

# **LSC Redbook**

**Analysis of the Executive Budget Proposal**

## **Transportation Budget Bill**

**(H.B. 53 of the 131st General Assembly)**

**Development Services Agency**

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Legislative Service Commission  
February 2015

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# Development Services Agency

- Proposed funding of \$15.2 million per fiscal year for Roadwork Development Grant Program
- Funding level consistent with appropriations in the FY 2014-FY 2015 biennium

## ANALYSIS OF EXECUTIVE PROPOSAL

### Roadwork Development (195629)

The Ohio Development Services Agency (ODSA) receives appropriations for one line in the transportation budget bill. This line item pays for the Roadwork Development Grant Program, which makes awards to local governments and businesses in order to complete public roadwork improvements to facilitate the expansion or attraction of a business. The Roadwork Development Fund (Fund 4W00) receives quarterly transfers of motor fuel tax revenues from the Highway Operating Fund (Fund 7002) used by the Department of Transportation for transportation infrastructure. Because the use of motor fuel tax revenue is restricted under Article XII, Section 5a of the Ohio Constitution, Roadwork Development Grants are limited to projects that 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 Controlling Board approval.

As the table below shows, the recommended funding for the Roadwork Development Grant Program, appropriated under Fund 4W00, line item 195629, Roadwork Development, is \$15,200,000 in each year of the FY 2016-FY 2017 biennium. This level of funding is equivalent to the amounts appropriated in the current biennium. As of the end of January 2015, ODSA had received Controlling Board approval to issue 12 Roadwork Development Grants totaling approximately \$3.8 million in FY 2015 funds. In FY 2014, the Controlling Board approved 48 Roadwork Development Grants, totaling just under \$15.0 million in FY 2014 funding.

Governor's Recommended Amounts for Roadwork Development				
Fund	ALI and Name		FY 2016	FY 2017
<b>Dedicated Purpose Fund Group</b>				
4W00	195629	Roadwork Development	\$15,200,000	\$15,200,000
<b>Dedicated Purpose Fund Group Subtotal</b>			<b>\$15,200,000</b>	<b>\$15,200,000</b>
<b>Total Funding: Roadwork Development</b>			<b>\$15,200,000</b>	<b>\$15,200,000</b>

## Development Services Agency

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### Dedicated Purpose Fund Group

#### 4W00 195629 Roadwork Development

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$13,674,978	\$15,405,385	\$11,128,278	\$15,199,900	<b>\$15,200,000</b>	<b>\$15,200,000</b>
	12.7%	-27.8%	36.6%	<b>0.0%</b>	<b>0.0%</b>

**Source:** Dedicated Purpose Fund Group: Transfers from the Highway Operating Fund (Fund 7002)

**Legal Basis:** ORC 122.14; Section 207.10 of Am. Sub. H.B. 51 of the 130th G.A.

**Purpose:** This line item provides funding for roadwork development grants used for public road improvements associated with economic development opportunities that retain or attract business for Ohio. ODSA provides these grants in accordance with all guidelines and requirements established for other economic development awards, including approval by the Controlling Board. Local jurisdictions where the project is located must participate in the project funding.

## FY 2016 - FY 2017 Introduced Appropriation Amounts

## All Fund Groups

### Line Item Detail by Agency

			FY 2014	Estimate FY 2015	Introduced FY 2016	FY 2015 to FY 2016 % Change	Introduced FY 2017	FY 2016 to FY 2017 % Change
<b>Report For Transportation Budget</b>			<b>Version: As Introduced</b>					
<b>DEV Development Services Agency</b>								
4W00	195629	Roadwork Development	\$ 11,128,278	\$ 15,199,900	\$ 15,200,000	0.00%	\$ 15,200,000	0.00%
<b>Dedicated Purpose Fund Group Total</b>			<b>\$ 11,128,278</b>	<b>\$ 15,199,900</b>	<b>\$ 15,200,000</b>	<b>0.00%</b>	<b>\$ 15,200,000</b>	<b>0.00%</b>
<b>Development Services Agency Total</b>			<b>\$ 11,128,278</b>	<b>\$ 15,199,900</b>	<b>\$ 15,200,000</b>	<b>0.00%</b>	<b>\$ 15,200,000</b>	<b>0.00%</b>