N/A</b>	<b>N/A</b>

**Source:** Highway Operating Fund Group: Federal allocation of American Recovery and Reinvestment Act of 2009 (ARRA) moneys for formula transit capital assistance to rural areas (CFDA 20.509, Formula Grants for Other Than Urbanized Areas)

**Legal Basis:** ORC 5501.07 and 5501.071; Section 325.10 of Am. Sub. H.B. 2 of the 128th G.A.

**Purpose:** This line item accounts for Ohio's share of American Recovery and Reinvestment Act (ARRA) funding for capital assistance grants to transit systems in rural areas. The state's ARRA allocation for rural transit grants is \$29.8 million. The funds may be used for any capital purpose eligible under 49 U.S.C. 5302(a)(1), including vehicle replacements, facilities renovation or construction, preventive maintenance, and mobility management. Federal law allows recipients to use up to 10% of the amount apportioned for operating expenses. In addition, the state may use up to 15% for planning and program administration.

## Department of Transportation

### 7002 776462 Grade Crossings-Federal

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$10,423,806	\$8,080,116	\$17,473,031	\$15,000,000	<b>\$14,200,000</b>	<b>\$14,240,000</b>
	-22.5%	116.2%	-14.2%	<b>-5.3%</b>	<b>0.3%</b>

**Source:** Highway Operating Fund Group: CFDA 20.205, Highway Planning and Construction (Federal-Aid Highway Program)

**Legal Basis:** ORC 5531.03; Sections 203.10 and 203.30 of Am. Sub. H.B. 2 of the 128th 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

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$26,464	\$74,796	\$45,204	\$405,000	<b>\$405,000</b>	<b>\$405,000</b>
	182.6%	-39.6%	795.9%	<b>0.0%</b>	<b>0.0%</b>

**Source:** Highway Operating Fund Group: CFDA 20.106, Airport Improvement Program (AIP)

**Legal Basis:** ORC 4561.08; Sections 203.10 and 325.10 of Am. Sub. H.B. 2 of the 128th G.A. (originally established by Am. Sub. H.B. 107 of the 121st G.A.)

**Purpose:** This line item provides expenditure authority for any grants the department might receive from the Federal Aviation Administration (FAA). In recent years, the line item has been used to spend federal funds provided to DOT for a new airport database software package.

## Department of Transportation

### 7002 777475 Aviation Administration

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$3,536,481	\$3,512,702	\$2,673,413	\$5,186,959	<b>\$5,453,108</b>	<b>\$5,374,144</b>
	-0.7%	-23.9%	94.0%	<b>5.1%</b>	<b>-1.4%</b>

**Source:** Highway Operating Fund Group: State motor fuel tax revenues and other highway-related revenues; flight fees

**Legal Basis:** ORC 4561.021 and 4561.18; Sections 203.10 and 203.30 of Am. Sub. H.B. 2 of the 128th 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. DOT aircraft are used to transport state officials, including the Governor, legislators, and officials from DOT and other departments. If the aircraft are used for highway purposes, expenses are paid with gas tax revenues. If the aircraft 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 10,140 registered aircraft.

## Department of Transportation

### 7002 779491 Administration-State

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$105,191,149	\$100,948,385	\$107,073,181	\$134,889,042	<b>\$136,462,349</b>	<b>\$140,904,501</b>
	-4.0%	6.1%	26.0%	<b>1.2%</b>	<b>3.3%</b>

**Source:** Highway Operating Fund Group: State motor fuel tax revenues and other highway-related revenues

**Legal Basis:** ORC 5501.03 and 5501.04; Sections 203.10, 203.30, and 203.60 of Am. Sub. H.B. 2 of the 128th 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 budgets, Am. Sub. H.B. 2 of the 128th G.A. 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 7002) to provide adequate flexibility to meet unforeseen circumstances and to adjust to circumstances affecting the obligation and expenditure of federal funds. Section 512.40 of Am. Sub. H.B. 2 requires that up to \$400,000 in each fiscal year be transferred from the Highway Operating Fund (Fund 7002) to the Deputy Inspector General for ODOT Fund (Fund 5FA0). These funds will be used to reimburse the Inspector General for costs incurred by the Deputy Inspector General for DOT in carrying out investigations. The executive budget proposes to carry forward these provisions into the FY 2012-FY 2013 biennium.

## Department of Transportation

### State Special Revenue Fund Group

#### 4N40 776663 Panhandle Lease Reserve Payments

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$0	\$0	\$0	\$764,300	<b>\$764,300</b>	<b>\$0</b>
	N/A	N/A	N/A	<b>0.0%</b>	<b>-100%</b>

**Source:** State Special Revenue Fund Group: Biannual rail operator fees

**Legal Basis:** ORC 4981.09; Section 203.10 of Am. Sub. H.B. 2 of the 128th 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. FY 2012 represents the last year of bond payments on the COPs.

#### 4N40 776664 Rail Transportation-Other

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$1,751,100	\$1,439,289	\$681,998	\$3,236,500	<b>\$2,111,500</b>	<b>\$2,875,800</b>
	-17.8%	-52.6%	374.6%	<b>-34.8%</b>	<b>36.2%</b>

**Source:** State Special Revenue Fund Group: Principal and interest payments on loans, revenues from easements, and other lease payments

**Legal Basis:** ORC 4981.09 and 4981.14; Section 203.10 of Am. Sub. H.B. 2 of the 128th G.A. (originally established by Am. Sub. H.B. 100 of the 115th G.A.)

**Purpose:** This line item provides grants and loans for the rehabilitation of rail lines and the construction of rail interchanges or connections. The line item also funds maintenance of rail properties purchased by the state and the acquisition of rail property. Financial assistance for rail projects is also provided in GRF appropriation item 776465, Ohio Rail Development Commission.

## Department of Transportation

### 5W90 777615 County Airport Maintenance

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$521,877	\$175,613	\$685,603	\$620,000	<b>\$620,000</b>	<b>\$620,000</b>
	-66.3%	290.4%	-9.6%	<b>0.0%</b>	<b>0.0%</b>

**Source:** State Special Revenue Fund Group: 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. 2 of the 128th G.A. (originally established by Am. Sub. H.B. 95 of the 125th G.A.)

**Purpose:** This line item supports the Airport Grant Program, which provides capital funding for airport pavement rehabilitation and obstruction removal or marking to publicly-owned airports in Ohio that do not receive FAA Air Carrier Enplanement Funds or FAA Air Cargo Entitlements. Currently, there are 99 such airports in Ohio eligible for the grant program. Funding for these grants is also provided in GRF appropriation item 777471, Airport Improvements-State.

### Infrastructure Bank Obligations Fund Group

#### 7045 772428 Highway Infrastructure Bank-Bonds

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$246,958,336	\$301,833,819	\$227,941,097	\$65,000,000	<b>\$45,400,000</b>	<b>\$98,000,000</b>
	22.2%	-24.5%	-71.5%	<b>-30.2%</b>	<b>115.9%</b>

**Source:** Infrastructure Bank Obligations Fund Group: Proceeds from GARVEE bonds issued against and retired with ODOT's Federal-Aid Highway Program revenues

**Legal Basis:** ORC 5531.09 and 5531.10; Section 203.10 of Am. Sub. H.B. 2 of the 128th 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 highway construction projects using the proceeds from federal grant anticipated revenue vehicles (GARVEE bonds) issued against and retired with ODOT's state and federal highway revenues. The debt service on these bonds is paid out of Fund 7002 appropriation items 772437, GARVEE Debt Service-State, and 772438, GARVEE Debt Service-Federal.

**Department of Transportation**

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Highway Capital Improvement Fund Group

**7042 772723 Highway Construction-Bonds**

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$164,225,624	\$83,317,212	\$131,692,568	\$163,000,000	<b>\$36,600,000</b>	<b>\$91,600,000</b>
	-49.3%	58.1%	23.8%	<b>-77.5%</b>	<b>150.3%</b>

**Source:** Highway Capital Improvement Fund Group: Proceeds from general obligation highway 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

**Legal Basis:** ORC 5528.53; Section 203.10 of Am. Sub. H.B. 2 of the 128th G.A. (originally established by Am. Sub. H.B. 107 of the 121st G.A.)

**Purpose:** This line item funds system preservation and major new highway construction projects. The debt service on the bonds issued for these projects is paid from state motor fuel tax revenues via Fund 7072 appropriation item 155902, Highway Capital Improvement Bond Retirement Fund, which appears under the budget of the Commissioners of the Sinking Fund.

Am. Sub. H.B. 2 of the 128th G.A. authorizes the state to issue up to \$352 million in general obligation bonds to finance highway projects for FY 2010-FY 2011. Of this amount, \$200 million offsets the sums to be transferred from the Highway Operating Fund (Fund 7002) for the Public Works Commission's Local Transportation Improvement Program (LTIP). Am Sub. H.B. 2 also authorizes the transfer of certain "net interest earnings" credited to the state's GRF-backed bond funds to Fund 7002 in the amount needed to reimburse Fund 7002 for debt service payments on the additional bonds issued for DOT. The executive budget proposal recommends the issuance of up to \$123 million of these bonds over the FY 2012-FY 2013 biennium.

# FY 2012 - FY 2013 Introduced Appropriation Amounts

# All Fund Groups

Line Item Detail by Agency			FY 2010	FY 2011	Introduced FY 2012	FY 2011 to FY 2012 % Change	Introduced FY 2013	FY 2012 to FY 2013 % Change
<b>Report For Transportation Budget</b>			<b>Version: As Introduced</b>					
<b>DOT Department of Transportation</b>								
2120	772426	Highway Infrastructure Bank-Federal	\$ 3,576,301	\$ 4,018,649	\$ 6,775,000	68.59%	\$ 6,725,000	-0.74%
2120	772427	Highway Infrastructure Bank-State	\$ 12,340,914	\$ 10,209,272	\$ 12,700,000	24.40%	\$ 12,750,000	0.39%
2120	772429	Highway Infrastructure Bank-Local	\$ 0	\$ 11,499,999	\$ 0	-100.00%	\$ 0	N/A
2120	772430	Infrastructure Debt Reserve Title 23-49	\$ 515,961	\$ 1,500,000	\$ 525,000	-65.00%	\$ 525,000	0.00%
2120	775408	Transit Infrastructure Bank-Local	\$ 0	\$ 812,685	\$ 0	-100.00%	\$ 0	N/A
2120	775455	Title 49 Infrastructure Bank - State	\$ 0	\$ 312,795	\$ 0	-100.00%	\$ 0	N/A
2130	772431	Roadway Infrastructure Bank - State	\$ 7,149,783	\$ 1,000,000	\$ 2,500,000	150.00%	\$ 2,500,000	0.00%
2130	772432	Roadway Infrastructure Bank-Local	\$ 0	\$ 6,000,000	\$ 0	-100.00%	\$ 0	N/A
2130	772433	Infrastructure Debt Reserve - State	\$ 290,076	\$ 2,000,000	\$ 1,000,000	-50.00%	\$ 1,000,000	0.00%
2130	775457	Transit Infrastructure Bank - State	\$ 0	\$ 312,082	\$ 250,000	-19.89%	\$ 250,000	0.00%
2130	775460	Transit Infrastructure Bank-Local	\$ 0	\$ 1,000,000	\$ 0	-100.00%	\$ 0	N/A
2130	777477	Aviation Infrastructure Bank-State	\$ 0	\$ 3,500,000	\$ 1,250,000	-64.29%	\$ 1,250,000	0.00%
2130	777478	Aviation Infrastructure Bank-Local	\$ 0	\$ 6,000,000	\$ 0	-100.00%	\$ 0	N/A
7002	770003	Administration-State-Debt Service	\$ 3,408,989	\$ 1,821,000	\$ 0	-100.00%	\$ 0	N/A
7002	771411	Planning and Research-State	\$ 14,970,391	\$ 21,463,169	\$ 23,474,971	9.37%	\$ 23,057,800	-1.78%
7002	771412	Planning and Research-Federal	\$ 22,668,185	\$ 24,214,310	\$ 28,647,965	18.31%	\$ 28,925,138	0.97%
7002	772421	Highway Construction-State	\$ 401,409,085	\$ 517,419,558	\$ 495,573,672	-4.22%	\$ 472,982,710	-4.56%
7002	772422	Highway Construction-Federal	\$ 1,000,136,852	\$ 1,066,056,045	\$ 1,146,641,723	7.56%	\$ 1,180,471,714	2.95%
7002	772424	Highway Construction-Other	\$ 61,574,327	\$ 109,694,836	\$ 80,000,000	-27.07%	\$ 80,000,000	0.00%
7002	772437	GARVEE Debt Service - State	\$ 17,550,249	\$ 27,547,900	\$ 31,918,500	15.87%	\$ 33,276,100	4.25%
7002	772438	GARVEE Debt Service - Federal	\$ 127,253,563	\$ 136,513,200	\$ 139,155,600	1.94%	\$ 144,590,400	3.91%
7002	772453	Federal Stimulus - Forest Highways	\$ 85,662	\$ 0	\$ 0	N/A	\$ 0	N/A
7002	773431	Highway Maintenance-State	\$ 360,521,774	\$ 425,329,858	\$ 454,853,435	6.94%	\$ 469,400,101	3.20%
7002	775452	Public Transportation-Federal	\$ 25,530,082	\$ 40,515,556	\$ 27,060,785	-33.21%	\$ 27,060,785	0.00%
7002	775454	Public Transportation-Other	\$ 741,516	\$ 1,500,000	\$ 1,500,000	0.00%	\$ 1,500,000	0.00%
7002	775459	Elderly and Disabled Special Equipment	\$ 3,173,349	\$ 4,730,000	\$ 4,730,000	0.00%	\$ 4,730,000	0.00%
7002	775463	Federal Stimulus - Transit	\$ 6,680,059	\$ 0	\$ 0	N/A	\$ 0	N/A
7002	776462	Grade Crossings-Federal	\$ 17,473,031	\$ 15,000,000	\$ 14,200,000	-5.33%	\$ 14,240,000	0.28%

# FY 2012 - FY 2013 Introduced Appropriation Amounts

# All Fund Groups

Line Item Detail by Agency			FY 2010	FY 2011	Introduced FY 2012	FY 2011 to FY 2012 % Change	Introduced FY 2013	FY 2012 to FY 2013 % Change
<b>DOT Department of Transportation</b>								
7002	777472	Airport Improvements-Federal	\$ 45,204	\$ 405,000	\$ 405,000	0.00%	\$ 405,000	0.00%
7002	777475	Aviation Administration	\$ 2,673,413	\$ 5,186,959	\$ 5,453,108	5.13%	\$ 5,374,144	-1.45%
7002	779491	Administration-State	\$ 107,073,181	\$ 134,889,042	\$ 136,462,349	1.17%	\$ 140,904,501	3.26%
<b>Highway Operating Fund Group Total</b>			<b>\$ 2,196,841,944</b>	<b>\$ 2,580,451,915</b>	<b>\$ 2,615,077,108</b>	<b>1.34%</b>	<b>\$ 2,651,918,393</b>	<b>1.41%</b>
4N40	776663	Panhandle Lease Reserve Payments	\$ 0	\$ 764,300	\$ 764,300	0.00%	\$ 0	-100.00%
4N40	776664	Rail Transportation-Other	\$ 681,998	\$ 3,236,500	\$ 2,111,500	-34.76%	\$ 2,875,800	36.20%
5W90	777615	County Airport Maintenance	\$ 685,603	\$ 620,000	\$ 620,000	0.00%	\$ 620,000	0.00%
<b>State Special Revenue Fund Group Total</b>			<b>\$ 1,367,601</b>	<b>\$ 4,620,800</b>	<b>\$ 3,495,800</b>	<b>-24.35%</b>	<b>\$ 3,495,800</b>	<b>0.00%</b>
7045	772428	Highway Infrastructure Bank-Bonds	\$ 227,941,097	\$ 65,000,000	\$ 45,400,000	-30.15%	\$ 98,000,000	115.86%
<b>Infrastructure Bank Obligations Fund Group Total</b>			<b>\$ 227,941,097</b>	<b>\$ 65,000,000</b>	<b>\$ 45,400,000</b>	<b>-30.15%</b>	<b>\$ 98,000,000</b>	<b>115.86%</b>
7042	772723	Highway Construction-Bonds	\$ 131,692,568	\$ 163,000,000	\$ 36,600,000	-77.55%	\$ 91,600,000	150.27%
<b>Highway Capital Improvement Fund Group Total</b>			<b>\$ 131,692,568</b>	<b>\$ 163,000,000</b>	<b>\$ 36,600,000</b>	<b>-77.55%</b>	<b>\$ 91,600,000</b>	<b>150.27%</b>
<b>Department of Transportation Total</b>			<b>\$ 2,557,843,211</b>	<b>\$ 2,813,072,715</b>	<b>\$ 2,700,572,908</b>	<b>-4.00%</b>	<b>\$ 2,845,014,193</b>	<b>5.35%</b>

# Department of Public Safety

- \$15 million in annual motor vehicle tax revenue cash transfers
- 50% of budget allocated for payroll-related expenses
- 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 presents the Department of Public Safety's employment count as of December 15, 2010. Of the total employee count, 3,679, or 98.2%, were full-time permanent, and of that number, approximately 1,472 were uniformed personnel.

<b>Table 1: Monthly Employee Count</b>	
<b>Appointment Type</b>	<b>Number of Employees</b>
Full-Time Permanent	3,679
Full-Time Temporary	11
Fixed Term – Per Diem	13
Intermittent	9
Part-Time Permanent	23
Part-Time Temporary	7
Fixed Term Interim Internal	4
<b>Total Employees</b>	<b>3,746</b>

\*Employee count as of December 15, 2010.

## Appropriations Overview

For the Department of Public Safety, the executive budget recommends FY 2012 appropriations totaling \$655.8 million, a decrease of \$35.6 million, or 5.1%, from the total adjusted FY 2011 appropriation of \$691.4 million. For FY 2013, the executive budget recommends appropriations totaling \$649.9 million, or a decrease of 0.9% from the FY 2012 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.

**Appropriations by Fund Group.** Table 2 below shows the executive budget recommendations by fund group. Of the Department's total budget, the State Highway Safety Fund (HSF) Group comprises approximately 74% and the Federal Special Revenue Fund (FED) Group makes up another 20%. The remaining 6% 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.

