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OHIO LEGISLATIVE SERVICE COMMISSION

Office of Research
and Drafting

Legislative Budget
Office

S.B. 124
133rd General Assembly

Bill Analysis

Version: As Introduced

Primary Sponsor: Sen. Williams

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SUMMARY

- Creates the Ohio Maritime Assistance Program, to be administered by ODOT.
- Permits port authorities to apply to ODOT for grants to construct or improve marine cargo terminals and other maritime structures located on the shores of Lake Erie, a Lake Erie tributary, or the Ohio River.
- Requires a grant recipient to provide matching funds (at a one-to-one rate) for the state funding received for a project.
- Appropriates \$10 million each year for the FY 2020-2021 biennium for the Ohio Maritime Assistance Fund, created by the bill.

DETAILED ANALYSIS

Ohio Maritime Assistance Program

The bill creates the Ohio Maritime Assistance Program, to be administered by the Ohio Department of Transportation (ODOT). Under the Program, a port authority is permitted to apply to ODOT for a grant to either construct or improve an existing marine cargo terminal. The planned or existing marine cargo terminal must be located on the shores of Lake Erie or the Ohio River or on a Lake Erie tributary.

Along with the grant application, a port authority must submit a written business justification for the investment, specifically indicating the operational and market need for the proposed project. ODOT must evaluate all of the applications according to the following criteria:

1. The degree to which the proposed project will increase the efficiency or capacity of maritime cargo terminal operations;
2. Whether the proposed project will result in handling new types of cargo or an increase in cargo volume;

3. Whether the proposed project will meet an identified supply chain need or benefit the Ohio firms that export goods to foreign markets or that import goods to Ohio for manufacturing or value-added distribution; and
4. Any other criteria the Director of Transportation determines is appropriate.

The second and third criteria are particularly important, since no grants may be given to an applicant that does not meet them.

A port authority that is a recipient of a grant under the Program must use the grant for only the following purposes:

1. Land acquisition and site development for the marine cargo terminal and associated uses (including demolition and environmental remediation);
2. Construction of structures and improvements directly related to maritime commerce and harbor infrastructure (e.g., wharves, quay walls, bulkheads, jetties, revetments, breakwaters, shipping channels, dredge disposal facilities, and projects for the beneficial use of dredge material);
3. Construction, repair, and improvements of the marine cargo terminal and associated uses (e.g., warehouses, transit sheds, railroad tracks, roadways, gates and gatehouses, fencing, bridges, offices, and shipyards);
4. Acquisition of cargo handling equipment (including mobile shore cranes, stationary cranes, tow motors, fork lifts, yard tractors, craneways, conveyer and bulk material handling equipment, and all types of ship loading and unloading equipment);
5. Planning and design services and other services associated with construction.

Finally, a port authority must pay a matching amount for the grant money received under the Program (dollar for dollar). The bill appropriates \$10 million each fiscal year of the 2020-2021 biennium, to be used for the Program through the Ohio Maritime Assistance Fund, created by the bill.

The Director must adopt rules governing the Ohio Maritime Assistance Program, the grant application, the evaluation and award processes, and how the grant money may be spent by a port authority recipient.

HISTORY

Action	Date
Introduced	04-01-19
