



# OHIO LEGISLATIVE SERVICE COMMISSION

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## Bill Analysis

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### **Sub. S.B. 299\***

132nd General Assembly  
(As Reported by H. Finance)

**Sens.** Gardner and O'Brien, Peterson, Brown, Manning, Schiavoni, Dolan, Sykes, Hottinger, Eklund, Beagle, Tavares, Balderson, Hackett, Kunze, LaRose, Lehner, Oelslager, Skindell, Thomas, Williams, Wilson, Yuko

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## **BILL SUMMARY**

### **Lake Erie water quality programs appropriations**

#### **Main Operating Budget Act**

- For fiscal year (FY) 2019, appropriates an additional \$3.5 million under the General Revenue Fund (GRF) for the Department of Agriculture in the main operating budget to support county soil and water conservation districts in the Western Lake Erie Basin.
- Appropriates \$20 million for the Soil and Water Phosphorus Program for the establishment of programs that assist in reducing total phosphorus and dissolved reactive phosphorus in the Western Lake Erie Basin.

#### **Capital budget funding**

- Appropriates \$2.65 million to the Higher Education Improvement Fund for the Sea Grant – Stone Laboratory for the FY 2019-FY 2020 capital biennium to be used by the Ohio Sea Grant Program for specified Stone Laboratory purposes.
- Increases appropriations under Ohio Parks and Natural Resources Fund by \$10 million for the FY 2019-FY 2020 capital biennium to support projects that enhance efforts to reduce open lake disposal of dredged material into Lake Erie by 2020.

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\* This analysis was prepared before the report of the House Finance Committee appeared in the House Journal. Note that the list of co-sponsors and the legislative history may be incomplete.

## **Additional appropriation changes**

- The bill makes additional appropriation changes effecting the Department of Public Safety, the Department of Higher Education, the Development Services Agency, the Department of Natural Resources, and the Department of Mental Health.

## **OhioCorps Pilot Program**

- Establishes the OhioCorps Pilot Program to provide at-risk students with guidance toward a pathway to higher education through mentorship programs established and administered by eligible state institutions of higher education in the 2019-2020 and 2020-2021 school years.
- Establishes the OhioCorps Scholarship for at-risk students who participate in mentorship programs, enroll in eligible state institutions of higher education, and meet other prescribed criteria.
- Establishes the OhioCorps Fund.
- Makes an appropriation.

## **Payments for public safety levy losses**

- Provides supplemental payments through the Local Government Fund to a township or fire district where a nuclear generating plant lost 30% or more of its taxable value over one year.
- Payments partly compensate for police, firefighting, and EMS levy losses and continue for 11 years in declining amounts.

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## **CONTENT AND OPERATION**

### **Lake Erie water quality programs appropriations**

#### **Main Operating Budget Act**

For fiscal year (FY) 2019, the bill appropriates an additional \$3.5 million (for a total of \$6.8 million) under the General Revenue Fund (GRF) for the Department of Agriculture in the main operating budget.<sup>1</sup> That amount is earmarked to support

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<sup>1</sup> Section 4, Sec. 211.10.



county 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.<sup>2</sup>

### **Department of Agriculture – Soil and Water Phosphorous Program**

The bill also appropriates \$20 million during FY 2019 under the GRF for the Soil and Water Phosphorus Program in the main operating budget. The Department of Agriculture, in consultation with the Lake Erie Commission and the Ohio Soil and Water Conservation Commission, must establish programs that assist in reducing total phosphorus and dissolved reactive phosphorus in the Western Lake Erie Basin. Priority must be given to sub-watersheds that are highest in total phosphorus and dissolved reactive phosphorus nutrient loading.

In addition, the \$20 million appropriation must be used to support the following specific programs:

- The purchase of equipment for (1) subsurface placement of nutrients into the soil, (2) nutrient placement based on geographic information system data, and (3) manure transformation and manure conversion technologies;
- Soil testing;
- Implementation of variable rate technology;
- Tributary monitoring;
- Water management and edge-of-field drainage management; and
- An agricultural phosphorus reduction revolving loan program.

However, the bill limits the maximum amount of the \$20 million appropriation that can be used on any single activity to 40% of the total amount appropriated.<sup>3</sup>

### **Capital budget funding**

#### **Department of Higher Education-Sea Grant –S tone Laboratory**

The bill appropriates \$2.65 million to the Higher Education Improvement Fund for the Sea Grant–Stone Laboratory in the capital budget act for the FY 2019-FY 2020 biennium. That amount is earmarked for use by the Ohio Sea Grant Program to construct new laboratory space at Stone Laboratory and to buy new in-lake monitoring

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<sup>2</sup> Section 4.

<sup>3</sup> Section 4.

equipment, including real-time buoys and water treatment plant monitoring sondes. The bill also increases the amount of original obligations that the Ohio Public Facilities Commission is authorized to issue and sell by \$2 million, from \$429 million to \$431 million, to pay the costs of capital facilities for state-supported and state-assisted institutions of higher education.<sup>4</sup>

#### **Department of Natural Resources – Healthy Lake Erie Initiative**

The bill increases appropriations under Ohio Parks and Natural Resources Fund by \$10 million for a total of \$20 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. The bill also increases the amount of original obligations that the Ohio Public Facilities Commission is authorized to issue and sell by \$10 million, from \$24 million to \$34 million, to provide sufficient money to pay costs of capital facilities that enhance the use or enjoyment of Ohio's natural resources.<sup>5</sup>

#### **Additional appropriation changes**

##### **Department of Public Safety – Local disaster assistance**

The bill appropriates \$7,165,500 during FY 2019 under the GRF for the Local Disaster Assistance Fund. That money must be used to assist eligible local governments in meeting the required match to utilize federal disaster assistance funds released as a result of the Major Disaster Declaration issued by the U.S. President on April 17, 2018.<sup>6</sup>

##### **Department of Higher Education – Ohio National Guard**

The Department of Higher Education's GRF appropriations are increased by \$1.5 million to a total of \$20.4 million in FY 2019 for higher education scholarships to all authorized personnel of the Ohio National Guard.<sup>7</sup>

##### **Development Services Agency**

The bill appropriates \$1 million in both FY 2018 and FY 2019 through the Third Frontier Research and Development Fund. That money must be used to contract with one or more independent organizations that have experience working with Ohio

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<sup>4</sup> Section 8.