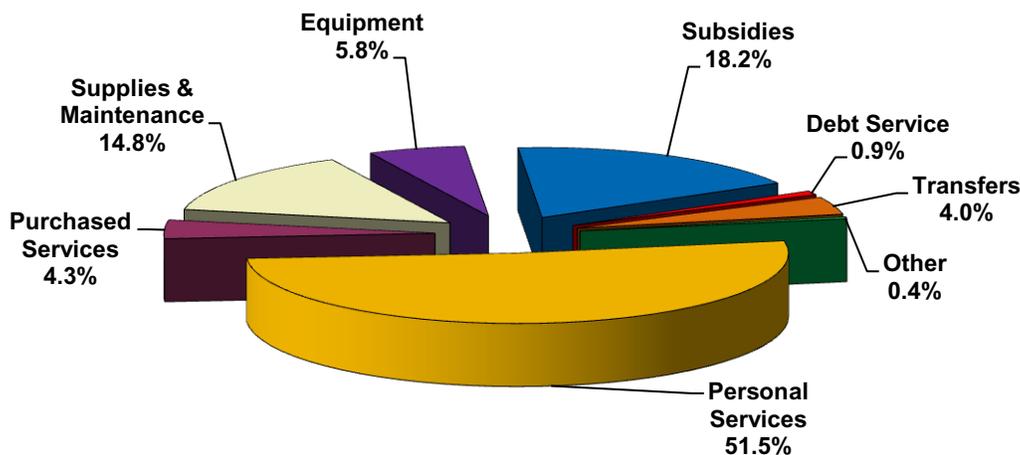
**Table 2: Executive Budget Recommendations by Fund Group, FY 2012-FY 2013**

Fund Group	FY 2011*	FY 2012	% change, FY 2011-FY 2012	FY 2013	% change, FY 2012-FY 2013
State Highway Safety	\$494,680,980	\$490,470,733	-0.9%	\$481,631,900	-1.8%
General Services	\$10,607,572	\$5,503,904	-48.1%	\$5,647,247	2.6%
State Special Revenue	\$16,820,930	\$14,018,073	-16.7%	\$14,157,224	1.0%
Federal Special Revenue	\$153,653,780	\$130,214,683	-15.3%	\$132,862,715	2.0%
Liquor Control	\$11,897,178	\$11,897,178	0.0%	\$11,897,178	0.0%
Agency	\$1,500,000	\$1,500,000	0.0%	\$1,500,000	0.0%
Holding Account Redistribution	\$2,235,000	\$2,235,000	0.0%	\$2,235,000	0.0%
<b>TOTAL</b>	<b>\$691,395,440</b>	<b>\$655,839,571</b>	<b>-5.1%</b>	<b>\$649,931,264</b>	<b>-0.9%</b>

\*FY 2011 figures represent adjusted appropriations.

**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, more than 50%. Purchased personal services make up another 4.3% of the Department's budget; supplies and maintenance and equipment comprise more than 20%. Subsidies are 18% of the Department's budget, while debt service is less than 1% and transfers are another 4%. 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 2012-FY 2013**



**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 46.8% and 21.1% of the budget, respectively. The Emergency Management Agency makes up another 18.5%. The remaining 13.6% 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) Emergency Medical Services (1.1%), (5) Debt Service (0.9%), (6) Homeland Security (0.9%), and (7) Revenue Distribution (0.3%).

<b>Table 3: Executive Budget Recommendations by Division/Category, FY 2012-FY 2013</b>		
<b>Division/Category</b>	<b>FY 2012 Recommendation</b>	<b>FY 2013 Recommendation</b>
Traffic Safety and Education/Administration	\$30,034,897	\$30,368,224
Bureau of Motor Vehicles	\$137,977,317	\$137,416,753
State Highway Patrol	\$306,657,175	\$304,566,418
Homeland Security	\$5,898,812	\$5,898,812
Emergency Medical Services	\$7,270,734	\$7,472,895
Investigative Unit (Investigations)	\$15,122,797	\$15,125,497
Emergency Management Agency	\$119,561,213	\$122,265,518
Criminal Justice Services	\$21,103,326	\$21,266,447
Debt Service	\$9,978,300	\$2,315,700
Revenue Distribution	\$2,235,000	\$2,235,000
<b>TOTAL</b>	<b>\$655,839,571</b>	<b>\$649,931,264</b>

### **Ohio State Highway Patrol Funding**

In FY 2004, the Taft administration began to shift the Ohio State Highway Patrol's reliance on state motor fuel tax revenues by providing dedicated funding from licenses and registration fees. The long-term plan for subsequent administrations and General Assemblies has been to enact various revenue enhancement mechanisms so that the Patrol would no longer need to receive any funding via the state motor fuel tax. As Table 4 below demonstrates, the Patrol still receives a portion of its funding through the transfer of motor vehicle fuel tax revenues. For FYs 2012 and 2013, the executive budget proposes \$15.0 million of motor vehicle fuel tax revenues in each year be used for the funding of the Patrol's operating expenses. These are cash transfers deposited in the state treasury to the credit of the State Highway Safety Fund (Fund 7036).

<b>Fiscal Year</b>	<b>Amount</b>
2004	\$140.14 million
2005	\$94.36 million
2006	\$57.18 million
2007	\$38.50 million
2008	\$19.20 million
2009	\$19.20 million
2010	\$16.20 million
2011	\$16.20 million
2012	\$15.00 million
2013	\$15.00 million

To augment the Patrol's financing in FYs 2010 and 2011, H.B. 2 of the 128th General Assembly enacted a mix of fees. Table 5 below summarizes those fees and the amount that each generated in calendar year 2010.

<b>Transaction Type</b>	<b>Pre-H.B. 2 Fee Amount</b>	<b>Enacted Amount of Fee Increase</b>	<b>CY 2010 Revenue*</b>
Late Fee (vehicle registration and driver license renewal)	None	\$20.00	\$21.2 million
Commercial Vehicle Registrations (in-state)	Varies by weight class (\$59.50 to \$1,354.50)	\$19.00 for each weight class	\$9.9 million
Temporary License Placard (tags)	\$10.50	\$8.00	\$11.3 million
Special Reserve License Plates	\$35.00	\$15.00	\$5.2 million
Vision Screening	\$1.00	\$1.75	\$3.4 million
Initial Reserve License Plates	\$10.00	\$15.00	\$2.0 million
Duplicate Driver's License	\$15.00	\$5.00	\$1.7 million
International Registration Plan (IRP)	Varies by vehicle type and weight class (\$10.00 to \$1,630.00)	Varies by vehicle type and weight class (\$1.00 to \$33.50)	\$1.6 million
Replacement License Plates	\$2.00	\$5.50	\$2.5 million
<b>Total Public Safety Revenue Generated</b>			<b>\$59.0 million</b>

\*Totals may not add due to rounding.

## Abstract Fee Increase

As part of H.B. 2 of the 128th General Assembly, all GRF funding for the Department was eliminated and to subsidize the divisions that received GRF funding, the fee for driver, vehicle, and certificate of title abstracts was increased from \$2 to \$5. Table 6 below details how the \$3 increase is distributed, as well as the collections for calendar year 2010.

<b>Table 6: Revenue Collected from Abstract Fee Increase, CY 2010</b>		
<b>Fund</b>	<b>Amount Distributed</b>	<b>CY 2010 Revenue Collected*</b>
Emergency Management Agency Service and Reimbursement Fund	\$1.25	\$4.0 million
Trauma and Emergency Medical Services Fund	\$0.60	\$1.9 million
Homeland Security Fund	\$0.60	\$1.9 million
Investigations Fund	\$0.30	\$1.0 million
Justice Program Services Fund	\$0.25	\$0.8 million
<b>Total</b>	<b>\$3.00</b>	<b>\$9.7 million</b>

\*Totals may not add due to rounding.

A lawsuit is currently pending that challenges the constitutionality of the abstract fee increase. In 2010, a judge of the Franklin County Court of Common Pleas ruled that the extra \$3 charge was constitutionally protected, and, as such, amounted to a "disguised tax increase." The judge ruled that the Bureau of Motor Vehicles (BMV) could continue to collect the fee while the case is under appeal. The Department anticipates that this case will eventually be taken to the Ohio Supreme Court and, so, does not know if the issue will be resolved before the end of FY 2013. If it is resolved before the end of FY 2013, and the ruling of the court is upheld, the Department would likely see a loss in revenues of up to \$10 million annually, which would adversely affect the divisions that receive funding from the abstract fee revenue.

## MARCS Task Force

H.B. 2 of the 128th General Assembly established a Multi-Agency Radio Communications System (MARCS) Task Force to explore and issue recommendations on the organizational structure and operational and capital funding options for the long-term sustainability and better utilization of MARCS. The Task Force was required to issue its report by April 1, 2010.<sup>2</sup> As for the organizational structure, the Task Force recommended that MARCS remain within the Department of Administrative Services, but that certain changes should be made to the composition of the MARCS Steering

<sup>2</sup> The full report is available at: <http://www.das.ohio.gov/LinkClick.aspx?fileticket=JlIQ6gnAbyJY%3d&tabid=538>.

Committee. Regarding operational and capital funding options for MARCS, the Task Force made the following recommendations:

- Upgrade the current MARCS platform;
- Eliminate MARCS user fees;
- Establish a MARCS back-up system;
- Leverage MARCS tower infrastructure to support broadband and other co-location projects; and
- Partner with large cities and counties that have "sophisticated communication systems in place."

### **Bureau of Motor Vehicles Study Group**

H.B. 2 of the 128th General Assembly required the Department of Public Safety to form a study group to consider ways to improve services related to vehicle registrations, driver's license and identification card issuance, and vehicle title issuance. The group offered a number of recommendations including, but not limited to:

- Increase the fee for deputy registrars from \$3.50 to \$5.00;
- Allow deputy registrars to issue titles;
- Explore other ways to collect the late fee for driver's licenses and vehicle registrations (including mailing a statement, allowing for a payment plan, or allowing payment at the next renewal);
- Change the contract length for deputy registrars from three years to five years; and
- Accept electronic payments for commercial registration transactions.

### **Federal Real ID Act**

The Real ID Act of 2005 was enacted by the United States Congress in response to the September 11, 2001 terrorist attacks. The Act sets forth security requirements, authentication procedures, and other issuance standards that must be met for state driver's licenses and identification cards to be accepted by the federal government for "official purposes." These official purposes include boarding domestic airline flights, entering federal buildings and nuclear power plants, and any other purpose determined by the Secretary of Homeland Security.

The state of Ohio officially notified the U.S. Department of Homeland Security that Ohio will meet the material compliance requirements identified in the Real ID Act's Final Rule on February 11, 2011. The state Bureau of Motor Vehicles is requesting an extension beyond May 11, 2011 to implement the full compliance requirements of the Real ID Act. BMV will need an additional 12 to 18 months beyond the May 11, 2011 date to achieve full compliance.

## Cash Transfers

The executive budget contains temporary law provisions that permit the transfer of cash to and from funds of the Department as follows:

- The Director of Budget and Management is required 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.
- The Director of Budget and Management, upon the written request of the Director of Public Safety, may approve the transfer of cash between the following six funds: Trauma and Emergency Medical Services Fund (Fund 83M0), Homeland Security Fund (Fund 5DS0), Investigations Fund (Fund 5FL0), Emergency Management Agency Service and Reimbursement Fund (Fund 4V30), Justice Program Services Fund (Fund 4P60), and State Bureau of Motor Vehicles Fund (Fund 4W40).
- The Director of Public Safety is permitted 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: 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).
- In each of FYs 2012 and 2013, the Director of Budget and Management is required to transfer \$200,000 in cash from the State Fire Marshal Fund (Fund 5460) to the Emergency Management Agency Service and Reimbursement Fund (Fund 4V30). The transferred cash is then earmarked for distribution to the Ohio Task Force One – Urban Search and Rescue Unit and other urban search and rescue programs around the state.
- In FY 2012, the Director of Budget and Management is required to transfer \$32,027 in cash from the Security Deposit Fund (Fund R052) of the Department of Public Safety to the Roadwork Development Fund (Fund 4W00) of the Department of Development.

## Title Defect Recision and Automated Title Processing Fund Fees

The executive budget contains a continuing temporary law provision that, until July 1, 2013, reduces the fee paid for each certificate of title issued to a motor vehicle dealer for resale purposes from \$5 to \$4.50, establishes a new \$0.50 fee collected at the time such a certificate of title is issued that is paid into the Title Defect Recision Fund

(Fund 4Y70), and reduces the amount of each fee for such a certificate of title that is distributed to the Automated Title Processing Fund (Fund 8490) from \$2 to \$1.50. The revenue loss to Fund 8490, used by the Department of Public Safety, and the resulting revenue gain to Fund 4Y70, used by the Attorney General, is estimated at \$700,000 in each of FYs 2012 and 2013.

## **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 2012-FY 2013 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 Line Items for Analysis of Executive Proposal			
Fund	ALI	ALI 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	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 Line Items for Analysis of Executive Proposal</b>			
<b>Fund</b>	<b>ALI</b>	<b>ALI 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
3CD0	768610	Justice Assistance Grants – FFY08	8: Criminal Justice Services
3CE0	768611	Justice Assistance Grants – FFY09	8: Criminal Justice Services
3CV0	768697	Justice Assistance Grant Supplement – FFY08	8: Criminal Justice Services
3DE0	768612	Justice Assistance Grants	8: Criminal Justice Services
3DH0	768613	Federal Stimulus – Justice Programs	8: Criminal Justice Services
3DU0	762628	BMV Grants	2: Bureau of Motor Vehicles
3EU0	768614	Justice Assistance Grants – FFY10	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>Categorization of Public Safety's Line Items for Analysis of Executive Proposal</b>			
<b>Fund</b>	<b>ALI</b>	<b>ALI Name</b>	<b>Category</b>
<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 2012</b>	<b>FY 2013</b>
<b>State Highway Safety Fund (HSF) Group</b>				
7036	761321	Operating Expense – Information and Education	\$7,124,366	\$7,338,097
8300	761603	Salvage and Exchange – Administration	\$19,469	\$20,053
8310	761610	Information and Education – Federal	\$422,084	\$434,746
8320	761612	Traffic Safety – Federal	\$16,577,565	\$16,577,565
83N0	761611	Elementary School Seat Belt Program	\$305,600	\$305,600
8440	761613	Seat Belt Education Program	\$360,000	\$370,800
8460	761625	Motorcycle Safety Education	\$3,185,013	\$3,280,563
<b>State Highway Safety Fund Group Subtotal</b>			<b>\$27,994,097</b>	<b>\$28,327,424</b>
<b>General Services Fund (GSF) Group</b>				
4S30	766661	Hilltop Utility Reimbursement	\$540,800	\$540,800
<b>General Services Fund Group Subtotal</b>			<b>\$540,800</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>\$30,034,897</b>	<b>\$30,368,224</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 2012 appropriation of \$7,124,366, a \$791,596, or 10.0%, decrease from the adjusted FY 2011 appropriation of \$7,915,962, and an FY 2013 appropriation of \$7,338,097, a \$213,731, or 3.0%, increase over the FY 2012 recommendation. In FY 2012, the executive budget recommendations are lower than the agency request by 18.6%, and in FY 2013 the recommendations are lower than the agency request by 15.2%.

Around 60% of the recommended amounts in each fiscal year will be allocated for payroll expenses (around \$4.3 million per year). The remainder in each fiscal year will be allocated more or less as follows: personal services contracts (\$831,000), maintenance and supplies (\$1.1 million), equipment purchases (\$695,000), and shared revenues (around \$200,000).

**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 2012 appropriation of \$19,469, a \$2,163, or 10.0%, decrease from the adjusted FY 2011 appropriation of \$21,632, and an FY 2013 appropriation of \$20,053, a \$584, or 3.0%, increase over the FY 2012 recommendation. In FY 2012, the executive budget recommendations are lower than the agency request by 10.0%, and in FY 2013 the recommendations are lower than the agency request by 7.3%. The Department's requested appropriations for this line item will be used 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 an FY 2012 appropriation of \$422,084, a \$46,898, or 10.0%, decrease from the adjusted FY 2011 appropriation of \$468,982, and an FY 2013 appropriation of \$434,746, a \$12,662, or 3.0%, increase over the FY 2012 recommendation. In FY 2012, the executive budget

recommendations are lower than the agency request by 10.0%, and in FY 2013 the recommendations are lower than the agency request by 7.3%.

The recommended amounts in each fiscal year will be allocated more or less as follows: payroll expenses (around \$270,000), personal services contracts (between \$33,000 and \$41,000), and maintenance and supplies (between \$117,000 and \$126,000).

#### **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) 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) 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 2012 and 2013, amounts that are identical to the adjusted FY 2011 appropriation. Around \$11.5 million of the recommended amounts annually will be allocated for distribution as subsidies and shared revenues. The remainder in each fiscal year will be allocated more or less as follows: payroll expenses (\$1.3 million), personal services contracts (\$300,000), maintenance and supplies (\$3.0 million), and equipment purchases (\$500,000).

#### **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 grade 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 safety belt use, the executive budget recommends funding in each of FYs 2012 and 2013 in the amount of \$305,600, a \$100,000, or 24.7%, decrease from the adjusted FY 2011 appropriation of \$405,600. The executive budget recommendations fully fund the Department's requested appropriations for this line item. These recommended amounts in each of FYs 2012 and 2013 will be allocated for operating expenses roughly as follows: payroll (around \$18,000), maintenance and supplies (\$78,000), and subsidies (\$210,000).

Relative to HSF line item 761613, **Seat Belt Education Program**, which is statutorily restricted for the purpose of establishing a seat belt education program, for the next biennium, the executive budget recommends an FY 2012 appropriation of \$360,000, a \$40,000, or 10.0%, decrease from the adjusted FY 2011 appropriation of \$400,000, and an FY 2013 appropriation of \$370,800, a \$10,800, or 3.0%, increase over the FY 2012 recommendation. In FY 2012, the executive budget recommendations are lower than the agency request by 10.0%, and in FY 2013 the recommendations are lower than the agency request by 7.3%. These recommended amounts in each of FYs 2012 and 2013 will be allocated for maintenance and supplies.

#### **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 14,000 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 \$3,185,013 in FY 2012, a \$353,890, or 10.0%, decrease from the adjusted FY 2011 appropriation of \$3,538,903, and at \$3,280,563 in FY 2013, a \$95,550, or 3.0%, increase from the FY 2012 recommendation.

Around 50%, or \$1.6 million, of the recommended amounts annually will be allocated for distribution as subsidies. The remainder in each fiscal year will be allocated more or less as follows: payroll expenses (around \$370,000), personal services contracts (\$870,000), maintenance and supplies (\$280,000), and equipment purchases (\$95,000).

#### **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 fully funding the Department's request for this line item at \$540,800 in each of FYs 2012 and 2013. These recommended amounts in each of FYs 2012 and 2013 will be allocated for 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 2012 and 2013, 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 local taxing districts and other governmental entities (in FY 2010, \$467.4 million was collected and distributed to more than 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 (the BMV licensed 10,000 motor vehicle dealerships and 18,000 dealer salespersons in 2009);
- Oversight of nearly 200 deputy registrars (private contractors) and 12 limited authority deputy registrars (clerks of courts that can perform certain transactions at their title offices);
- Operation of two customer service centers, seven reinstatement offices, and two central service operations;
- Credentialing for approximately 8.8 million individuals who have driver's licenses or state identification cards.

