

Ohio Legislative Service Commission

Office of Research and Drafting Legislative Budget Office



Version: As Introduced

Primary Sponsors: Reps. Miller and Sweeney

Local Impact Statement Procedure Required: No

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Highlights

- The bill provides \$25 million in new GRF appropriations under a new Competitive Air Service Development Grant Program to promote the launch of new foreign and domestic air service to and from Ohio airports. JobsOhio will operate the program with \$25 million in state funding to be allocated from the budget of the Development Services Agency.
- Depending on the program policies set by JobsOhio, any of the state's nine commercial service passenger airports may incur some operating costs if they are also involved with overseeing the grants awarded under the program.

Detailed Analysis

The bill establishes the Competitive Air Service Development Grant Program under which JobsOhio will provide grants to air carriers to support the launch of new direct international and domestic air service to and from Ohio airports. The program will be funded by \$25 million in GRF appropriations in FY 2020 under the budget of the Development Services Agency. JobsOhio, the state's private nonprofit economic development entity, will develop program policies. Under the bill, grants must be used to support expenses incurred in offering minimum revenue guarantees and marketing assistance to the air carriers. Priority is to be given to grant applications aimed at establishing new direct air service between Ohio and destinations that are located in the European Union or Japan.

Any of the nine commercial service passenger (CSP) airports statewide where airlines expand service might see some additional administrative costs, depending on their role in overseeing the grants under the program. This could include overseeing the money awarded by JobsOhio, as well as providing any information for the annual report that JobsOhio is required to provide to the General Assembly under the bill. These CSP airports are owned by port authorities and cities in Ohio. Of the nine CSP airports in Ohio, four host air carriers offering direct international flight service: (1) Cleveland-Hopkins International Airport, (2) John Glenn Columbus International Airport, (3) Rickenbacker International Airport, and (4) James M. Cox Dayton International Airport.