

# Greenbook

## LBO Analysis of Enacted Budget

### Department of Transportation

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## Department of Transportation

### Quick look...

- The Ohio Department of Transportation (ODOT) is the state agency that plans, builds, and maintains Ohio's transportation system.
- The vast majority of ODOT's budget is supported by federal and state motor fuel tax revenues and bond proceeds appropriated in H.B. 74, the FY 2022-FY 2023 transportation budget bill. ODOT appropriations under H.B. 74 total nearly \$6.8 billion for the biennium.
- H.B. 110 provides funding totaling \$41.1 million (\$18.1 million in GRF and \$23.0 million from other sources) to support ODOT's nonhighway transportation modes, including rail, air, and maritime .

Fund Group	FY 2020 Actual	FY 2021 Actual	FY 2022 Appropriation	FY 2023 Appropriation
General Revenue	\$9,062,482	\$8,607,835	\$8,569,687	\$9,554,687
Dedicated Purpose	\$0	\$5,556,889	\$11,000,000	\$12,000,000
Total	\$9,062,482	\$14,164,724	\$19,569,687	\$21,554,687
% change	--	56.3%	38.2%	10.1%
<i>GRF % change</i>	--	-0.5%	-0.4%	11.5%

### Analysis of FY 2022-FY 2023 budget

H.B. 110 provides the Ohio Department of Transportation (ODOT) with a total of \$41.1 million in total funding over the FY 2022-FY 2023 biennium to support grants that improve Ohio's rail, airport, and maritime infrastructure. About \$18.1 million (44.1%) of this funding comes from the GRF and \$23.0 million comes from money transferred from the Facilities Establishment Fund (Fund 7037) to the Ohio Maritime Assistance Fund (Fund 5QT0). A discussion of the line items that fund these efforts follows below.

### Local Transportation Projects (ALI 772502)

FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Appropriation	FY 2023 Appropriation
<b>GRF ALI 772502, Local Transportation Projects</b>					
\$69,200	\$35,052	\$65,628	\$9,322	\$150,000	\$150,000
% change	-49.3%	87.2%	-85.8%	1,509.1%	0.0%

Since FY 2018, this line item has been used to provide supplementary funding to the Regional Transportation Improvement Project (RTIP) in Carrol, Columbiana, and Stark counties. The project entails the enlargement and extension of State Route 30 to improve traffic flow in the

three-county region, in particular commercial truck traffic, and encourage economic development in the area. By statute, an RTIP is able to raise funds for projects through the sale of bonds, tax increment financing (TIF) arrangements, revenue derived from the creation of various types of special districts, and other levies.

## Rail Development (ALI 776465)

FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Appropriation	FY 2023 Appropriation
<b>GRF ALI 776465, Rail Development</b>					
\$1,581,379	\$870,043	\$1,927,300	\$1,841,130	\$2,000,000	\$2,000,000
% change	-45.0%	121.5%	-4.4%	8.6%	0.0%

This line item supports grants for rail development that are awarded by the Ohio Rail Development Commission (ORDC) under the Rail Development Grant and Loan Program. The program provides financial assistance to railroads, businesses, and communities for the rehabilitation, acquisition, preservation, or construction of rail and rail-related infrastructure. Loan funding is appropriated in H.B. 74 under Fund 4N40 line item 776664, Rail Transportation – Other, and will be used to award about \$2.0 million per year in loans. Fund 4N40 line item 776664 also includes appropriations that would allocate approximately \$900,000 in each year for ORDC’s payroll and administrative costs. ORDC coordinates with JobsOhio, the Development Services Agency, and other offices within ODOT in packaging incentives for development projects and awarding funds under the program.

## Airport Improvements – State (ALI 777471)

FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Appropriation	FY 2023 Appropriation
<b>GRF ALI 777471, Airport Improvements – State</b>					
\$6,229,820	\$5,306,494	\$5,746,673	\$6,757,383	\$6,419,687	\$7,404,687
% change	-14.8%	8.3%	17.6%	-5.0%	15.3%

The majority of the funding under this line item is slated for grants awarded through the Ohio Airport Grant Program, which provides money for capital improvements, infrastructure, and safety enhancements at the roughly 95 publicly owned, public use airports in Ohio that do not receive Federal Aviation Administration (FAA) Air Carrier Enplanement or Air Cargo funds. The state share of project funding cannot exceed 95% of the project cost.

Aside from this GRF funding, the Office of Aviation is provided an average of \$6.4 million per year in Highway Operating Fund appropriations under H.B. 74, the transportation budget for the FY 2022-FY 2023 biennium. Specifically, this money is appropriated under line item 777475, Aviation Administration. Much of the H.B. 74 funding, however, is used for maintaining the state air fleet, comprising 25 aircraft. Additionally, the line item pays for the operating costs of the Ohio/Indiana Unmanned Aerial Systems (UAS) Center, which is located in Springfield.

## Ohio Maritime Assistance Program (ALI 776670)

FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Appropriation	FY 2023 Appropriation
<b>Fund 5QT0 ALI 776670, Ohio Maritime Assistance Program</b>					
\$0	\$0	\$0	\$5,556,889	\$11,000,000	\$12,000,000
% change	--	--	--	98.0%	9.1%

The Ohio Maritime Assistance Program provides grants to maritime port authorities to build new marine cargo terminals or improve existing ones. Qualifying port authorities must both (1) be located in a federally qualified opportunity zone, and (2) have an active marine cargo terminal with a stevedoring operation located on the shore of either Lake Erie or the Ohio River. Eligible project costs include land acquisition, site development, construction of infrastructure and logistics facilities related to the terminals, acquisition of cargo handling equipment and machinery, and planning and design services associated with construction. Port authorities must provide 1:1 matching funds to grant award funding. The program is funded via cash transfers of \$11.0 million in FY 2022 and \$12.0 million in FY 2023 from the Facilities Establishment Fund (Fund 7037) to the Ohio Maritime Assistance Fund (Fund 5QT0).