The table 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 2012</b>	<b>FY 2013</b>
<b>State Highway Safety Fund (HSF) Group</b>				
4W40	762321	Operating Expense – BMV	\$80,003,146	\$82,403,240
4W40	762410	Registrations Supplement	\$28,945,176	\$29,813,532
5V10	762682	License Plate Contributions	\$2,100,000	\$2,100,000
8350	762616	Financial Responsibility Compliance	\$5,457,240	\$5,549,068
83R0	762639	Local Immobilization Reimbursement	\$450,000	\$450,000
8490	762627	Automated Title Processing Board	\$17,316,755	\$14,335,513
<b>State Highway Safety Fund Group Subtotal</b>			<b>\$134,272,317</b>	<b>\$134,651,353</b>
<b>State Special Revenue Fund (SSR) Group</b>				
5390	762614	Motor Vehicle Dealers Board	\$180,000	\$185,400
5FF0	762621	Indigent Interlock and Alcohol Monitoring	\$2,000,000	\$2,000,000
<b>State Special Revenue Fund Group Subtotal</b>			<b>\$2,180,000</b>	<b>\$2,185,400</b>
<b>Federal Special Revenue Fund (FED) Group</b>				
3DU0	762628	BMV Grants	\$1,525,000	\$1,580,000
<b>Federal Special Revenue Fund Group Subtotal</b>			<b>\$1,525,000</b>	<b>\$1,580,000</b>
<b>Total Funding: Bureau of Motor Vehicles</b>			<b>\$137,977,317</b>	<b>\$138,416,753</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 vehicle while under the influence of alcohol or drugs (OVI). The moneys appropriated specifically to this line item are used to pay operating expenses of the Bureau of Motor Vehicles.

For the next biennium, the executive budget recommends an FY 2012 appropriation of \$80,003,146, a \$6,594,086, or 7.6%, decrease from the adjusted FY 2011 appropriation of \$86,597,232, and an FY 2013 appropriation of \$82,403,240, a \$2,400,094, or 3.0%, increase over the FY 2012 recommendation. In FY 2012, the executive budget recommendations are lower than the agency request by 7.6%, and in FY 2013 the recommendations are lower than the agency request by 3.7%.

Around 60%, or \$49.0 million, of the recommended amounts in each fiscal year will be allocated for payroll expenses. The remaining amounts will be allocated annually roughly as follows: personal services contracts (\$7.0 million), maintenance

and supplies (between \$15.0 million and \$17.5 million in each fiscal year), and equipment purchases (between \$8.3 million and \$9.2 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 vehicle while under the influence of alcohol or drugs (OVI). 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.

For the next biennium, the executive budget recommends an FY 2012 appropriation of \$28,945,176, a \$3,216,131, or 10.0%, decrease from the adjusted FY 2011 appropriation of \$32,161,307, and an FY 2013 appropriation of \$29,813,532, an \$868,356, or 3.0%, increase over the FY 2012 recommendation. In FY 2012, the executive budget recommendations are lower than the agency request by 8.1%, and in FY 2013 the recommendations are lower than the agency request by 4.9%.

Approximately \$7.0 million of the recommended amount in each fiscal year will be allocated for payroll expenses. The remaining amounts will be allocated annually roughly as follows: personal services contracts (between \$4.6 million and \$4.8 million), maintenance and supplies (between \$14.4 million and \$15.9 million), and equipment purchases (between \$2.2 million and \$2.9 million).

### **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 2012 and 2013.

### **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 R.C. 4509.101, 4503.20, 4507.212, and 4509.81, 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.

For the next biennium, the executive budget recommends an FY 2012 appropriation of \$5,457,240, a \$606,360, or 10.0%, decrease from the adjusted FY 2011 appropriation of \$6,063,600, and an FY 2013 appropriation of \$5,549,068, a \$91,828, or 1.7% increase, over the FY 2012 recommendation. In FY 2012, the executive budget recommendations are lower than the agency request by 2.3%, and in FY 2013 the executive recommendations fully fund the agency's request.

Around 66%, or \$3.6 million, of the recommended amounts in each fiscal year will be allocated for payroll expenses. The remaining amounts will be allocated annually roughly as follows: personal services contracts (\$900,000), maintenance and supplies (\$1.0 million), and equipment purchases (\$20,000).

#### **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 OVI (operating a vehicle under the influence) offenses. The executive budget fully funds the Department's requested appropriations for this line item: \$450,000 in each of FYs 2012 and 2013.

#### **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 R.C. Chapter 1548.; and
- Implementing 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.

For the next biennium, the executive budget recommends an FY 2012 appropriation of \$17,316,755, a \$1,924,084, or 10.0%, decrease from the adjusted FY 2011 appropriation of \$19,240,839, and an FY 2013 appropriation of \$14,335,513, a \$2,981,242, or 17.2%, decrease from the FY 2012 recommendation. In FY 2012, the executive budget recommendations are lower than the agency request by 5.1%, and in FY 2013 the executive recommendations fully fund the agency's request.

Between 12% and 14% of the recommended amounts in each fiscal year will be allocated for payroll expenses (\$2.0 million in each year). The remaining amounts will be allocated annually roughly as follows: personal services contracts (between \$3.6 million and \$7.8 million), maintenance and supplies (between \$5.1 million and \$6.2 million), equipment purchases (around \$1.3 million), and subsidies/transfers (around \$1.2 million).

The ATPS maintains the records of over 110 million motor vehicle and watercraft titles. Notable users of this system include: (1) the clerks of the courts of common pleas that collect around \$50 million annually in title fees, (2) the Ohio Department of Taxation, which uses the system to calculate and collect around \$1.46 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 R.C. 4517.30, together with other moneys appropriated to it, in the exercise of its powers and the performance of its duties under R.C. Chapter 4517. 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 2010, the fund received more than \$188,000 in revenues.

For the next biennium, the executive budget recommends funding this line item at \$180,000 in FY 2012, a \$20,000, or 10.0%, decrease from the adjusted FY 2011 appropriation of \$200,000, and at \$185,400 in FY 2013, a \$5,400, or 3.0%, increase over the FY 2012 recommendation. In FY 2012, the executive budget recommendations are lower than the agency request by 10.0%, and in FY 2013 the recommendations are lower than the agency request by 7.3%. These recommended amounts in each fiscal year will be allocated more or less as follows: payroll expenses (\$6,200), personal services contracts (around \$174,000), and maintenance and supplies (\$2,500).

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

This SSR line item was created as a result of the enactment of S.B. 17 of the 127th General Assembly. One of the many changes to state law in that act was a \$50 increase in the minimum mandatory fine assessed against convicted OVI-related

offenders, regardless of the number of prior offenses. The act directs the increase to the sentencing court's special projects fund to be used only to pay the cost of an immobilizing or disabling device for indigent offenders. If the court does not have a special projects fund, the \$50 increase is directed for deposit in the state treasury to the credit of the Indigent Drivers Interlock and Alcohol Monitoring Fund (Fund 5FF0), which the act created and assigned administrative control to the Department of Public Safety.

For the next biennium, the executive budget recommends fully funding this line item at \$2,000,000 in each of FYs 2012 and 2013, a \$750,000, or 27.3%, decrease from the adjusted FY 2011 appropriation of \$2,750,000. 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.

### **BMV Grants (FED line item 762628)**

This FED line item consists of federal moneys awarded to the Bureau of Motor Vehicles, most recently an award for the purpose of improving the integrity and security of state-issued driver licenses and identification cards.

For the next biennium, the executive budget recommends fully funding this line item at \$1,525,000 in FY 2012, a \$75,000, or 4.7%, decrease from the adjusted FY 2011 appropriation of \$1,600,000, and at \$1,580,000 in FY 2013, a \$55,000, or 3.6%, increase from the FY 2012 recommendation. These recommended amounts in each fiscal year will be allocated for a mix of operating costs more or less as follows: payroll expenses (\$15,000), personal services contracts (\$60,000), maintenance and supplies (\$1.0 million), and equipment purchases (between \$400,000 and \$450,000).

### **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 R.C. 4503.02 and 4504.02, 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 R.C. 4501.03, the revenues obtained pursuant to R.C. 4503.02 and 4504.02 be paid into Fund 4W40 before being paid into any other fund, and (4) requiring the deposit of revenues to meet the cash needs be 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.

### 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 2012</b>	<b>FY 2013</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	\$260,744,934	\$258,365,903
7036	764605	Motor Carrier Enforcement Expenses	\$2,860,000	\$2,860,000
8310	764610	Patrol – Federal	\$2,209,936	\$2,276,234
8310	764659	Transportation Enforcement – Federal	\$5,519,333	\$5,684,913
8370	764602	Turnpike Policing	\$11,553,959	\$11,553,959
8380	764606	Patrol Reimbursement	\$50,000	\$50,000
83C0	764630	Contraband, Forfeiture, Other	\$622,894	\$622,894
83F0	764657	Law Enforcement Automated Data System	\$9,053,266	\$9,053,266
83G0	764633	OMVI Enforcement/Education	\$623,230	\$641,927
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	\$1,256,655	\$1,294,354
8400	764617	Security and Investigations	\$6,432,686	\$6,432,686
8400	764626	State Fairgrounds Police Force	\$849,883	\$849,883
8410	764603	Salvage and Exchange – Highway Patrol	\$1,339,399	\$1,339,399
<b>State Highway Safety Fund Group Subtotal</b>			<b>\$306,487,175</b>	<b>\$304,396,418</b>
<b>General Services Fund (GSF) Group</b>				
5Y10	764695	Highway Patrol Continuing Professional Training	\$170,000	\$170,000
<b>General Services Fund Group Subtotal</b>			<b>\$170,000</b>	<b>\$170,000</b>
<b>Total Funding: State Highway Patrol</b>			<b>\$306,657,175</b>	<b>\$304,566,418</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 2012 and 2013 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), the primary revenue sources of which are fees, excises, and license taxes related to the registration, operation, or use of vehicles on public highways.

For the biennium, the executive budget recommends funding this line item at \$260,744,934 in FY 2012, a \$14,565,096, or 5.9% increase from the adjusted FY 2011 appropriation of \$246,179,838, and at \$258,365,903 in FY 2013, a \$2,379,031, or 0.9%, decrease from the FY 2012 recommendation. Around 80% of the recommended amounts will be used to cover payroll expenses (\$213.2 million in FY 2012 and \$205.0 million in FY 2013). The remainder in each fiscal year will be allocated more or less as follows: personal services contracts (\$2.0 million), maintenance and supplies (between \$31.7 million and \$35.5 million), and equipment purchases (between \$13.8 million and \$15.8 million).

**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**, it is used 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: \$2,860,000 in each of FYs 2012 and 2013, amounts that are \$628,431, or 28.2%, higher than the adjusted FY 2011 appropriation of \$2,231,569. The recommended amounts will be allocated roughly as follows: payroll expenses (\$2.1 million) and a mix of personal services contracts (\$10,000), maintenance and supplies (\$200,000), and equipment purchases (\$550,000).

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 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.

For the biennium, the executive budget recommends funding this line item at \$5,519,333 in FY 2012, a \$613,259, or 10.0%, decrease from the adjusted FY 2011 appropriation of \$6,132,592, and at \$5,684,913 in FY 2013, a \$165,580, or 3.0%, increase from the FY 2012 recommendation. Around 90% of the recommended amounts will be used to cover payroll expenses (\$5.0 million in FY 2012 and \$5.1 million in FY 2013). The remainder in each fiscal year will be allocated as follows: personal services contracts (\$20,000), maintenance and supplies (between \$287,000 and \$352,000), and equipment purchases (\$213,000).

#### **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.

For the biennium, the executive budget recommends funding this line item at \$2,209,936 in FY 2012, a \$245,548, or 10.0%, decrease from the adjusted FY 2011 appropriation of \$2,455,484, and at \$2,276,234 in FY 2013, a \$66,298, or 3.0%, increase from the FY 2012 recommendation. Around 65% of the recommended amounts will be used to cover payroll expenses of approximately (\$1.5 million per year). The remainder in each fiscal year will be allocated more or less as follows: personal services contracts (\$160,000), maintenance and supplies (\$113,000), and equipment purchases (between \$464,000 and \$530,000).

#### **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 2012 and 2013 – amounts that are identical to the adjusted FY 2011 appropriation. Close to 90% of the recommended amounts will be used to cover payroll expenses (\$10.0 million per year). The remainder in each fiscal year will be allocated more or less as follows: maintenance and supplies (\$1.1 million) and equipment purchases (\$500,000).

**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: \$50,000 in each of FYs 2012 and 2013. All of the appropriation will likely be allocated for 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 – \$9,053,266 in each of FYs 2012 and 2013 – amounts that are identical to the adjusted FY 2011 appropriation. The recommended amounts in each of FYs 2012 and 2013 will be allocated annually for operating expenses roughly as follows: payroll costs (\$2.1 million), personal services contracts (\$343,000), maintenance and supplies (\$4.8 million), and equipment purchases (\$1.8 million).

**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.

For the biennium, the executive budget recommends funding this line item at \$623,230 in FY 2012, a \$26,770, or 4.1%, decrease from the adjusted FY 2011 appropriation of \$650,000, and at \$641,927 in FY 2013, an \$18,697, or 3.0%, increase from

the FY 2012 recommendation. Over 90% of the recommended amounts will be used to cover payroll expenses (\$600,000 per year). The remainder in each fiscal year will be allocated more or less as follows: maintenance and supplies (\$35,000) and equipment purchases (\$5,000).

**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 2012 and 2013 – amounts that are identical to the adjusted FY 2011 appropriation. Just over 60% of the recommended amounts will be used to cover payroll expenses (\$386,000 per year). The remainder in each fiscal year will be allocated more or less as follows: personal services contracts (\$2,000), maintenance and supplies (\$150,000), equipment purchases (\$60,000), and shared revenues (\$25,000).

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 2012 and 2013 – amounts that are identical to the adjusted FY 2011 appropriation. The recommended amounts in each of FYs 2012 and 2013 will be allocated annually for operating expenses roughly as follows: payroll costs (\$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 2012 and 2013 – amounts that are identical to the adjusted FY 2011 appropriation. All of those recommended amounts 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. For the biennium, the executive budget recommends funding this line item at \$1,256,655 in FY 2012, a \$139,628, or 10.0%, decrease from the adjusted FY 2011 appropriation of \$1,396,283, and at \$1,294,354 in FY 2013, a \$37,699, or 3.0%, increase from the FY 2012 recommendation. Those recommended amounts will be allocated annually for operating expenses roughly as follows: payroll expenses (\$1.1 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 – \$849,883 in each of FYs 2012 and 2013 – amounts that are identical to the adjusted FY 2011 appropriation. Those recommended amounts will be allocated roughly as follows in each fiscal year: payroll expenses (\$795,000) and a mix of maintenance/supplies and equipment purchases (\$55,000).

#### **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 funds this line item at \$6,432,686 in each of FYs 2012 and 2013, amounts that are identical to the adjusted FY 2011 appropriation. Over 90% of the recommended amounts will be used to cover payroll expenses (\$6.1 million per year).

The remainder in each fiscal year will be allocated more or less as follows: maintenance and supplies (\$250,000) and equipment purchases (\$100,000).

**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 2012 and 2013 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 funds this line item at \$170,000 in each of FYs 2012 and 2013. All of this funding will be allocated for a mix of personal services contracts (\$30,000), maintenance and supplies (\$70,000), and equipment purchases (\$70,000).

## 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 2012</b>	<b>FY 2013</b>
<b>State Highway Safety Fund (HSF) Group</b>				
8310	769631	Homeland Security – Federal	\$2,184,000	\$2,184,000
8400	769632	Homeland Security – Operating	\$737,791	\$737,791
<b>State Highway Safety Fund Group Subtotal</b>			<b>\$2,921,791</b>	<b>\$2,921,791</b>
<b>State Special Revenue Fund (SSR) Group</b>				
5B90	766632	Private Investigator and Security Guard Provider	\$1,562,637	\$1,562,637
5DS0	769630	Homeland Security	\$1,414,384	\$1,414,384
<b>State Special Revenue Fund Group Subtotal</b>			<b>\$2,977,021</b>	<b>\$2,977,021</b>
<b>Total Funding: Homeland Security</b>			<b>\$5,898,812</b>	<b>\$5,898,812</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 funding of \$2,184,000 in each of FYs 2012 and 2013, a \$2.0 million, or 47.3%, decrease over the adjusted FY 2011 appropriation of \$4,147,300. The executive budget recommendations fully fund the Department's requested appropriations for this line item. This annual funding will be allocated, in rough order of magnitude as follows: personal services contracts (\$800,000), maintenance and supplies (\$790,000), and equipment purchases (\$336,000). Annual payroll costs of approximately \$258,000 per year are expected to be paid from this line item as well.

### **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. 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 funding of \$737,791 in each of FYs 2012 and 2013, a \$266,586, or 56.6%, increase from the adjusted FY 2011 appropriation of \$471,205. The executive budget recommendation fully funds the Department's appropriations request for this line item. The recommended amounts will be allocated largely for payroll expenses.

Relative to SSR line item 769630, **Homeland Security**, the use of its moneys is generally restricted to pay the expenses incurred in administering the powers and duties of the Executive Director of the Division of Homeland Security. Its revenue stream consists almost exclusively of a portion of a \$5 fee for driver, vehicle, and certificate of abstracts.

The executive budget recommends funding of \$1,414,384 in each of FYs 2012 and 2013, a \$266,586, or 15.9%, decrease from the adjusted FY 2011 appropriation of \$1,680,970. The executive budget recommendation fully funds the Department's appropriations request for this line item. The recommended amounts include around \$870,000 each year to be allocated for payroll expenses. Additional amounts may be allocated each year, in order of magnitude, as follows: equipment purchases (\$308,000), maintenance and supplies (\$190,000), and personal services contracts (\$40,000).

### **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 funding of \$1,562,637 in each of FYs 2012 and 2013, a \$167,500, or 12.0%, increase over the adjusted FY 2011 appropriation of \$1,395,137. The executive budget recommendations fully fund the Department's requested appropriations for this line item. The recommended amounts include around \$982,000 to be allocated for payroll expenses. Additional amounts may be allocated each year, in order of magnitude, as follows: personal services contracts (\$348,000), maintenance and supplies (\$192,500), and equipment purchases (\$39,000).

## 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 2012</b>	<b>FY 2013</b>
<b>State Highway Safety Fund (HSF) Group</b>				
8310	765610	EMS – Federal	\$532,007	\$532,007
83M0	765624	Operating Expenses – Trauma and EMS	\$2,632,106	\$2,711,069
83P0	765637	EMS Grants	\$4,106,621	\$4,229,819
<b>Total Funding: Emergency Medical Services</b>			<b>\$7,270,734</b>	<b>\$7,472,895</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: \$532,007 in each of FYs 2012 and 2013. The recommended amounts are \$50,000, or 8.6%, lower than the line item's adjusted FY 2011 appropriation of \$582,007.

Approximately \$255,000 in each fiscal year will be allocated for payroll expenses. Additional amounts may be allocated each year, in order of magnitude, as follows: personal services contracts (\$225,000), maintenance and supplies (\$77,007), and equipment purchases (\$5,000).

### **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: (1) a portion of the fine

moneys generated from enforcement of the mandatory seat belt law and (2) a portion of a \$5 fee for driver, vehicle, and certificate of abstracts.

The executive budget recommends FY 2012 funding of \$2,632,106, a 10.0%, or \$292,456, decrease over the adjusted FY 2011 appropriation of \$2,924,562, and FY 2013 funding of \$2,711,069, a 3.0%, or \$78,963, increase over the FY 2012 recommendation. The executive budget recommendations are less than the Department's requested appropriations for this line item by \$136,595 in FY 2012 and \$57,717 in FY 2013.

