



OHIO LEGISLATIVE SERVICE COMMISSION

Tom Wert

Fiscal Note & Local Impact Statement

Bill: H.B. 643 of the 132nd G.A.

Status: As Introduced

Sponsor: Reps. Arndt and Patterson

Local Impact Statement Procedure Required: No

Subject: Increases appropriations for the protection and preservation of Lake Erie and its tributaries

Summary of Funding

The bill amends H.B. 49 and H.B. 529 of the 132nd General Assembly to provide \$3.5 million in additional GRF funding and \$32.65 million in additional capital funding for programs that support the protection and preservation of Lake Erie and its tributaries. The additional operating budget funding will go to the Department of Agriculture for soil and water districts in the Lake Erie Basin. The Department of Agriculture also receives new capital funding for equipment that reduces phosphorous in sub-watersheds of the Western Lake Erie Basin. The Department of Natural Resources receives additional capital funding for programs that reduce open lake disposal of dredged material under the existing Healthy Lake Erie Initiative. Finally, the Department of Higher Education is provided new capital funding that will be given to Ohio Sea Grant Program to build new laboratory space at the Stone Laboratory and buy in-lake monitoring equipment. The new funding for these initiatives is summarized in the table below.

Additional Operating and Capital Appropriations in H.B. 643					
Agency	Fund	ALI	Current Appropriation	Additional Appropriation	Total Appropriation Under H.B. 643
AGR	GRF	700509, Soil and Water District Support	\$3,329,941	\$3,500,000	\$6,829,941
AGR	7035	C70027, Soil and Water Phosphorus Program	New in H.B. 643	\$20,000,000	\$20,000,000
DNR	7031	C725T3, Healthy Lake Erie Initiative	\$10,000,000	\$10,000,000	\$20,000,000
BOR	7034	C315GW, Sea Grant – Stone Laboratory	New in H.B. 643	\$2,650,000	\$2,650,000

Detailed Fiscal Analysis

Department of Agriculture

Additional operating funding for soil and water districts

The bill amends sections 211.10 and 211.20 of H.B. 49, the main operating budget act for the FY 2018-FY 2019 biennium, to provide an additional \$3.5 million in GRF funding for soil and water districts under the Department of Agriculture (AGR) budget. Specifically, H.B. 643 increases GRF appropriation item 700509, Soil and Water District Support, by \$3.5 million to a total of \$6.8 million in FY 2019. The additional amount is earmarked for soil and water conservation districts in the Western Lake Erie Basin for staffing costs and to assist in soil testing and nutrient management plan development, including manure transformation and manure conversion technologies, enhanced filter strips, water management, and other conservation measures.

New capital funding for Soil and Water Phosphorous Program

The bill amends section 215.10 of H.B. 529, the capital budget for FY 2019-FY 2020, to appropriate \$20.0 million under new Parks and Recreation Improvement Fund (Fund 7035) capital appropriation item C70027, Soil and Water Phosphorus Program. Additionally, the bill requires AGR, in consultation with the Lake Erie Commission and the Ohio Soil and Water Conservation Commission, to establish programs that assist in reducing total phosphorus and dissolved reactive phosphorus in sub-watersheds of the Western Lake Erie Basin. The bill also requires that priority be given to sub-watersheds that are highest in total phosphorus and dissolved reactive phosphorus nutrient loading.

Specifically, the \$20.0 million capital appropriation must be used to support the programs described above through the purchase of equipment, including but not limited to, the following: (1) equipment for subsurface placement of nutrients into the soil, (2) equipment for nutrient placement based on geographic information system data, (3) equipment for soil testing, (4) equipment implementing variable rate technology, (5) equipment implementing manure transformation and manure conversion technologies, (6) tributary monitoring equipment, and (7) water management and edge-of-field drainage management equipment.

In conjunction with these changes, the bill modifies the allowable use of Fund 7035 to permit moneys in the fund to be used to purchase equipment for the protection and preservation of Lake Erie. The bill also amends section 223.50 of H.B. 529 to increase the amount of original obligations that the Treasurer of State is authorized to issue and sell by \$20.0 million, from \$119.0 million to \$139.0 million, to provide sufficient moneys to the credit of Fund 7035 to pay costs of capital facilities and equipment for parks and recreation purposes and protection or preservation of Lake Erie and its tributaries.

Department of Natural Resources

Healthy Lake Erie Initiative

The bill amends section 223.10 of H.B. 529 to increase appropriations under Ohio Parks and Natural Resources Fund (Fund 7031) capital appropriation item C725T3, Healthy Lake Erie Initiative, by \$10.0 million to a total of \$20.0 million for the FY 2019-FY 2020 capital biennium. The additional amount is earmarked to support projects that enhance efforts to reduce open lake disposal of dredged material into Lake Erie by 2020.

Correspondingly, the bill amends section 223.40 of H.B. 529 to increase the amount of original obligations that the Ohio Public Facilities Commission is authorized to issue and sell by \$10.0 million, from \$24.0 million to \$34.0 million, to provide sufficient moneys to the credit of Fund 7031 to pay costs of capital facilities that enhance the use or enjoyment of Ohio's natural resources.

Department of Higher Education

Sea Grant – Stone Laboratory

The bill amends section 207.230 of H.B. 529 to appropriate \$2.65 million over the FY 2019-FY 2020 capital biennium under new Higher Education Improvement Fund (Fund 7034) capital appropriation item C315GW, Sea Grant – Stone Laboratory. The bill requires that the money be used by the Ohio Sea Grant Program to construct new laboratory space at Stone Laboratory and buy new in-lake monitoring equipment, including real-time buoys and water treatment plant monitoring sondes.

Correspondingly, the bill amends section 207.440 of H.B. 529 to increase the amount of original obligations that the Ohio Public Facilities Commission is authorized to issue and sell by \$2.0 million, from \$429.0 million to \$431.0 million, to provide sufficient moneys to the credit of Fund 7034 and the Higher Education Improvement Taxable Fund (Fund 7024), to pay costs of capital facilities for state-supported and state-assisted intuitions of higher education.