Around 85% to 90%, or approximately \$2.3 million, of the appropriated amounts will be allocated annually for payroll costs. The remainder of the appropriated amounts in each fiscal year will be allocated roughly as follows: personal services contracts (between \$95,000 and \$114,000), maintenance and supplies (between \$122,000 and \$190,000), and equipment purchases (between \$78,000 and \$105,000).

Within the last few years, the Division of Emergency Medical Services' operating expenses have increased in response to the enactment of 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, issuing fire training certificates to practice as a firefighter or fire safety inspector, and taking disciplinary action against certificate holders and chartered entities.

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

This HSF line item draws its financing from: (1) a portion of the fine moneys generated from the enforcement of the mandatory seat belt law and (2) a portion of the driver's license reinstatement fee for operating a vehicle while under the influence (OVI). 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 funds this line item at \$4,106,621 in FY 2012 and \$4,229,819 in FY 2013, all of which will be distributed in the form of grants. The executive budget recommendations are less than the Department's requested appropriations for this line item by \$456,291 in FY 2012 and \$333,093 in FY 2013.

## 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 alcoholic beverages;
- The illegal sale and/or trading of food stamp benefits;
- The sale of tobacco to underage persons where a liquor permit premise is involved; and
- 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 2012</b>	<b>FY 2013</b>
<b>State Highway Safety Fund (HSF) Group</b>				
8310	769610	Food Stamp Trafficking Enforcement – Federal	\$1,546,319	\$1,546,319
<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	\$300,000	\$300,000
5FL0	769634	Investigations	\$899,300	\$899,300
6220	767615	Investigative, Contraband, and Forfeiture	\$375,000	\$375,000
8500	767628	Investigative Unit Salvage	\$90,000	\$92,700
<b>State Special Revenue Fund Group Subtotal</b>			<b>\$1,664,300</b>	<b>\$1,667,000</b>
<b>Liquor Control Fund (LCF) Group</b>				
7043	767321	Liquor Enforcement – Operations	\$11,897,178	\$11,897,178
<b>Liquor Control Fund Group Subtotal</b>			<b>\$11,897,178</b>	<b>\$11,897,178</b>
<b>Total Funding: Investigations</b>			<b>\$15,122,797</b>	<b>\$15,125,497</b>

**Liquor Enforcement – Operations (LCF line item 767321)**

This LCF line item's appropriation is used for some of the operating expenses incurred by the Investigative Unit's Liquor Enforcement Section. It draws on moneys appropriated from the Liquor Control Fund (Fund 7043), which consists primarily of revenue associated with wholesale and retail liquor sales.

The executive budget recommends funding of \$11,897,178 in each of FYs 2012 and 2013, amounts that are identical to the line item's adjusted FY 2011 appropriation. The recommended amounts fully fund the Department's requested appropriations for this line item for the purpose of covering payroll, personal services contracts, maintenance and supplies, and equipment purchases. Around 80%, or \$9.8 million, of the appropriated amounts in each fiscal year will be allocated to payroll costs. The remainder of each year's appropriation will be allocated as follows: personal services contracts (\$175,000), maintenance and supplies (\$1.6 million), and equipment purchases (\$343,000).

**Food Stamp Trafficking & Liquor Enforcement (HSF line item 769610)<sup>3</sup>**

This HSF line item contains federal funding for the purpose of financing the Investigative Unit's food stamp trafficking, liquor, and tobacco enforcement and compliance duties.

The executive budget fully funds the Department's requested appropriations for this line item: \$1,546,319 in each of FYs 2012 and 2013. These amounts are 3.3%, or \$49,000, higher than the line item's adjusted FY 2011 appropriation of \$1,406,319. Most of this annual funding, around 90%, or \$1.4 million, will be allocated for payroll costs, with the remainder spread across a mix of personal services contracts (\$90,000), maintenance and supplies (\$36,900), equipment purchases (\$1,600), and subsidies/shared revenues (\$11,500).

**Food stamp trafficking enforcement.** A portion of the line item's revenue stream consists of cash transferred from the Ohio 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 local costs of administering food stamp trafficking enforcement operations. The cash transferred for the Investigative Unit's use is to cover a portion of its operating expenses, primarily the wage and fringe benefits costs of approximately ten full-time equivalent (FTE) staff positions 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.

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<sup>3</sup> As of FY 2012, the executive budget proposes to consolidate HSF line item 767610, Liquor Enforcement – Federal into HSF line item 769610, Food Stamp Trafficking Enforcement – Federal.

**Liquor enforcement.** A portion of 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.

**Tobacco compliance check.** Approximately \$130,000 of the federal moneys appropriated to this line item annually consists of cash provided by the Ohio Department of Alcohol and Drug Addiction Services as part of its multi-partner SYNAR Underage Tobacco Sales Compliance Initiative. The federal government requires states to decrease youth access to tobacco, have a law making the sale of tobacco to minors illegal, and to conduct random, unannounced inspections of tobacco retailers. Under its partnering arrangement with the Ohio Department of Alcohol and Drug Addiction Services, the Investigative Unit conducts unannounced inspections at randomly selected outlets that have a state-issued liquor permit. If the state falls out of compliance, it risks losing a portion of more than \$20 million in annual Substance Abuse Prevention and Treatment Block Grant funding.

#### **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 2012 and 2013 – all of which 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: \$300,000 in each of FYs 2012 and 2013. The appropriated amounts will be allocated for a mix of operating expenses as follows: payroll (\$40,000), personal services contracts (\$80,000), maintenance and supplies (\$90,000), and equipment purchases (\$90,000).

#### **Investigations (SSR line item 769634)**

The use of the moneys appropriated to this SSR line item is generally restricted for the purpose of covering investigative costs incurred by the Investigative Unit. Its revenue stream consists almost exclusively of a portion of a \$5 fee for driver, vehicle, and certificate of abstracts. The executive budget fully funds the Department's appropriations request for this line item with a recommended amount of \$899,300 in each of FYs 2012 and 2013, amounts that are 24.8%, or \$296,222, lower than the line item's adjusted FY 2011 appropriation of \$1,195,522. Most, if not all, of these annual amounts will be allocated for payroll.

**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 2012 and 2013. The appropriated amounts will be allocated for a mix of operating expenses as follows: payroll (\$25,000), personal services contracts (\$25,000), maintenance and supplies (\$125,000), and equipment purchases (\$200,000).

**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. For this purpose of purchasing equipment, the executive budget recommends appropriations of \$100,000 in FY 2012 and \$92,700 in FY 2013.

## 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 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 2012</b>	<b>FY 2013</b>
<b>Federal Special Revenue Fund (FED) Group</b>				
3290	763645	Federal Mitigation Program	\$10,110,332	\$10,413,642
3370	763609	Federal Disaster Relief	\$27,707,636	\$27,707,636
3390	763647	Emergency Management Assistance and Training	\$75,664,821	\$77,934,765
3N50	763644	U.S. Department of Energy Agreement	\$31,672	\$31,672
<b>Federal Special Revenue Fund Group Subtotal</b>			<b>\$113,514,461</b>	<b>\$116,087,715</b>
<b>State Special Revenue Fund (SSR) Group</b>				
4V30	763662	EMA Service and Reimbursement	\$4,368,369	\$4,499,420
6570	763652	Utility Radiological Safety	\$1,415,945	\$1,415,945
6810	763653	SARA Title III HAZMAT Planning	\$262,438	\$262,438
<b>State Special Revenue Fund Group Subtotal</b>			<b>\$6,046,752</b>	<b>\$6,177,803</b>
<b>Total Funding: Emergency Management</b>			<b>\$119,561,213</b>	<b>\$122,265,518</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 (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.

For this line item, the executive budget recommends FY 2012 funding in the amount of \$10,110,332, a \$1,123,370, or 10.0%, decrease from the adjusted FY 2011 appropriation of \$11,233,702, and FY 2013 funding in the amount of \$10,413,642, a \$303,310, or 3.0%, increase from the FY 2012 recommendation. Between \$9.0 million and \$10.0 million of those recommended amounts in each of FYs 2012 and 2013 will be allocated for grants to be awarded to various state and local governmental units. The remainder will be expended to support payroll expenses (\$562,000), personal services contracts (\$150,000), maintenance and supplies (\$36,000), and equipment purchases (\$15,000).

### **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 fully funds the Department's requested appropriations for this line item – \$27,707,636 in each of FYs 2012 and 2013 – amounts that are identical to the adjusted FY 2011 appropriation. Virtually all of the recommended amounts in each fiscal year will be distributed in the form of subsidies and shared revenues (\$27.3 million per year). The remainder will be allocated roughly as follows in each fiscal year: payroll expenses (\$405,000), maintenance and supplies (\$35,000), and equipment purchases (\$15,000).

### **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 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 EMA administrative and program costs.

For the biennium, the executive budget recommends funding this line item at \$75,664,821 in FY 2012, an \$8,407,202, or 10.0%, decrease from the adjusted FY 2011 appropriation of \$84,072,023, and at \$77,934,765 in FY 2013, a \$2,269,944, or 3.0%, increase from the FY 2012 recommendation.

Between \$66.7 million and \$69.3 million of those recommended amounts in each fiscal year will be allocated for grants to be awarded to various state and local governmental units. The remainder in each fiscal year will be allocated more or less as follows: payroll expenses (\$3.8 million), personal services contracts (\$2.2 million), maintenance and supplies (\$2.1 million), and equipment purchases (between \$620,000 and \$868,000).

### **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 EMA by the Ohio EPA. This line item's purpose is to finance 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 – \$31,672 in each of FYs 2012 and 2013 – amounts that are identical to the adjusted FY 2011 appropriation. These recommended amounts will be allocated between a mix of payroll expenses, maintenance and supplies, and subsidies.

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

This SSR line item is statutorily restricted to paying the costs of administering programs of 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.

For the biennium, the executive budget recommends funding this line item at \$4,368,369 in FY 2012, a \$485,374, or 10.0%, decrease from the adjusted FY 2011 appropriation of \$4,853,743, and at \$4,499,420 in FY 2013, a \$131,051, or 3.0%, increase from the FY 2012 recommendation. Close to 70% of the recommended amounts in each fiscal year will be allocated for payroll expenses (around \$3.0 million per year). The remainder in each fiscal year will be allocated more or less as follows: personal services contracts (\$19,200), maintenance and supplies (between \$785,000 and \$963,000), equipment purchases (\$24,000), and shared revenues (around \$521,000).

**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 – \$1,415,945 in each of FYs 2012 and 2013 – amounts that are identical to the adjusted FY 2011 appropriation. All of these appropriated amounts will be allocated for operating expenses in each fiscal year more or less as follows: payroll expenses (\$1.1 million), personal services contracts (\$1,000), maintenance and supplies (\$106,000), and equipment purchases (\$165,000).

**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 R.C. Chapter 3750. 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 – \$262,438 in each of FYs 2012 and 2013 – amounts that are identical to the adjusted FY 2011 appropriation. Virtually all of these recommended amounts in each fiscal year will be allocated to cover payroll expenses (\$260,000). The remainder will be allocated for maintenance and supplies.

### **State Disaster Relief**

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 that are 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 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 2012</b>	<b>FY 2013</b>
<b>General Services Fund (GSF) Group</b>				
4P60	768601	Justice Program Services	\$998,104	\$1,028,047
5ET0	768625	Drug Law Enforcement	\$3,780,000	\$3,893,400
<b>General Services Fund Group Subtotal</b>			<b>\$4,778,104</b>	<b>\$4,921,447</b>
<b>Federal Special Revenue Fund (FED) Group</b>				
3CB0	768691	Federal Justice Grants – FFY06	\$200,000	\$50,000
3CC0	768609	Justice Assistance Grants – FFY07	\$583,222	\$310,000
3CD0	768610	Justice Assistance Grants – FFY08	\$310,000	\$150,000
3CE0	768611	Justice Assistance Grants – FFY09	\$865,000	\$1,200,000
3CV0	768697	Justice Assistance Grants Supplement – FFY08	\$2,000	\$0
3DE0	768612	Federal Stimulus – Justice Assistance Grants	\$1,015,000	\$1,015,000
3DH0	768613	Federal Stimulus – Justice Programs	\$150,000	\$150,000
3EU0	768614	Justice Assistance Grants – FFY10	\$650,000	\$920,000
3L50	768604	Justice Program	\$11,400,000	\$11,400,000
<b>Federal Special Revenue Fund Group Subtotal</b>			<b>\$15,175,222</b>	<b>\$15,195,000</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>\$21,103,326</b>	<b>\$21,266,447</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 2012 funding of \$998,104, a \$110,900, or 10.0% decrease from the FY 2011 adjusted appropriation of \$1,109,004, and FY 2013 funding of \$1,028,047, a \$29,943, or 3.0%, increase from the FY 2012 recommendation. The line item's funding comes primarily from: (1) a portion of a \$5 fee for driver, vehicle, and certificate of abstracts and (2) a portion of a \$10 additional court cost assessed for moving violations.

Approximately \$392,000 per year will be allocated for payroll expenses. The recommended funding will also be allocated to support a mix of additional operating expenses, in rough order of magnitude, as follows: maintenance and supplies (\$384,000), personal services contracts (\$200,000), and equipment purchases (\$125,000).

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 2012 and 2013. These amounts are identical to the line item's adjusted FY 2011 appropriation. The entire appropriation is expected to be used for payroll expenses.

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

The statutory purpose of the Drug Law Enforcement line item is to provide 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 executive budget proposes funding for this GSF line item in the amount of \$3,780,000 for FY 2012, a \$420,000, or 10.0%, decrease from the FY 2011 adjusted appropriation of \$4,200,000, and \$3,893,400 for FY 2013, a \$113,400, or 3.0%, increase from the FY 2012 recommendation. All of this recommended funding will be distributed in the form of grants to local law enforcement agencies and task forces.

#### **Federal Grants (FED line items 768604, 768609, 768610, 768611, 768612, 768613, 768614, 768691, and 768697)**

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 \$15,175,222 in FY 2012 and \$15,195,000 in FY 2013. A total of around \$12.3 million in each of FYs 2012 and 2013 will be allocated for grants to be awarded to various state and local governmental units. The remainder, or about \$3 million in each of those fiscal years, will be used for payroll expenses (\$2.1 million), personal services contracts (\$395,000), maintenance and supplies (\$269,000), and equipment purchases (\$138,000).

#### **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 2012 and 2013, all of which will be distributed in the form of family violence shelter grants. These recommended amounts represent an \$800,000, or 51.6%, decrease from the line item's FY 2011 adjusted appropriation of \$1,550,000.

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

The executive budget retains a temporary law provision in the current transportation budget requiring the first \$750,000 in revenues deposited in the state treasury to the credit of the Family Violence Prevention Fund (Fund 5BK0) in each fiscal year 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 line item in the Debt Service category is 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 2012	FY 2013
<b>State Highway Safety Fund (HSF) Group</b>				
7036	761401	Lease Rental Payments	\$9,978,300	\$2,315,700
<b>Total Funding: Debt Service</b>			<b>\$9,978,300</b>	<b>\$2,315,700</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 a 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;
- 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 \$9,978,300 in FY 2012 and \$2,315,700 in FY 2013, 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 the State Bureau of Motor Vehicles Fund (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 2012	FY 2013
<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 2012 and 2013.

Holding Account line item 762623, **Security Deposits**, is used for the payment of a judgment for damages arising out of an accident (R.C. 4509.28) and the return of security deposits (R.C. 4509.25 and 4509.29). The executive budget fully funds the Department's requested appropriations for this line item: \$350,000 in each of FYs 2012 and 2013.

**Department of Public Safety**

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General Revenue Fund

**GRF 763403 Operating Expenses - EMA**

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$3,849,481	\$3,120,778	\$32,418	\$0	<b>\$0</b>	<b>\$0</b>
	-18.9%	-99.0%	-100%	<b>N/A</b>	<b>N/A</b>

**Source:** General Revenue Fund

**Legal Basis:** Discontinued line item (originally established by Am. Sub. H.B. 117 of the 121st G.A., the main operating appropriations act covering FY 1996 and FY 1997)

**Purpose:** The line item was used to cover operating expenses (payroll, purchased personal services, supplies and maintenance, and equipment) of the Ohio Emergency Management Agency (Ohio EMA), a division within the Department of Public Safety. A portion of the line item's funding was also distributed to local jurisdictions in support of county EMA programs. As of FY 2010, the Ohio EMA's expenses that would otherwise have been charged against the line item are being charged against moneys appropriated from the Department's Emergency Management Agency Service and Reimbursement Fund (Fund 4V30).

**GRF 768424 Operating Expenses - CJS**

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$754,553	\$529,727	\$2,896	\$0	<b>\$0</b>	<b>\$0</b>
	-29.8%	-99.5%	-100%	<b>N/A</b>	<b>N/A</b>

**Source:** General Revenue Fund

**Legal Basis:** Discontinued line item (replaced GRF line item 196-424, Operating Expenses, 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., the main operating appropriations act covering FY 2006 and FY 2007)

**Purpose:** The line item was used to pay operating expenses of the Division of Criminal Justice Services (payroll, purchased personal services, supplies and maintenance, and equipment), as well as to provide any cash match that may be required as a result of the state's participation in certain federal domestic assistance programs administered by the U.S. Department of Justice or the U.S. Department of Health and Human Services. As of FY 2010, the Division's expenses that would otherwise have been charged against the line item are being charged against moneys appropriated from the Department's Justice Program Services Fund (Fund 4P60).

## Department of Public Safety

### GRF 768505 SOCF Judicial & Defense Costs

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$20,238	\$30,550	\$13,950	\$0	<b>\$0</b>	<b>\$0</b>
	51.0%	-54.3%	-100%	<b>N/A</b>	<b>N/A</b>

**Source:** General Revenue Fund

**Legal Basis:** As needed line item (originally established by Controlling Board on February 13, 2006; replaced GRF line item 196502, Lucasville Disturbance Costs, and GRF line 196505, SOCF Judicial & Defense Costs, 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., the main operating appropriations act covering FY 2006 and FY 2007)

**Purpose:** The line item is used to reimburse all, or a portion, of the prosecution, defense, and certain judicial expenses (for example, transcripts and juror fees) incurred in relation to the prosecution of inmates who were charged with various criminal offenses as a result of the inmate disturbance that occurred on April 11, 1993 at the Southern Ohio Correctional Facility in Lucasville.

### GRF 769321 Food Stamp Trafficking Enforcement Operations

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$751,904	\$488,029	\$0	\$0	<b>\$0</b>	<b>\$0</b>
	-35.1%	-100%	N/A	<b>N/A</b>	<b>N/A</b>

**Source:** General Revenue Fund

**Legal Basis:** Discontinued line item (originally established by Am. Sub. H.B. 117 of the 121st G.A., the main operating appropriations act covering FY 1996 and FY 1997)

**Purpose:** The line item was used to partially cover operating expenses (payroll, purchased personal services, supplies and maintenance, and equipment) of the Department of Public Safety's Investigative Unit, as it relates to that Unit's role in the investigation and control of the illegal sale of food stamp benefits. Additional financing for the Unit's food stamp trafficking enforcement operations is also drawn from the Department's federal Fund 8310, line item 769610, Food Stamp Trafficking Enforcement - Federal. As of FY 2010, the Unit's expenses that would otherwise have been charged against the line item are being charged against moneys appropriated from the Department's Investigations Fund (Fund 5FL0).

**Department of Public Safety**

State Highway Safety Fund Group

**4W40 762321 Operating Expense - BMV**

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$72,979,377	\$70,861,820	\$71,431,380	\$86,597,232	<b>\$80,003,146</b>	<b>\$82,403,240</b>
	-2.9%	0.8%	21.2%	<b>-7.6%</b>	<b>3.0%</b>

**Source:** State Highway Safety Fund Group: (1) Motor vehicle license tax, (2) fees charged for dealer plates, (3) driver and vehicle registration abstracts, (4) driver license fees, (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 205.10 of Am. Sub. H.B. 2 of the 128th 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**

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$25,799,590	\$23,979,456	\$23,741,735	\$32,161,307	<b>\$28,945,176</b>	<b>\$29,813,532</b>
	-7.1%	-1.0%	35.5%	<b>-10.0%</b>	<b>3.0%</b>

**Source:** State Highway Safety Fund Group: (1) Motor vehicle license tax, (2) fees charged for dealer plates, (3) driver and vehicle registration abstracts, (4) driver license fees, (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 205.10 of Am. Sub. H.B. 2 of the 128th 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.

## Department of Public Safety

### 5V10 762682 License Plate Contributions

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$1,864,434	\$1,904,753	\$1,889,383	\$2,100,000	<b>\$2,100,000</b>	<b>\$2,100,000</b>
	2.2%	-0.8%	11.1%	<b>0.0%</b>	<b>0.0%</b>

**Source:** State Highway Safety Fund Group: (1) Mandatory contribution paid for the issuance and annual renewal of 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 currently ranges from \$2 to \$25

**Legal Basis:** ORC 4501.21(A); Section 205.10 of Am. Sub. H.B. 2 of the 128th G.A. (originally established by Am. Sub. H.B. 87 of the 125th G.A., the transportation/public safety appropriations act covering FY 2004 and FY 2005)

**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

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$2,405,567	\$3,438,150	\$6,018,419	\$7,915,962	<b>\$7,124,366</b>	<b>\$7,338,097</b>
	42.9%	75.0%	31.5%	<b>-10.0%</b>	<b>3.0%</b>

**Source:** State Highway Safety Fund Group: 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; Section 205.10 of Am. Sub. H.B. 2 of the 128th G.A.

**Purpose:** The moneys appropriated to the 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.

Effective FY 2010, the funding and purpose of related HSF line item 766321, Operating Expense - Administration, which also drew its appropriation from the State Highway Safety Fund (Fund 7036), was consolidated into this line item (761321). The former (line item 766321) was used to pay certain Administration Division operating expenses as well.

## *Department of Public Safety*

### **7036 761401 Lease Rental Payments**

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$13,312,258	\$13,305,933	\$13,326,908	\$11,836,200	<b>\$9,978,300</b>	<b>\$2,315,700</b>
	0.0%	0.2%	-11.2%	<b>-15.7%</b>	<b>-76.8%</b>

**Source:** State Highway Safety Fund Group: (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 205.10 of Am. Sub. H.B. 2 of the 128th G.A. (originally established by Am. Sub. H.B. 904 of the 119th G.A.)

**Purpose:** The moneys appropriated to the 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).

## Department of Public Safety

### 7036 761402 Traffic Safety Match

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$277,137	\$277,137	\$0	\$0	<b>\$0</b>	<b>\$0</b>
	0.0%	-100%	N/A	<b>N/A</b>	<b>N/A</b>

**Source:** State Highway Safety Fund Group: 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:** Discontinued line item (originally established by Am. Sub. H.B. 656 of the 113th G.A.)

**Purpose:** These moneys were 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 federal funding information). Effective FY 2010, the required state match that would have been drawn from this discontinued line item will be paid from HSF line item 761321, Operating Expense - Information and Education.

### 7036 764033 Minor Capital Projects

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$1,220,571	\$770,511	\$1,238,488	\$1,250,000	<b>\$1,250,000</b>	<b>\$1,250,000</b>
	-36.9%	60.7%	0.9%	<b>0.0%</b>	<b>0.0%</b>

**Source:** State Highway Safety Fund Group: 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; Section 205.10 of Am. Sub. H.B. 2 of the 128th 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.

## Department of Public Safety

### 7036 764321 Operating Expense - Highway Patrol

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$238,505,160	\$235,370,021	\$232,807,977	\$246,179,838	<b>\$260,744,934</b>	<b>\$258,365,903</b>
	-1.3%	-1.1%	5.7%	<b>5.9%</b>	<b>-0.9%</b>

**Source:** State Highway Safety Fund Group: 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; Section 205.10 of Am. Sub. H.B. 2 of the 128th 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

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$2,399,000	\$2,443,657	\$1,642,553	\$2,231,569	<b>\$2,860,000</b>	<b>\$2,860,000</b>
	1.9%	-32.8%	35.9%	<b>28.2%</b>	<b>0.0%</b>

**Source:** State Highway Safety Fund Group: 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 205.10 of Am. Sub. H.B. 2 of the 128th 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.)

## Department of Public Safety

### 7036 766321 Operating Expense - Administration

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$4,080,506	\$3,929,051	\$206,526	\$0	<b>\$0</b>	<b>\$0</b>
	-3.7%	-94.7%	-100%	<b>N/A</b>	<b>N/A</b>

**Source:** State Highway Safety Fund Group: 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:** Discontinued line item (originally established by Am. Sub. H.B. 107 of the 121st G.A., the transportation/public safety appropriations act covering FY 1996 and 1997)

**Purpose:** These moneys were 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 FY 2010, this discontinued line item's funding and purpose was merged with HSF line item 761321, Operating Expenses - Information and Education.

### 8300 761603 Salvage & Exchange - Administration

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$0	\$1,350	\$0	\$21,632	<b>\$19,469</b>	<b>\$20,053</b>
	N/A	-100%	N/A	<b>-10.0%</b>	<b>3.0%</b>

**Source:** State Highway Safety Fund Group: (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 205.10 of Am. Sub. H.B. 2 of the 128th 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.

## Department of Public Safety

### 8310 761610 Information & Education - Federal

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$295,464	\$537,613	\$185,512	\$468,982	<b>\$422,084</b>	<b>\$434,746</b>
	82.0%	-65.5%	152.8%	<b>-10.0%</b>	<b>3.0%</b>

**Source:** State Highway Safety Fund Group: (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. 2 of the 128th 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

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$2,147,353	\$1,364,274	\$1,217,869	\$2,455,484	<b>\$2,209,936</b>	<b>\$2,276,234</b>
	-36.5%	-10.7%	101.6%	<b>-10.0%</b>	<b>3.0%</b>

**Source:** State Highway Safety Fund Group: (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. 2 of the 128th G.A. (originally established by Am. Sub. H.B. 107 of the 121st G.A., the transportation/public safety appropriations act covering FY 1996 and FY 1997)

**Purpose:** Moneys appropriated to the line item are drawn from federal financial assistance (CFDA 20.205, Highway Planning and Construction, CFDA 20.600, State and Community Highway Safety (Section 402 grants), CFDA 16.738, Edward Byrne Memorial Justice Assistance Grant Program, CFDA 16.742, Paul Coverdell Forensic Sciences Improvement Grant Program, and CFDA 16.803, Recovery Act - Edward Byrne Justice Assistance Grant Formula 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.

## *Department of Public Safety*

### **8310 764659    Transportation Enforcement - Federal**

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$5,235,814	\$4,963,342	\$5,256,090	\$6,132,592	<b>\$5,519,333</b>	<b>\$5,684,913</b>
	-5.2%	5.9%	16.7%	<b>-10.0%</b>	<b>3.0%</b>

**Source:** State Highway Safety Fund Group: (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. 2 of the 128th G.A. (originally established by Am. Sub. H.B. 117 of the 121st G.A., the main operating appropriations act covering FY 1996 and FY 1997)

**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 (Commercial Vehicle Information Systems and Networks)), 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.

## *Department of Public Safety*

**8310 765610 EMS - Federal**

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$197,557	\$372,484	\$353,151	\$582,007	<b>\$532,007</b>	<b>\$532,007</b>
	88.5%	-5.2%	64.8%	<b>-8.6%</b>	<b>0.0%</b>

**Source:** State Highway Safety Fund Group: (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. 2 of the 128th G.A. (originally established by Am. Sub. H.B. 107 of the 121st G.A., the transportation/public safety appropriations act covering FY 1996 and FY 1997)

**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.

## *Department of Public Safety*

### **8310 767610    Liquor Enforcement - Federal**

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$127,534	\$189,898	\$180,299	\$514,184	<b>\$0</b>	<b>\$0</b>
	48.9%	-5.1%	185.2%	<b>-100%</b>	<b>N/A</b>

**Source:** State Highway Safety Fund Group: (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. 2 of the 128th 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.

The executive budget proposes, effective FY 2012, to consolidate this line item's funding and purpose into line item 769610, Food Stamp Trafficking Enforcement - Federal.

## *Department of Public Safety*

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

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$835,670	\$685,019	\$539,795	\$1,032,135	<b>\$1,546,319</b>	<b>\$1,546,319</b>
	-18.0%	-21.2%	91.2%	<b>49.8%</b>	<b>0.0%</b>

**Source:** State Highway Safety Fund Group: (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. 2 of the 128th 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 and LCF line item 767321, Liquor Enforcement - Operating.

The executive budget proposes, effective FY 2012, to merge the funding and purpose of line item 767610, Liquor Enforcement - Federal into this line item.

## *Department of Public Safety*

**8310 769631 Homeland Security - Federal**

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$1,090,851	\$1,294,142	\$2,788,425	\$4,147,300	<b>\$2,184,000</b>	<b>\$2,184,000</b>
	18.6%	115.5%	48.7%	<b>-47.3%</b>	<b>0.0%</b>

**Source:** State Highway Safety Fund Group: (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. 2 of the 128th 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.

## *Department of Public Safety*

### **8320 761612 Traffic Safety - Federal**

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$10,909,900	\$10,975,308	\$16,265,820	\$16,577,565	<b>\$16,577,565</b>	<b>\$16,577,565</b>
	0.6%	48.2%	1.9%	<b>0.0%</b>	<b>0.0%</b>

**Source:** State Highway Safety Fund Group: (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. 2 of the 128th G.A. (originally established by Am. Sub. H.B. 102 of the 114th G.A., the transportation/public safety appropriations act covering FY 1982 and FY 1983)

**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 belt 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.

## *Department of Public Safety*

### **8350 762616 Financial Responsibility Compliance**

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$4,252,072	\$4,679,373	\$4,755,974	\$6,063,600	<b>\$5,457,240</b>	<b>\$5,549,068</b>
	10.0%	1.6%	27.5%	<b>-10.0%</b>	<b>1.7%</b>

**Source:** State Highway Safety Fund Group: (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 205.10 of Am. Sub. H.B. 2 of the 128th 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.

## Department of Public Safety

### 8370 764602 Turnpike Policing

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$9,489,113	\$10,784,035	\$9,778,205	\$11,553,959	<b>\$11,553,959</b>	<b>\$11,553,959</b>
	13.6%	-9.3%	18.2%	<b>0.0%</b>	<b>0.0%</b>

**Source:** State Highway Safety Fund Group: (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 205.10 of Am. Sub. H.B. 2 of the 128th 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

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$8,492	\$77,108	\$3,605	\$100,000	<b>\$50,000</b>	<b>\$50,000</b>
	808.0%	-95.3%	2674.2%	<b>-50.0%</b>	<b>0.0%</b>

**Source:** State Highway Safety Fund Group: 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 205.10 of Am. Sub. H.B. 2 of the 128th 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.

## Department of Public Safety

### 83C0 764630 Contraband, Forfeiture, Other

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$83,764	\$339,075	\$354,875	\$622,894	<b>\$622,894</b>	<b>\$622,894</b>
	304.8%	4.7%	75.5%	<b>0.0%</b>	<b>0.0%</b>

**Source:** State Highway Safety Fund Group: 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 205.10 of Am. Sub. H.B. 2 of the 128th 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

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$6,231,774	\$5,414,839	\$4,601,004	\$9,053,266	<b>\$9,053,266</b>	<b>\$9,053,266</b>
	-13.1%	-15.0%	96.8%	<b>0.0%</b>	<b>0.0%</b>

**Source:** State Highway Safety Fund Group: (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 205.10 of Am. Sub. H.B. 2 of the 128th 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.

## Department of Public Safety

### 83G0 764633 OMVI Enforcement/Education

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$452,582	\$548,606	\$556,455	\$650,000	<b>\$623,230</b>	<b>\$641,927</b>
	21.2%	1.4%	16.8%	<b>-4.1%</b>	<b>3.0%</b>

**Source:** State Highway Safety Fund Group: 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 205.10 of Am. Sub. H.B. 2 of the 128th 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

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$271,520	\$86,953	\$99,570	\$2,100,000	<b>\$2,100,000</b>	<b>\$2,100,000</b>
	-68.0%	14.5%	2009.1%	<b>0.0%</b>	<b>0.0%</b>

**Source:** State Highway Safety Fund Group: (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 205.10 of Am. Sub. H.B. 2 of the 128th 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.

**Department of Public Safety**

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

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$2,336,808	\$2,240,989	\$2,344,520	\$2,924,562	<b>\$2,632,106</b>	<b>\$2,711,069</b>
	-4.1%	4.6%	24.7%	<b>-10.0%</b>	<b>3.0%</b>

**Source:** State Highway Safety Fund Group: (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) with the enactment of Am. Sub. H.B. 2 of the 128th G.A., \$0.60 of the \$5 fee for driver, vehicle, and certificate of title abstracts

**Legal Basis:** ORC 4513.263(E)(4); Section 205.10 of Am. Sub. H.B. 2 of the 128th 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).

## *Department of Public Safety*

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

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$203,116	\$212,369	\$221,490	\$405,600	<b>\$305,600</b>	<b>\$305,600</b>
	4.6%	4.3%	83.1%	<b>-24.7%</b>	<b>0.0%</b>

**Source:** State Highway Safety Fund Group: 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. 2 of the 128th 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).

## *Department of Public Safety*

### **83P0 765637 EMS Grants**

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$3,757,367	\$2,518,642	\$3,510,819	\$4,562,912	<b>\$4,106,621</b>	<b>\$4,229,819</b>
	-33.0%	39.4%	30.0%	<b>-10.0%</b>	<b>3.0%</b>

**Source:** State Highway Safety Fund Group: (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) \$20 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 205.10 of Am. Sub. H.B. 2 of the 128th 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).

## Department of Public Safety

### 83R0 762639 Local Immobilization Reimbursement

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$529,461	\$419,569	\$376,411	\$750,000	<b>\$450,000</b>	<b>\$450,000</b>
	-20.8%	-10.3%	99.3%	<b>-40.0%</b>	<b>0.0%</b>

**Source:** State Highway Safety Fund Group: (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 205.10 of Am. Sub. H.B. 2 of the 128th G.A. (originally established by Am. Sub. H.B. 154 of the 120th G.A., the transportation/public safety appropriations act covering FY 1994 and FY 1995)

**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

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$0	\$0	\$0	\$21,000	<b>\$21,000</b>	<b>\$21,000</b>
	N/A	N/A	N/A	<b>0.0%</b>	<b>0.0%</b>

**Source:** State Highway Safety Fund Group: (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 205.10 of Am. Sub. H.B. 2 of the 128th 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.

## Department of Public Safety

### 8400 764607 State Fair Security

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$1,174,457	\$1,267,181	\$828,612	\$1,396,283	<b>\$1,256,655</b>	<b>\$1,294,354</b>
	7.9%	-34.6%	68.5%	<b>-10.0%</b>	<b>3.0%</b>

**Source:** State Highway Safety Fund Group: (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 205.10 of Am. Sub. H.B. 2 of the 128th 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

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$9,586,812	\$9,950,086	\$8,023,233	\$6,432,686	<b>\$6,432,686</b>	<b>\$6,432,686</b>
	3.8%	-19.4%	-19.8%	<b>0.0%</b>	<b>0.0%</b>

**Source:** State Highway Safety Fund Group: (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 205.10 of Am. Sub. H.B. 2 of the 128th 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.

## Department of Public Safety

### 8400 764626 State Fairgrounds Police Force

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$864,471	\$935,531	\$932,707	\$849,883	<b>\$849,883</b>	<b>\$849,883</b>
	8.2%	-0.3%	-8.9%	<b>0.0%</b>	<b>0.0%</b>

**Source:** State Highway Safety Fund Group: (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 205.10 of Am. Sub. H.B. 2 of the 128th 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

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$1,191,873	\$1,502,246	\$261,303	\$471,205	<b>\$737,791</b>	<b>\$737,791</b>
	26.0%	-82.6%	80.3%	<b>56.6%</b>	<b>0.0%</b>

**Source:** State Highway Safety Fund Group: (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 205.10 of Am. Sub. H.B. 2 of the 128th 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.

## Department of Public Safety

### 8410 764603 Salvage and Exchange - Highway Patrol

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$0	\$1,339,399	\$200,910	\$1,339,399	<b>\$1,339,399</b>	<b>\$1,339,399</b>
	N/A	-85.0%	566.7%	<b>0.0%</b>	<b>0.0%</b>

**Source:** State Highway Safety Fund Group: (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 205.10 of Am. Sub. H.B. 2 of the 128th 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

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$508,478	\$239,054	\$201,981	\$400,000	<b>\$360,000</b>	<b>\$370,800</b>
	-53.0%	-15.5%	98.0%	<b>-10.0%</b>	<b>3.0%</b>

**Source:** State Highway Safety Fund Group: 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. 2 of the 128th 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).

**Department of Public Safety**

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**8460 761625 Motorcycle Safety Education**

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$2,501,450	\$2,204,706	\$2,131,043	\$3,538,903	<b>\$3,185,013</b>	<b>\$3,280,563</b>
	-11.9%	-3.3%	66.1%	<b>-10.0%</b>	<b>3.0%</b>

**Source:** State Highway Safety Fund Group: (1) \$6 of the \$14 annual motorcycle registration fee charged pursuant to ORC 4503.04(A)(2), and (2) \$25 non-refundable registration fee paid by individuals to take a Basic Rider Course (BRC) or an Experienced Rider Course (ERC)

**Legal Basis:** ORC 4501.13; Section 205.10 of Am. Sub. H.B. 2 of the 128th 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.

**Department of Public Safety**

**8490 762627 Automated Title Processing Board**

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$8,738,142	\$12,626,060	\$9,353,699	\$19,240,839	<b>\$17,316,755</b>	<b>\$14,335,513</b>
	44.5%	-25.9%	105.7%	<b>-10.0%</b>	<b>-17.2%</b>

**Source:** State Highway Safety Fund Group: (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; Section 756.25 of Am. Sub. H.B. 2 of the 128th G.A. reduces, until July 1, 2011, the amount of the fee paid for each certificate of title issued to a motor vehicle dealer for resale purposes and distributed to the fund from \$2 to \$1.50

**Legal Basis:** ORC 4505.09(B)(3); Section 205.10 of Am. Sub. H.B. 2 of the 128th 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.

Temporary language in Am. Sub. H.B. 2 of the 128th G.A. allows, until July 1, 2011, \$0.50 of the \$2 fee for certain title transactions between dealers that would otherwise have been credited to this fund (Fund 8490) to instead be deposited to the credit of the Title Defect Rescission Fund (Fund 4Y70), which is administered by the Office of the Attorney General.

**Department of Public Safety**

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General Services Fund Group

**4P60 768601 Justice Program Services**

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$74,755	\$107,249	\$405,245	\$1,109,004	<b>\$998,104</b>	<b>\$1,028,047</b>
	43.5%	277.9%	173.7%	<b>-10.0%</b>	<b>3.0%</b>

**Source:** General Services Fund Group: 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; effective with the enactment of Am. Sub. H.B. 2 of the 128th G.A., additional revenue sources include: (1) \$0.25 of the \$5 fee for driver, vehicle, and certificate of title abstracts, and (2) 3% of \$3.50 of the additional \$10 court cost assessed for moving violations under ORC 2949.094

**Legal Basis:** ORC 5502.67; Section 205.10 of Am. Sub. H.B. 2 of the 128th 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., the main operating appropriations act covering FY 2006 and FY 2007)

**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, as well as to provide any cash match that may be required as a result of the state's participation in certain federal domestic assistance programs administered by the U.S. Department of Justice or the U.S. Department of Health and Human Services. 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.

## Department of Public Safety

### 4S20 764660 MARCS Maintenance

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$342	\$0	\$0	\$0	<b>\$0</b>	<b>\$0</b>
	-100%	N/A	N/A	<b>N/A</b>	<b>N/A</b>

**Source:** General Services Fund Group: (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:** Discontinued line item (originally established by Am. Sub. H.B. 210 of the 122nd G.A., the transportation/public safety appropriations act covering FY 1998 and 1999)

**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 have been appropriated for this purpose, as these maintenance activities have been assumed by the Department of Administrative Services.

### 4S30 766661 Hilltop Utility Reimbursement

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$412,515	\$348,646	\$370,047	\$540,800	<b>\$540,800</b>	<b>\$540,800</b>
	-15.5%	6.1%	46.1%	<b>0.0%</b>	<b>0.0%</b>

**Source:** General Services Fund Group: 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 205.10 of Am. Sub. H.B. 2 of the 128th G.A. (originally established in Am. Sub. H.B. 210 of the 122nd G.A., the transportation/public safety appropriations act covering FY 1998 and 1999)

**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.

**Department of Public Safety**

**5330 763601 State Disaster Relief**

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$7,399,599	\$6,006,033	\$1,829,701	\$4,461,948	<b>\$0</b>	<b>\$0</b>
	-18.8%	-69.5%	143.9%	<b>-100%</b>	<b>N/A</b>

**Source:** General Services Fund Group: (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 205.10 of Am. Sub. H.B. 2 of the 128th G.A. (originally established by Am. Sub. H.B. 117 of the 121st G.A., the main operating appropriations act covering FY 1996 and FY 1997)

**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.

## Department of Public Safety

### 5ET0 768625 Drug Law Enforcement

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$719,406	\$800,000	\$2,605,554	\$4,200,000	<b>\$3,780,000</b>	<b>\$3,893,400</b>
	11.2%	225.7%	61.2%	<b>-10.0%</b>	<b>3.0%</b>

**Source:** General Services Fund Group: (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) 97% of the \$3.50 of the additional \$10 in court costs for moving violations (collected pursuant to the enactment of Am. Sub. H.B. 562 of the 127th G.A. and subsequently revised in Am. Sub. H.B. 2 of the 128th G.A.)

**Legal Basis:** ORC 5502.68(A); Section 205.10 of Am. Sub. H.B. 2 of the 128th G.A. (originally established by Section 367.10 of Am. Sub. H.B. 119 of the 127th G.A., the main operating appropriations act covering FY 2008 and FY 2009)

**Purpose:** The moneys appropriated to the 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

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$0	\$0	\$0	\$280,820	<b>\$170,000</b>	<b>\$170,000</b>
	N/A	N/A	N/A	<b>-39.5%</b>	<b>0.0%</b>

**Source:** General Services Fund Group: 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; Section 205.10 of Am. Sub. H.B. 2 of the 128th G.A. (originally established by Controlling Board on February 25, 2008)

**Purpose:** The moneys appropriated to the line item are statutorily restricted for the purpose of paying the costs of the Ohio State Highway Patrol's continuing professional training programs.

**Department of Public Safety**

**5Y10 767696 Investigative Unit Continuing Professional Training**

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$2,300	\$5,853	\$0	\$15,000	<b>\$15,000</b>	<b>\$15,000</b>
	154.5%	-100%	N/A	<b>0.0%</b>	<b>0.0%</b>

**Source:** General Services Fund Group: 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; Section 205.10 of Am. Sub. H.B. 2 of the 128th G.A. (originally established by Controlling Board on February 25, 2008)

**Purpose:** The moneys appropriated to the line item are statutorily restricted for the purpose of paying the costs of the Investigative Unit's continuing professional training programs.

**Department of Public Safety**

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Federal Special Revenue Fund Group

**3290 763645 Federal Mitigation Program**

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$4,409,648	\$9,290,276	\$4,238,626	\$11,233,702	<b>\$10,110,332</b>	<b>\$10,413,642</b>
	110.7%	-54.4%	165.0%	<b>-10.0%</b>	<b>3.0%</b>

**Source:** Federal Special Revenue Fund Group: CFDA 97.039, Hazard Mitigation Grant, CFDA 97.029, Flood Mitigation Assistance, CFDA 97.047, Pre-Disaster Mitigation, CFDA 97.092, Repetitive Flood Claims, and CFDA 97.110, Severe Loss Repetitive Program

**Legal Basis:** Section 205.10 of Am. Sub. H.B. 2 of the 128th G.A. (originally established by Am. Sub. H.B. 204 of the 113th G.A., the main operating appropriations act covering FY 1980 and 1981)

**Purpose:** This line item serves 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.

## *Department of Public Safety*

**3370 763609 Federal Disaster Relief**

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$27,124,441	\$58,423,627	\$10,531,951	\$27,707,636	<b>\$27,707,636</b>	<b>\$27,707,636</b>
	115.4%	-82.0%	163.1%	<b>0.0%</b>	<b>0.0%</b>

**Source:** Federal Special Revenue Fund Group: CFDA 97.036, Disaster Grants - Public Assistance

**Legal Basis:** Section 205.10 of Am. Sub. H.B. 2 of the 128th G.A. (originally established by Am. Sub. H.B. 117 of the 121st G.A., the main operating appropriations act covering FY 1996 and FY 1997)

**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.

## *Department of Public Safety*

### **3390 763647    Emergency Management Assistance and Training**

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$35,091,644	\$50,421,270	\$50,485,652	\$84,072,023	<b>\$75,664,821</b>	<b>\$77,934,765</b>
	43.7%	0.1%	66.5%	<b>-10.0%</b>	<b>3.0%</b>

**Source:** Federal Special Revenue Fund Group: Various federal grant programs for emergency management operations, planning, training, and other preparedness activities, the bulk of which is awarded by the U.S. Department of Homeland Security, Federal Emergency Management Agency. These grants include CFDA 97.067, 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 97.053, Citizen Corps, and (4) 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, Rail and 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 205.10 of Am. Sub. H.B. 2 of the 128th G.A. (originally established by Am. Sub. H.B. 117 of the 121st G.A., the main operating appropriations act covering FY 1996 and FY 1997)

**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.

## *Department of Public Safety*

### **3AY0 768606 Federal Justice Grants**

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$1,056,934	\$478,755	\$804,588	\$745,000	<b>\$0</b>	<b>\$0</b>
	-54.7%	68.1%	-7.4%	<b>-100%</b>	<b>N/A</b>

**Source:** Federal Special Revenue Fund Group: 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, specifically the federal FY 2005 JAG award

**Legal Basis:** ORC 5502.62(B)(10); Section 205.10 of Am. Sub. H.B. 2 of the 128th 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.

## *Department of Public Safety*

### **3CB0 768691 Federal Justice Grants - FFY06**

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$3,263,537	\$699,953	\$1,000,195	\$795,000	<b>\$200,000</b>	<b>\$50,000</b>
	-78.6%	42.9%	-20.5%	<b>-74.8%</b>	<b>-75.0%</b>

**Source:** Federal Special Revenue Fund Group: 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, specifically the federal FY 2006 JAG award

**Legal Basis:** ORC 5502.62(B)(10); Section 205.10 of Am. Sub. H.B. 2 of the 128th G.A. (originally established by 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.

## *Department of Public Safety*

### **3CC0 768609 Justice Assistance Grant - FFY07**

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$2,186,556	\$5,895,490	\$627,692	\$1,215,000	<b>\$583,222</b>	<b>\$310,000</b>
	169.6%	-89.4%	93.6%	<b>-52.0%</b>	<b>-46.8%</b>

**Source:** Federal Special Revenue Fund Group: 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, specifically the federal FY 2007 JAG award

**Legal Basis:** ORC 5502.62 (B)(10) (originally 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.

## *Department of Public Safety*

### **3CD0 768610 Justice Assistance Grant FFY08**

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$0	\$819,335	\$2,057,947	\$310,000	<b>\$310,000</b>	<b>\$150,000</b>
	N/A	151.2%	-84.9%	<b>0.0%</b>	<b>-51.6%</b>

**Source:** Federal Special Revenue Fund Group: 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, specifically the federal FY 2008 JAG award

**Legal Basis:** ORC 5502.62(B)(10) (originally established by Controlling Board on November 17, 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.

## *Department of Public Safety*

### **3CE0 768611 Justice Assistance Grant FFY09**

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$0	\$0	\$1,368,718	\$2,500,000	<b>\$865,000</b>	<b>\$1,200,000</b>
	N/A	N/A	82.7%	<b>-65.4%</b>	<b>38.7%</b>

**Source:** Federal Special Revenue Fund Group: Federal grants to improve the criminal justice system intended to provide funding to local criminal justice programs in the state that require all moneys from such grants be deposited into an interest-bearing account or fund, 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

**Legal Basis:** ORC 5502.62 (B)(10) (originally established by Controlling Board on February 8, 2010)

**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 and 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.

## *Department of Public Safety*

### **3CV0 768697 Justice Assistance Grant Supplement FFY08**

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$0	\$0	\$314,800	\$55,000	<b>\$2,000</b>	<b>\$0</b>
	N/A	N/A	-82.5%	<b>-96.4%</b>	<b>-100%</b>

**Source:** Federal Special Revenue Fund Group: 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, specifically for federal FY 2008 JAG Supplemental award

**Legal Basis:** ORC 5502.62 (B)(10) (originally established by Controlling Board on June 15, 2009)

**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.

## *Department of Public Safety*

### **3DE0 768612 Justice Assistance Grants**

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$0	\$0	\$9,121,645	\$1,902,447	<b>\$1,015,000</b>	<b>\$1,015,000</b>
	N/A	N/A	-79.1%	<b>-46.6%</b>	<b>0.0%</b>

**Source:** Federal Special Revenue Fund Group: 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 16.803, Edward Byrne Memorial Justice Assistance Grant (JAG) Program, specifically the federal FY 2009 American Recovery and Reinvestment Act (ARRA) JAG award

**Legal Basis:** Section 205.10 of Am. Sub. H.B. 2 of the 128th 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.

## Department of Public Safety

### 3DH0 768613 Federal Stimulus - Justice Programs

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$0	\$0	\$1,515,117	\$430,000	<b>\$150,000</b>	<b>\$150,000</b>
	N/A	N/A	-71.6%	<b>-65.1%</b>	<b>0.0%</b>

**Source:** Federal Special Revenue Fund Group: CFDA 16.588, STOP Violence Against Women Formula Grant Program

**Legal Basis:** Section 601.10 of Am. Sub. H.B. 1 of the 128th G.A.

**Purpose:** Moneys awarded from the federal STOP Violence Against Women Formula Grant Program are to be allocated as follows for the purpose of developing and strengthening the criminal justice system's response to violence against women and supporting and enhancing services for victims: 30% for victim services, 25% for law enforcement, 25% for prosecution, and 5% for courts. The remaining 15% may be spent at the discretion of the state within the statutory purpose areas.

### 3DU0 762628 BMV Grants

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$0	\$0	\$788,051	\$1,600,000	<b>\$1,525,000</b>	<b>\$1,580,000</b>
	N/A	N/A	103.0%	<b>-4.7%</b>	<b>3.6%</b>

**Source:** Federal Special Revenue Fund Group: CFDA 97.089, Driver's License Security Grant Program

**Legal Basis:** Established by Controlling Board on September 14, 2009

**Purpose:** This federal program provides funding to improve the integrity and security of state-issued driver's licenses and identification cards.

## *Department of Public Safety*

### **3EU0 768614 Justice Assistance Grant - FFY10**

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$0	\$0	\$0	\$9,000,000	<b>\$650,000</b>	<b>\$920,000</b>
	N/A	N/A	N/A	<b>-92.8%</b>	<b>41.5%</b>

**Source:** Federal Special Revenue Fund Group: Federal grants to improve the criminal justice system intended to provide funding to local criminal justice programs in the state that require all moneys from such grants be deposited into an interest-bearing account or fund, 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

**Legal Basis:** ORC 5502.62 (B)(10) (originally established by Controlling Board on October 25, 2010)

**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 and 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.

## *Department of Public Safety*

### **3L50 768604 Justice Program**

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$11,073,465	\$10,701,661	\$9,005,644	\$12,056,300	<b>\$11,400,000</b>	<b>\$11,400,000</b>
	-3.4%	-15.8%	33.9%	<b>-5.4%</b>	<b>0.0%</b>

**Source:** Federal Special Revenue Fund Group: 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), Edward Byrne Memorial State and Local Law Enforcement Assistance Discretionary Grant Program (CFDA 16.580), Special Data Collections and Statistical Studies (CFDA 16.734), Occupational Safety and Health Program (CFDA 93.262), Homeland Security Grant Program (CFDA 97.067), National Institute of Justice Research, Evaluation, and Development Project Grants (CFDA 16.560), and Bullet Proof Vest Partnership Program (CFDA 16.607)

**Legal Basis:** ORC 5502.62(B)(10); Section 205.10 of Am. Sub. H.B. 2 of the 128th 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., the main operating appropriations act covering FY 2006 and FY 2007)

**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.

## *Department of Public Safety*

### **3N50 763644 US Department of Energy Agreement**

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$27,243	\$18,000	\$10,990	\$31,672	<b>\$31,672</b>	<b>\$31,672</b>
	-33.9%	-38.9%	188.2%	<b>0.0%</b>	<b>0.0%</b>

**Source:** Federal Special Revenue Fund Group: 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 205.10 of Am. Sub. H.B. 2 of the 128th 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).

**Department of Public Safety**

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State Special Revenue Fund Group

**4V30 763662    EMA Service and Reimbursement**

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$333,168	\$332,046	\$3,876,307	\$4,853,743	<b>\$4,368,369</b>	<b>\$4,499,420</b>
	-0.3%	1067.4%	25.2%	<b>-10.0%</b>	<b>3.0%</b>

**Source:** State Special Revenue Fund Group: 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, (3) equipment repair and maintenance work performed under contract by the Ohio EMA’s Radiological Instrumentation, Maintenance and Calibration Section, and (4) effective with the enactment of Am. Sub. H.B. 2 of the 128th G.A., \$1.25 of the \$5 fee for driver, vehicle, and certificate of title abstracts

**Legal Basis:** ORC 5502.39; Section 205.10 of Am. Sub. H.B. 2 of the 128th 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) pay for 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.

**Department of Public Safety**

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**5390 762614 Motor Vehicle Dealers Board**

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$29,350	\$15,679	\$32,755	\$200,000	<b>\$180,000</b>	<b>\$185,400</b>
	-46.6%	108.9%	510.6%	<b>-10.0%</b>	<b>3.0%</b>

**Source:** State Special Revenue Fund Group: (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 205.10 of Am. Sub. H.B. 2 of the 128th 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.

## *Department of Public Safety*

### **5B90 766632 Private Investigator and Security Guard Provider**

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$847,671	\$932,728	\$1,053,337	\$1,395,137	<b>\$1,562,637</b>	<b>\$1,562,637</b>
	10.0%	12.9%	32.4%	<b>12.0%</b>	<b>0.0%</b>

**Source:** State Special Revenue Fund Group: (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 205.10 of Am. Sub. H.B. 2 of the 128th 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.

## Department of Public Safety

### 5BK0 768687 Criminal Justice Services - Operating

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$396,653	\$313,517	\$396,565	\$400,000	<b>\$400,000</b>	<b>\$400,000</b>
	-21.0%	26.5%	0.9%	<b>0.0%</b>	<b>0.0%</b>

**Source:** State Special Revenue Fund Group: (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 205.10 of Am. Sub. H.B. 2 of the 128th G.A.

**Purpose:** Moneys deposited to the credit of the fund and appropriated to the line item are statutorily restricted to operate the Division of Criminal Justice Services, as well as to provide any cash match that may be required as a result of the state's participation in certain federal domestic assistance programs administered by the U.S. Department of Justice or the U.S. Department of Health and Human Services. A related temporary law provision in Section 205.10 of Am. Sub. H.B. 2 of the 128th 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 FY 2010 and FY 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.

## *Department of Public Safety*

### **5BK0 768689 Family Violence Shelter Programs**

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$1,747,224	\$1,532,017	\$1,455,415	\$1,550,000	<b>\$750,000</b>	<b>\$750,000</b>
	-12.3%	-5.0%	6.5%	<b>-51.6%</b>	<b>0.0%</b>

**Source:** State Special Revenue Fund Group: (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 205.10 of Am. Sub. H.B. 2 of the 128th 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., the main operating appropriations act covering FY 2006 and FY 2007)

**Purpose:** Moneys deposited to the credit of the fund and appropriated to the 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 205.10 of Am. Sub. H.B. 2 of the 128th 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 FY 2010 and FY 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.

## *Department of Public Safety*

### **5CC0 768607    Public Safety Services**

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$125,000	\$125,000	\$0	\$0	<b>\$0</b>	<b>\$0</b>
	0.0%	-100%	N/A	<b>N/A</b>	<b>N/A</b>

**Source:** State Special Revenue Fund Group: 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:** Discontinued line item (originally established by Section 209.51 of Am. Sub. H.B. 66 of the 126th G.A., the main operating appropriations act covering FY 2006 and FY 2007)

**Purpose:** Temporary law required all of the moneys appropriated to the fund in each of FY 2008 and FY 2009 be distributed directly to the Southern Ohio Drug Task Force.

The moneys appropriated to the fund in FY 2006 and FY 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.

## Department of Public Safety

### 5CM0 767691 Federal Investigative Seizure

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$245,943	\$218,558	\$227,615	\$642,175	<b>\$300,000</b>	<b>\$300,000</b>
	-11.1%	4.1%	182.1%	<b>-53.3%</b>	<b>0.0%</b>

**Source:** State Special Revenue Fund Group: (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 205.10 of Am. Sub. H.B. 2 of the 128th 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

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$0	\$0	\$1,150,003	\$1,680,970	<b>\$1,414,384</b>	<b>\$1,414,384</b>
	N/A	N/A	46.2%	<b>-15.9%</b>	<b>0.0%</b>

**Source:** State Special Revenue Fund Group: (1) \$0.60 of the \$5 fee for driver, vehicle, and certificate of title abstracts and (2) all investment earnings of the fund

**Legal Basis:** ORC 5502.03(E); Section 205.10 of Am. Sub. H.B. 2 of the 128th G.A.

**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.

## Department of Public Safety

### 5EX0 763690 Disaster Preparedness

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$350,000	\$0	\$0	\$0	<b>\$0</b>	<b>\$0</b>
	-100%	N/A	N/A	<b>N/A</b>	<b>N/A</b>

**Source:** State Special Revenue Fund Group: One-time cash transfer of \$350,000 in FY 2008 from the Attorney General's Victims of Crime/Reparations Fund (Fund 4020) pursuant to Section 512.07 of Am. Sub. H.B. 119 of the 127th G.A., the main operating appropriations act covering FY 2008 and FY 2009

**Legal Basis:** Discontinued line item (originally established by Section 367.10 of Am. Sub. H.B. 119 of the 127th G.A., the main operating appropriations act covering FY 2008 and FY 2009)

**Purpose:** The moneys appropriated to the fund in FY 2008 were earmarked for distribution as follows: (1) \$275,000 for a grant to the American Red Cross Greater Columbus Chapter for implementation of programs to assist in disaster preparedness and response throughout Ohio, and (2) \$75,000 for the Fire and Emergency Services Regionalization Project of Berea and Olmstead Falls.

### 5EX0 768690 Disaster Preparedness

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$0	\$350,000	\$0	\$0	<b>\$0</b>	<b>\$0</b>
	N/A	-100%	N/A	<b>N/A</b>	<b>N/A</b>

**Source:** State Special Revenue Fund Group: One-time cash transfer of \$350,000 in FY 2009 from the Attorney General's Victims of Crime/Reparations Fund (Fund 4020) pursuant to Section 512.07 of Am. Sub. H.B. 119 of the 127th G.A., the main operating appropriations act covering FY 2008 and FY 2009

**Legal Basis:** Discontinued line item (originally established by Section 367.10 of Am. Sub. H.B. 119 of the 127th G.A., the main operating appropriations act covering FY 2008 and FY 2009)

**Purpose:** The moneys appropriated to the fund in FY 2009 were earmarked for distribution as a grant to the American Red Cross Greater Columbus Chapter for implementation of programs to assist in disaster preparedness and response throughout Ohio.

## Department of Public Safety

### 5FF0 762621 Indigent Interlock and Alcohol Monitoring

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$0	\$205,550	\$1,296,806	\$2,750,000	<b>\$2,000,000</b>	<b>\$2,000,000</b>
	N/A	530.9%	112.1%	<b>-27.3%</b>	<b>0.0%</b>

**Source:** State Special Revenue Fund Group: \$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); Section 205.10 of Am. Sub. H.B. 2 of the 128th G.A. (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.

### 5FLO 769634 Investigations

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$0	\$0	\$833,728	\$1,195,522	<b>\$899,300</b>	<b>\$899,300</b>
	N/A	N/A	43.4%	<b>-24.8%</b>	<b>0.0%</b>

**Source:** State Special Revenue Fund Group: \$0.30 of the \$5 fee for driver, vehicle, and certificate of title abstracts and (2) all investment earnings of the fund

**Legal Basis:** ORC 5502.131; Section 205.10 of Am. Sub. H.B. 2 of the 128th G.A.

**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.

## *Department of Public Safety*

### **6220 767615 Investigative, Contraband, and Forfeiture**

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$164,107	\$68,411	\$119,947	\$375,000	<b>\$375,000</b>	<b>\$375,000</b>
	-58.3%	75.3%	212.6%	<b>0.0%</b>	<b>0.0%</b>

**Source:** State Special Revenue Fund Group: 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 205.10 of Am. Sub. H.B. 2 of the 128th 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.

## Department of Public Safety

### 6570 763652 Utility Radiological Safety

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$1,512,343	\$1,318,129	\$996,348	\$1,415,945	<b>\$1,415,945</b>	<b>\$1,415,945</b>
	-12.8%	-24.4%	42.1%	<b>0.0%</b>	<b>0.0%</b>

**Source:** State Special Revenue Fund Group: Utility Radiological Safety Board assessments against nuclear electric utilities to fund emergency response planning and preparedness

**Legal Basis:** ORC 4937.05; Section 205.10 of Am. Sub. H.B. 2 of the 128th G.A. and Section 506.10 of Am. Sub. H.B. 1 of the 128th 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

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$189,402	\$240,529	\$213,443	\$262,438	<b>\$262,438</b>	<b>\$262,438</b>
	27.0%	-11.3%	23.0%	<b>0.0%</b>	<b>0.0%</b>

**Source:** State Special Revenue Fund Group: Grant funds received from the State Emergency Response Commission

**Legal Basis:** Section 205.10 of Am. Sub. H.B. 2 of the 128th G.A. (originally established by Am. Sub. H.B. 111 of the 118th G.A., the main operating appropriations act covering FY 1990 and FY 1991)

**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.

## Department of Public Safety

### 8500 767628 Investigative Unit Salvage

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$49,000	\$19,128	\$94,897	\$100,000	<b>\$90,000</b>	<b>\$92,700</b>
	-61.0%	396.1%	5.4%	<b>-10.0%</b>	<b>3.0%</b>

**Source:** State Special Revenue Fund Group: Proceeds from the sale of motor vehicles and related equipment of the Department of Public Safety's Investigative Unit

**Legal Basis:** ORC 4501.10(C); Section 205.10 of Am. Sub. H.B. 2 of the 128th 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

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$9,968,752	\$10,066,603	\$10,025,933	\$11,897,178	<b>\$11,897,178</b>	<b>\$11,897,178</b>
	1.0%	-0.4%	18.7%	<b>0.0%</b>	<b>0.0%</b>

**Source:** Liquor Control Fund Group: 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 205.10 of Am. Sub. H.B. 2 of the 128th G.A. (originally established by Am. Sub. H.B. 117 of the 121st G.A., the main operating appropriations act covering FY 1996 and FY 1997)

**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).

**Department of Public Safety**

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Agency Fund Group

**5J90 761678 Federal Salvage/GSA**

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$1,816,380	\$2,101,687	\$2,406,268	\$1,500,000	<b>\$1,500,000</b>	<b>\$1,500,000</b>
	15.7%	14.5%	-37.7%	<b>0.0%</b>	<b>0.0%</b>

**Source:** Agency Fund Group: 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. 2 of the 128th 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 Public Safety Receipts**

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$1,594,558	\$1,348,226	\$1,772,808	\$1,885,000	<b>\$1,885,000</b>	<b>\$1,885,000</b>
	-15.4%	31.5%	6.3%	<b>0.0%</b>	<b>0.0%</b>

**Source:** Holding Account Redistribution Fund Group: (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 205.10 of Am. Sub. H.B. 2 of the 128th 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).

**Department of Public Safety**

**R052 762623 Security Deposits**

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$245,089	\$261,163	\$248,872	\$350,000	<b>\$350,000</b>	<b>\$350,000</b>
	6.6%	-4.7%	40.6%	<b>0.0%</b>	<b>0.0%</b>

**Source:** Holding Account Redistribution Fund Group: (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 205.10 of Am. Sub. H.B. 2 of the 128th 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**

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$348,515	\$374,563	\$0	\$0	<b>\$0</b>	<b>\$0</b>
	7.5%	-100%	N/A	<b>N/A</b>	<b>N/A</b>

**Source:** Tobacco Master Settlement Agreement Fund Group: (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:** Discontinued line item (originally established by Controlling Board in December 2000)

**Purpose:** Moneys credited to the fund and appropriated to this line item were statutorily restricted for the purpose of enforcing ORC 2927.02, which prohibits the distribution of cigarettes or other tobacco products to children.

# FY 2012 - FY 2013 Introduced Appropriation Amounts

# All Fund Groups

Line Item Detail by Agency			FY 2010	FY 2011	Introduced FY 2012	FY 2011 to FY 2012 % Change	Introduced FY 2013	FY 2012 to FY 2013 % Change
<b>Report For Transportation Budget</b>			<b>Version: As Introduced</b>					
<b>DPS</b>	<b>Department of Public Safety</b>							
4W40	762321	Operating Expense - BMV	\$ 71,431,380	\$ 86,597,232	\$ 80,003,146	-7.61%	\$ 82,403,240	3.00%
4W40	762410	Registrations Supplement	\$ 23,741,735	\$ 32,161,307	\$ 28,945,176	-10.00%	\$ 29,813,532	3.00%
5V10	762682	License Plate Contributions	\$ 1,889,383	\$ 2,100,000	\$ 2,100,000	0.00%	\$ 2,100,000	0.00%
7036	761321	Operating Expense - Information and Education	\$ 6,018,419	\$ 7,915,962	\$ 7,124,366	-10.00%	\$ 7,338,097	3.00%
7036	761401	Lease Rental Payments	\$ 13,326,908	\$ 11,836,200	\$ 9,978,300	-15.70%	\$ 2,315,700	-76.79%
7036	764033	Minor Capital Projects	\$ 1,238,488	\$ 1,250,000	\$ 1,250,000	0.00%	\$ 1,250,000	0.00%
7036	764321	Operating Expense - Highway Patrol	\$ 232,807,977	\$ 246,179,838	\$ 260,744,934	5.92%	\$ 258,365,903	-0.91%
7036	764605	Motor Carrier Enforcement Expenses	\$ 1,642,553	\$ 2,231,569	\$ 2,860,000	28.16%	\$ 2,860,000	0.00%
7036	766321	Operating Expense - Administration	\$ 206,526	\$ 0	\$ 0	N/A	\$ 0	N/A
8300	761603	Salvage & Exchange - Administration	\$ 0	\$ 21,632	\$ 19,469	-10.00%	\$ 20,053	3.00%
8310	761610	Information & Education - Federal	\$ 185,512	\$ 468,982	\$ 422,084	-10.00%	\$ 434,746	3.00%
8310	764610	Patrol - Federal	\$ 1,217,869	\$ 2,455,484	\$ 2,209,936	-10.00%	\$ 2,276,234	3.00%
8310	764659	Transportation Enforcement - Federal	\$ 5,256,090	\$ 6,132,592	\$ 5,519,333	-10.00%	\$ 5,684,913	3.00%
8310	765610	EMS - Federal	\$ 353,151	\$ 582,007	\$ 532,007	-8.59%	\$ 532,007	0.00%
8310	767610	Liquor Enforcement - Federal	\$ 180,299	\$ 514,184	\$ 0	-100.00%	\$ 0	N/A
8310	769610	Food Stamp Trafficking Enforcement - Federal	\$ 539,795	\$ 1,032,135	\$ 1,546,319	49.82%	\$ 1,546,319	0.00%
8310	769631	Homeland Security - Federal	\$ 2,788,425	\$ 4,147,300	\$ 2,184,000	-47.34%	\$ 2,184,000	0.00%
8320	761612	Traffic Safety - Federal	\$ 16,265,820	\$ 16,577,565	\$ 16,577,565	0.00%	\$ 16,577,565	0.00%
8350	762616	Financial Responsibility Compliance	\$ 4,755,974	\$ 6,063,600	\$ 5,457,240	-10.00%	\$ 5,549,068	1.68%
8370	764602	Turnpike Policing	\$ 9,778,205	\$ 11,553,959	\$ 11,553,959	0.00%	\$ 11,553,959	0.00%
8380	764606	Patrol Reimbursement	\$ 3,605	\$ 100,000	\$ 50,000	-50.00%	\$ 50,000	0.00%
83C0	764630	Contraband, Forfeiture, Other	\$ 354,875	\$ 622,894	\$ 622,894	0.00%	\$ 622,894	0.00%
83F0	764657	Law Enforcement Automated Data System	\$ 4,601,004	\$ 9,053,266	\$ 9,053,266	0.00%	\$ 9,053,266	0.00%
83G0	764633	OMVI Enforcement/Education	\$ 556,455	\$ 650,000	\$ 623,230	-4.12%	\$ 641,927	3.00%
83J0	764693	Highway Patrol Justice Contraband	\$ 99,570	\$ 2,100,000	\$ 2,100,000	0.00%	\$ 2,100,000	0.00%
83M0	765624	Operating Expenses - Trauma and EMS	\$ 2,344,520	\$ 2,924,562	\$ 2,632,106	-10.00%	\$ 2,711,069	3.00%
83N0	761611	Elementary School Seat Belt Program	\$ 221,490	\$ 405,600	\$ 305,600	-24.65%	\$ 305,600	0.00%

# FY 2012 - FY 2013 Introduced Appropriation Amounts

# All Fund Groups

Line Item Detail by Agency			FY 2010	FY 2011	Introduced FY 2012	FY 2011 to FY 2012 % Change	Introduced FY 2013	FY 2012 to FY 2013 % Change
<b>DPS</b>	<b>Department of Public Safety</b>							
83P0	765637	EMS Grants	\$ 3,510,819	\$ 4,562,912	\$ 4,106,621	-10.00%	\$ 4,229,819	3.00%
83R0	762639	Local Immobilization Reimbursement	\$ 376,411	\$ 750,000	\$ 450,000	-40.00%	\$ 450,000	0.00%
83T0	764694	Highway Patrol Treasury Contraband	\$ 0	\$ 21,000	\$ 21,000	0.00%	\$ 21,000	0.00%
8400	764607	State Fair Security	\$ 828,612	\$ 1,396,283	\$ 1,256,655	-10.00%	\$ 1,294,354	3.00%
8400	764617	Security and Investigations	\$ 8,023,233	\$ 6,432,686	\$ 6,432,686	0.00%	\$ 6,432,686	0.00%
8400	764626	State Fairgrounds Police Force	\$ 932,707	\$ 849,883	\$ 849,883	0.00%	\$ 849,883	0.00%
8400	769632	Homeland Security - Operating	\$ 261,303	\$ 471,205	\$ 737,791	56.58%	\$ 737,791	0.00%
8410	764603	Salvage and Exchange - Highway Patrol	\$ 200,910	\$ 1,339,399	\$ 1,339,399	0.00%	\$ 1,339,399	0.00%
8440	761613	Seat Belt Education Program	\$ 201,981	\$ 400,000	\$ 360,000	-10.00%	\$ 370,800	3.00%
8460	761625	Motorcycle Safety Education	\$ 2,131,043	\$ 3,538,903	\$ 3,185,013	-10.00%	\$ 3,280,563	3.00%
8490	762627	Automated Title Processing Board	\$ 9,353,699	\$ 19,240,839	\$ 17,316,755	-10.00%	\$ 14,335,513	-17.22%
<b>State Highway Safety Fund Group Total</b>			<b>\$ 427,626,746</b>	<b>\$ 494,680,980</b>	<b>\$ 490,470,733</b>	<b>-0.85%</b>	<b>\$ 481,631,900</b>	<b>-1.80%</b>
4P60	768601	Justice Program Services	\$ 405,245	\$ 1,109,004	\$ 998,104	-10.00%	\$ 1,028,047	3.00%
4S30	766661	Hilltop Utility Reimbursement	\$ 370,047	\$ 540,800	\$ 540,800	0.00%	\$ 540,800	0.00%
5330	763601	State Disaster Relief	\$ 1,829,701	\$ 4,461,948	\$ 0	-100.00%	\$ 0	N/A
5ET0	768625	Drug Law Enforcement	\$ 2,605,554	\$ 4,200,000	\$ 3,780,000	-10.00%	\$ 3,893,400	3.00%
5Y10	764695	Highway Patrol Continuing Professional Training	\$ 0	\$ 280,820	\$ 170,000	-39.46%	\$ 170,000	0.00%
5Y10	767696	Investigative Unit Continuing Professional Training	\$ 0	\$ 15,000	\$ 15,000	0.00%	\$ 15,000	0.00%
<b>General Services Fund Group Total</b>			<b>\$ 5,210,546</b>	<b>\$ 10,607,572</b>	<b>\$ 5,503,904</b>	<b>-48.11%</b>	<b>\$ 5,647,247</b>	<b>2.60%</b>
3290	763645	Federal Mitigation Program	\$ 4,238,626	\$ 11,233,702	\$ 10,110,332	-10.00%	\$ 10,413,642	3.00%
3370	763609	Federal Disaster Relief	\$ 10,531,951	\$ 27,707,636	\$ 27,707,636	0.00%	\$ 27,707,636	0.00%
3390	763647	Emergency Management Assistance and Training	\$ 50,485,652	\$ 84,072,023	\$ 75,664,821	-10.00%	\$ 77,934,765	3.00%
3AY0	768606	Federal Justice Grants	\$ 804,588	\$ 745,000	\$ 0	-100.00%	\$ 0	N/A
3CB0	768691	Federal Justice Grants - FFY06	\$ 1,000,195	\$ 795,000	\$ 200,000	-74.84%	\$ 50,000	-75.00%
3CC0	768609	Justice Assistance Grant - FFY07	\$ 627,692	\$ 1,215,000	\$ 583,222	-52.00%	\$ 310,000	-46.85%
3CD0	768610	Justice Assistance Grant FFY08	\$ 2,057,947	\$ 310,000	\$ 310,000	0.00%	\$ 150,000	-51.61%
3CE0	768611	Justice Assistance Grant FFY09	\$ 1,368,718	\$ 2,500,000	\$ 865,000	-65.40%	\$ 1,200,000	38.73%

# FY 2012 - FY 2013 Introduced Appropriation Amounts

# All Fund Groups

Line Item Detail by Agency			FY 2010	FY 2011	Introduced FY 2012	FY 2011 to FY 2012 % Change	Introduced FY 2013	FY 2012 to FY 2013 % Change
<b>DPS Department of Public Safety</b>								
3CV0	768697	Justice Assistance Grant Supplement FFY08	\$ 314,800	\$ 55,000	\$ 2,000	-96.36%	\$ 0	-100.00%
3DE0	768612	Justice Assistance Grants	\$ 9,121,645	\$ 1,902,447	\$ 1,015,000	-46.65%	\$ 1,015,000	0.00%
3DH0	768613	Federal Stimulus - Justice Programs	\$ 1,515,117	\$ 430,000	\$ 150,000	-65.12%	\$ 150,000	0.00%
3DU0	762628	BMV Grants	\$ 788,051	\$ 1,600,000	\$ 1,525,000	-4.69%	\$ 1,580,000	3.61%
3EU0	768614	Justice Assistance Grant - FFY10	\$ 0	\$ 9,000,000	\$ 650,000	-92.78%	\$ 920,000	41.54%
3L50	768604	Justice Program	\$ 9,005,644	\$ 12,056,300	\$ 11,400,000	-5.44%	\$ 11,400,000	0.00%
3N50	763644	US Department of Energy Agreement	\$ 10,990	\$ 31,672	\$ 31,672	0.00%	\$ 31,672	0.00%
<b>Federal Special Revenue Fund Group Total</b>			<b>\$ 91,871,615</b>	<b>\$ 153,653,780</b>	<b>\$ 130,214,683</b>	<b>-15.25%</b>	<b>\$ 132,862,715</b>	<b>2.03%</b>
4V30	763662	EMA Service and Reimbursement	\$ 3,876,307	\$ 4,853,743	\$ 4,368,369	-10.00%	\$ 4,499,420	3.00%
5390	762614	Motor Vehicle Dealers Board	\$ 32,755	\$ 200,000	\$ 180,000	-10.00%	\$ 185,400	3.00%
5B90	766632	Private Investigator and Security Guard Provider	\$ 1,053,337	\$ 1,395,137	\$ 1,562,637	12.01%	\$ 1,562,637	0.00%
5BK0	768687	Criminal Justice Services - Operating	\$ 396,565	\$ 400,000	\$ 400,000	0.00%	\$ 400,000	0.00%
5BK0	768689	Family Violence Shelter Programs	\$ 1,455,415	\$ 1,550,000	\$ 750,000	-51.61%	\$ 750,000	0.00%
5CM0	767691	Federal Investigative Seizure	\$ 227,615	\$ 642,175	\$ 300,000	-53.28%	\$ 300,000	0.00%
5DS0	769630	Homeland Security	\$ 1,150,003	\$ 1,680,970	\$ 1,414,384	-15.86%	\$ 1,414,384	0.00%
5FF0	762621	Indigent Interlock and Alcohol Monitoring	\$ 1,296,806	\$ 2,750,000	\$ 2,000,000	-27.27%	\$ 2,000,000	0.00%
5FL0	769634	Investigations	\$ 833,728	\$ 1,195,522	\$ 899,300	-24.78%	\$ 899,300	0.00%
6220	767615	Investigative, Contraband, and Forfeiture	\$ 119,947	\$ 375,000	\$ 375,000	0.00%	\$ 375,000	0.00%
6570	763652	Utility Radiological Safety	\$ 996,348	\$ 1,415,945	\$ 1,415,945	0.00%	\$ 1,415,945	0.00%
6810	763653	SARA Title III HAZMAT Planning	\$ 213,443	\$ 262,438	\$ 262,438	0.00%	\$ 262,438	0.00%
8500	767628	Investigative Unit Salvage	\$ 94,897	\$ 100,000	\$ 90,000	-10.00%	\$ 92,700	3.00%
<b>State Special Revenue Fund Group Total</b>			<b>\$ 11,747,168</b>	<b>\$ 16,820,930</b>	<b>\$ 14,018,073</b>	<b>-16.66%</b>	<b>\$ 14,157,224</b>	<b>0.99%</b>
7043	767321	Liquor Enforcement - Operating	\$ 10,025,933	\$ 11,897,178	\$ 11,897,178	0.00%	\$ 11,897,178	0.00%
<b>Liquor Control Fund Group Total</b>			<b>\$ 10,025,933</b>	<b>\$ 11,897,178</b>	<b>\$ 11,897,178</b>	<b>0.00%</b>	<b>\$ 11,897,178</b>	<b>0.00%</b>
5J90	761678	Federal Salvage/GSA	\$ 2,406,268	\$ 1,500,000	\$ 1,500,000	0.00%	\$ 1,500,000	0.00%
<b>Agency Fund Group Total</b>			<b>\$ 2,406,268</b>	<b>\$ 1,500,000</b>	<b>\$ 1,500,000</b>	<b>0.00%</b>	<b>\$ 1,500,000</b>	<b>0.00%</b>
R024	762619	Unidentified Public Safety Receipts	\$ 1,772,808	\$ 1,885,000	\$ 1,885,000	0.00%	\$ 1,885,000	0.00%

## FY 2012 - FY 2013 Introduced Appropriation Amounts

## All Fund Groups

Line Item Detail by Agency			FY 2010	FY 2011	Introduced FY 2012	FY 2011 to FY 2012 % Change	Introduced FY 2013	FY 2012 to FY 2013 % Change
<b>DPS Department of Public Safety</b>								
R052	762623	Security Deposits	\$ 248,872	\$ 350,000	\$ 350,000	0.00%	\$ 350,000	0.00%
<b>Holding Account Redistribution Fund Group Total</b>			<b>\$ 2,021,680</b>	<b>\$ 2,235,000</b>	<b>\$ 2,235,000</b>	<b>0.00%</b>	<b>\$ 2,235,000</b>	<b>0.00%</b>
<b>Department of Public Safety Total</b>			<b>\$ 550,909,956</b>	<b>\$ 691,395,440</b>	<b>\$ 655,839,571</b>	<b>-5.14%</b>	<b>\$ 649,931,264</b>	<b>-0.90%</b>

# Public Works Commission

- Total budget of \$57.2 million per year mostly funds grants for local road and bridge projects
- Development of new information technology platform will continue in FY 2012-FY 2013

## 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.

### 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, summarized in Table 1 below.

**Table 1: Funding for PWC Programs in the Proposed Transportation Budget, FY 2012-FY 2013**

Program	FY 2011*	FY 2012	% Change FY 2011-FY 2012	FY 2013	% Change FY 2012-FY 2013
LTIP – Capital and Operating	\$168,908,178	\$56,299,246	(66.7%)	\$56,296,555	(0.9%)
SCIP – Operating only	\$918,912	\$918,000	(0.1%)	\$910,000	(0.9%)
<b>Total</b>	<b>\$169,827,090</b>	<b>\$57,217,246</b>	<b>(66.3%)</b>	<b>\$57,206,555</b>	<b>(0.02%)</b>

\*FY 2011 figures represent 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. Of the total amount provided over the biennium in the transportation budget bill, about \$1.2 million per year funds the operating expenses of the Commission.

PWC's recommended transportation budget appropriation is \$57.2 million in each fiscal year of the FY 2012-FY 2013 biennium. Although this appears at first to be a substantial reduction in funding compared to FY 2011, LTIP funding was temporarily boosted by \$100 million per year in FY 2010 and FY 2011 through transfers from the Highway Operating Fund (Fund 7002), fulfilling the intent of H.B. 554, the Jobs Stimulus Bill of the 127th General Assembly, which authorized an additional \$200 million for local road and bridge projects.

## **Summary of FY 2012-FY 2013 Budget Issues**

### **Development of New Information Technology Platform**

One of PWC's major objectives in the FY 2012-FY 2013 biennium will be to continue the design and development of a new IT platform. The Commission's existing IT infrastructure, which manages large amounts of project and financial data, dates to the early 1990s. Under the current FY 2010-FY 2011 budget, PWC contracted with a vendor to perform an assessment of its IT systems. The assessment covered PWC's business processes, analyzed PWC operations and computer systems, and suggested a technical transition plan and roadmap to a future IT platform.

The FY 2012-FY 2013 recommended budget would allow PWC to continue working with the consultant to develop and revise the transition plan. Specifically, the consultant will work with PWC to decide on the final project road map and software solution and finalize functional and technical requirements. PWC is also planning on submitting a request for proposals and selecting a vendor to implement the new IT platform during this time. These activities are estimated to cost approximately \$50,000 per fiscal year. The current timeline proposes implementation of the new system during the FY 2014-FY 2015 biennium. According to PWC, the implementation costs would be funded with the investment income earned on the Commission's various funds.

### **Continuing Initiatives**

In addition to the development of new IT systems, PWC will focus on the administration of program years 25 and 26 of the SCIP and LTIP programs. Other objectives are to (1) provide ongoing technical assistance to district integrating committees and local governments, (2) maintain information systems such as the statewide infrastructure needs database, (3) develop forms and procedures to make the application review and approval process more efficient, and (4) prepare 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 PWC appropriations in the transportation budget provide aid to local governments through the Local Transportation Improvement Program (LTIP). These appropriations are funded by one cent per gallon of the motor vehicle fuel tax. The transportation budget also includes funding for 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 2012</b>	<b>FY 2013</b>
<b>Local Transportation Improvement Program Fund Group</b>				
7052	150701	Local Transportation Improvement Program	\$56,000,000	\$56,000,000
7052	150402	Local Transportation Improvement Program Operating	\$299,246	\$296,555
<b>Local Transportation Improvement Program Fund Group Subtotal</b>			<b>\$56,299,246</b>	<b>\$56,296,555</b>
<b>Local Infrastructure Improvements Fund Group</b>				
7038	150321	State Capital Improvements Program – Operating Expenses	\$918,000	\$910,000
<b>Local Infrastructure Improvements Fund Group Subtotal</b>			<b>\$918,000</b>	<b>\$910,000</b>
<b>Total Funding: Aid to Local Governments</b>			<b>\$57,217,246</b>	<b>\$57,206,555</b>

#### Local Transportation Improvement Program (150701)

This line item provides the spending authority necessary for LTIP to provide funds to counties, cities, townships, and villages to assist in the costs associated with local road and bridge projects. Grants are allocated each fiscal year on a per capita basis to each of the Commission's 19 public works district integrating committees. Grants may be used to pay for up to 100% of project costs, which can include acquisition of property and facilities, engineering and design, and construction. Although the number of projects funded with LTIP moneys varies from year to year, the Commission's annual LTIP funding provides for roughly 200 projects each year. The FY 2012-FY 2013 biennium encompasses program years (PY) 25 and 26 of LTIP. The executive recommendation funds this line item at \$56.0 million in each fiscal year.

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

This line item provides funding to administer LTIP. The executive proposal recommends \$299,246 in FY 2012 and \$296,555 in FY 2013 to cover these costs. These amounts are approximately the same as the FY 2011 appropriations for this purpose and will allow the Commission to maintain current service levels. Administrative

expenses include project monitoring, processing disbursement requests, and maintaining PWC's information system technology. LTIP comprises about 20% of the Commission's total administrative costs among the three infrastructure programs under its purview (the others are SCIP and COCP).

### **State Capital Improvements Program – Operating Expenses (150321)**

This line item provides the operating funding for the State Capital Improvement Program (SCIP), the state's bond-funded program that provides grants and loans to local governments for improvement of their infrastructure systems. The costs that PWC incurs for overseeing SCIP are paid by investment income from the bond proceeds. FY 2010 investment income for the State Capital Improvements Fund (Fund 7038) was about \$888,000, considerably lower than the \$4.3 million and \$2.2 million earned in FY 2008 and FY 2009, respectively. The executive recommendation provides \$918,000 in FY 2012 and \$910,000 in FY 2013 to administer the SCIP Program, in line with the \$918,912 appropriated for this purpose in FY 2011. The majority of the funding is for personnel and maintenance.

Overall, SCIP administration comprises about 60% of the Commission's total operating costs. 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.

The recommendation will allow PWC to administer PYs 25 and 26 of SCIP, authorized by Section 2p, Article VIII of the Ohio Constitution. Each year, approximately \$120 million in bonds has been issued to provide grants and loans under SCIP. Beginning with PYs 25 and 26, the state may issue up to \$150 million per year in bonds for SCIP. However, appropriations would need to be provided in order to spend the bond proceeds. Projects eligible for SCIP funding 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 PWC included within the transportation budget bill.

### **Public Works Operating Expenses (Section 209.10)**

This provision specifies that line item 150321, State Capital Improvements Program – Operating Expenses, is to be used by PWC to administer the State Capital Improvement Program.

### **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 2011 and FY 2012 to the following fiscal year.

**Public Works Commission**

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Local Transportation Improvement Program Fund Group

**7052 150402 Local Transportation Improvement Program - Operating**

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$236,551	\$242,283	\$230,358	\$306,178	<b>\$299,246</b>	<b>\$296,555</b>
	2.4%	-4.9%	32.9%	<b>-2.3%</b>	<b>-0.9%</b>

**Source:** Local Transportation Improvement Program Fund Group: Investment income

**Legal Basis:** ORC 164.14 and 5735.23; Section 209.10 of Am. Sub. H.B. 2 of the 128th 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. Administrative activities include project monitoring, processing disbursement requests, and maintaining the Commission's information systems.

**7052 150701 Local Transportation Improvement Program**

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$71,290,174	\$58,752,106	\$82,610,921	\$168,602,000	<b>\$56,000,000</b>	<b>\$56,000,000</b>
	-17.6%	40.6%	104.1%	<b>-66.8%</b>	<b>0.0%</b>

**Source:** Local Transportation Improvement Program Fund Group: One cent per gallon of the motor vehicle fuel tax

**Legal Basis:** ORC 164.14 and 5735.23; Section 209.10 of Am. Sub. H.B. 2 of the 128th G.A. (originally established by Am. Sub. H.B. 381 of the 118th G.A.)

**Purpose:** This line item funds the Local Transportation Improvement Program, which provides grants to local governments to finance road and bridge projects. Grant funds are allocated on a per capita basis to each of the Public Works Commission's 19 district public works integrating committees.

## **Public Works Commission**

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### Local Infrastructure Improvement Fund Group

#### **7038 150321 State Capital Improvements Program - Operating Expenses**

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$720,465	\$736,719	\$700,709	\$918,912	<b>\$918,000</b>	<b>\$910,000</b>
	2.3%	-4.9%	31.1%	<b>-0.1%</b>	<b>-0.9%</b>

**Source:** Local Infrastructure Improvement Fund Group: Investment income

**Legal Basis:** ORC 164.08; Section 209.10 of Am. Sub. H.B. 2 of the 128th G.A. (originally established by Am. Sub. H.B. 152 of the 120th G.A.)

**Purpose:** This line item funds the operating expenses of the State Capital Improvement Program (SCIP), which provides grants and loans to local governments for improvement of their infrastructure systems. Administrative functions include approving disbursement requests, project monitoring, maintaining the Commission's statewide infrastructure needs database, and providing ongoing technical assistance to district public works integrating committees. Funding for the program is derived from bond sales, the proceeds of which are appropriated in capital appropriations and reappropriations acts. SCIP funding is allocated on a modified per capita basis.

# FY 2012 - FY 2013 Introduced Appropriation Amounts

# All Fund Groups

Line Item Detail by Agency			FY 2010	FY 2011	Introduced FY 2012	FY 2011 to FY 2012 % Change	Introduced FY 2013	FY 2012 to FY 2013 % Change
<b>Report For Transportation Budget</b>			<b>Version: As Introduced</b>					
<b>PWC Public Works Commission</b>								
7052	150402	Local Transportation Improvement Program - Operating	\$ 230,358	\$ 306,178	\$ 299,246	-2.26%	\$ 296,555	-0.90%
7052	150701	Local Transportation Improvement Program	\$ 82,610,921	\$ 168,602,000	\$ 56,000,000	-66.79%	\$ 56,000,000	0.00%
<b>Local Transportation Improvement Program Fund Group Total</b>			<b>\$ 82,841,279</b>	<b>\$ 168,908,178</b>	<b>\$ 56,299,246</b>	<b>-66.67%</b>	<b>\$ 56,296,555</b>	<b>0.00%</b>
7038	150321	State Capital Improvements Program - Operating Expenses	\$ 700,709	\$ 918,912	\$ 918,000	-0.10%	\$ 910,000	-0.87%
<b>Local Infrastructure Improvement Fund Group Total</b>			<b>\$ 700,709</b>	<b>\$ 918,912</b>	<b>\$ 918,000</b>	<b>-0.10%</b>	<b>\$ 910,000</b>	<b>-0.87%</b>
<b>Public Works Commission Total</b>			<b>\$ 83,541,988</b>	<b>\$ 169,827,090</b>	<b>\$ 57,217,246</b>	<b>-66.31%</b>	<b>\$ 57,206,555</b>	<b>-0.02%</b>

# Department of Development

- \$18.7 million per fiscal year for roadwork development grants
- Identical to appropriations for the FY 2011-FY 2012 biennium

## ANALYSIS OF EXECUTIVE PROPOSAL

### Roadwork Development (195629)

The Ohio Department of Development (ODOD) receives appropriations for this line item in the Transportation Budget. Roadwork Development Grants are awarded to local governments, port authorities, or transportation improvement districts for the purpose of making public roadwork improvements to facilitate the expansion or attraction of a business. The Roadwork Development Fund (Fund 4W00) 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 Ohio Constitution, Article XII, Section 5a, 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.

As the table below shows, the executive proposes funding the Roadwork Development Grant Program at \$18,699,900 in each fiscal year of the FY 2012-FY 2013 biennium, identical to the amounts appropriated in the current biennium. As of February 2011, ODOD had awarded 24 Roadwork Development Grants for a total of \$11.9 million from FY 2011 funds.

Governor's Recommended Amounts for Roadwork Development			
Fund	ALI and Name	FY 2012	FY 2013
<b>State Special Revenue Fund (SSR) 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>

The budget earmarks \$250,000 in each fiscal year for transportation improvement districts in Belmont, Butler, Clermont, Hamilton, Lorain, Medina, Montgomery, Muskingum, and Stark counties, as well as the Rossford Transportation Improvement District in Wood County. The bill also requires the Director of Budget and Management to transfer \$32,027 in cash from the Security Deposit Fund (Fund R052) to the Roadwork Development Fund (Fund 4W00).

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## *Department of Development*

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### State Special Revenue Fund Group

#### **4W00 195629 Roadwork Development**

FY 2008	FY 2009	FY 2010	FY 2011	Introduced FY 2012	Introduced FY 2013
\$11,299,302	\$19,344,708	\$12,020,885	\$18,699,900	<b>\$18,699,900</b>	<b>\$18,699,900</b>
	71.2%	-37.9%	55.6%	<b>0.0%</b>	<b>0.0%</b>

**Source:** State Special Revenue Fund Group: Transfers from the Highway Operating Fund (Fund 7002)

**Legal Basis:** ORC 122.14; Section 207.10 of Am. Sub. H.B. 2 of the 128th G.A. (originally established by Am. Sub. H.B. 298 of the 119th G.A.)

**Purpose:** Roadwork development grants are used for public road improvements associated with economic development opportunities that retain or attract business for Ohio. The Department of Development provides these funds in accordance with all guidelines and requirements established for line item 195412, Rapid Outreach Grants, including approval by the Controlling Board.

# FY 2012 - FY 2013 Introduced Appropriation Amounts

# All Fund Groups

Line Item Detail by Agency			FY 2010	FY 2011	Introduced FY 2012	FY 2011 to FY 2012 % Change	Introduced FY 2013	FY 2012 to FY 2013 % Change
<b>Report For Transportation Budget</b>			<b>Version: As Introduced</b>					
<b>DEV Department of Development</b>								
4W00	195629	Roadwork Development	\$ 12,020,885	\$ 18,699,900	\$ 18,699,900	0.00%	\$ 18,699,900	0.00%
<b>State Special Revenue Fund Group Total</b>			<b>\$ 12,020,885</b>	<b>\$ 18,699,900</b>	<b>\$ 18,699,900</b>	<b>0.00%</b>	<b>\$ 18,699,900</b>	<b>0.00%</b>
<b>Department of Development Total</b>			<b>\$ 12,020,885</b>	<b>\$ 18,699,900</b>	<b>\$ 18,699,900</b>	<b>0.00%</b>	<b>\$ 18,699,900</b>	<b>0.00%</b>