<sup>5</sup> Section 8.

<sup>6</sup> Section 4.

<sup>7</sup> Section 4.

broadband providers to collect and analyze state broadband data and do other activities regarding broadband service.<sup>8</sup>

### **Department of Natural Resources – Kelley Nature Preserve Boat Ramp**

The Parks and Recreation Improvement Fund's supplemental appropriation is increased by \$50,000 for the FY 2019–FY 2020 capital biennium. This additional amount is to support the Kelley Nature Preserve Boat Ramp project.<sup>9</sup>

### **Department of Mental Health – Opiate Addiction Supervised Visitation Facility**

The bill eliminates the capital earmark of \$50,000 for the Child Focus Opiate Addiction Supervised Visitation Facility at Batavia project during the FY 2019-FY 2020 capital biennium and reduces capital appropriations under the Mental Health Facilities Improvement Fund by the same amount.<sup>10</sup>

### **OhioCorps Pilot Program**

The bill establishes the OhioCorps Pilot Program to provide at-risk students living in Ohio with guidance toward a pathway to higher education through mentorship programs administered by eligible state institutions of higher education. Those institutions are state universities, technical colleges, state community colleges, and community colleges. An at-risk student, under the bill, is a primary or secondary school student who is at least 13 years old. The student also must meet one of the following conditions:

- (1) The student is eligible for a free or reduced price lunch under federal law;
- (2) The student would have an expected family contribution for higher education of zero dollars, as determined by the Free Application for Federal Student Aid, in grade 12; or
- (3) The student is impacted by family opioid addiction or has entered into recovery for opioid addiction, as those terms are as defined by the Chancellor.<sup>11</sup>

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<sup>8</sup> Section 4.

<sup>9</sup> Section 8.

<sup>10</sup> Section 8.

<sup>11</sup> R.C. 3333.80(A) and (B).



## OhioCorps mentorship program

Not later than 90 days after the bill's effective date, the Chancellor must adopt rules to administer the OhioCorps mentorship program.<sup>12</sup>

### Rules for program proposals

The bill specifies that the rules for each mentorship program proposal must include:

(1) A service-learning component for students enrolled in an eligible state institution of higher education that allows them to mentor at-risk students, and to help the at-risk students' parents on any of the following topics: (a) preparing for college and career planning, (b) tutoring in reading, writing, and math, and (c) opioid and drug education programs.

(2) A plan for training student mentors, including seminars on financial literacy, opioid addiction education best practices, career guidance, and tutor skills. The plan also may include other elements of community service within service-learning beyond mentoring opportunities.

(3) A stipend to be paid to the student mentors in an amount determined by each institution.

(4) A plan for how eligible state institutions will partner with local providers and existing programs, such as AmeriCorps and the Ohio Commission on Service and Volunteerism, to create training, programs, and service-learning opportunities.

(5) Criminal records checks and adherence to the recommended best practices adopted by the Ohio Commission on Service and Volunteerism regarding volunteers with unsupervised access to children. However, a program must not require an individual to comply with the criminal records check provision or any screening procedures, if the individual has already undergone a criminal records check as part of the individual's current participation in an AmeriCorps program or an existing program connected to the Ohio Commission on Service and Volunteerism.

An eligible state institution of higher education also may include in its mentorship program summer learning camps or programs at the institution that provide higher education experiences and College Credit Plus program opportunities

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<sup>12</sup> R.C. 3333.80(C).



offered in the summer specifically for at-risk students. Such summer learning camps or programs may be offered in any region of the state.<sup>13</sup>

### **Administration rules**

The Chancellor's rules also must contain:

(1) Procedures for an eligible state institution of higher education to apply for a mentorship program, including application deadlines; and

(2) A method to determine the amount of funding awarded for each approved mentorship program.<sup>14</sup>

### **Report**

The Chancellor must submit a report to the General Assembly at the end of the 2020-2021 school year regarding the implementation and outcomes of the OhioCorps Pilot Program.<sup>15</sup>

### **OhioCorps Scholarship**

The bill establishes the OhioCorps Scholarship to provide a one-time reward of \$1,000 to eligible at-risk students. The Chancellor may, however, adjust the amount of each scholarship awarded based on the availability of funds appropriated by the General Assembly and other funds remaining in the OhioCorps Fund (see below). The scholarship will be paid to the eligible state institution of higher education at which the eligible at-risk student enrolls, and will be credited to the student.

To be eligible for an OhioCorps Scholarship, an at-risk student must do all of the following:

(1) Fully participate in a mentorship program administered by an eligible state institution of higher education for as long as such a program is in existence, or until the student completes high school;

(2) Enroll in an eligible state institution of higher education;

(3) Either, (a) demonstrate that the student's expected family contribution for higher education would equal zero dollars in grade 12, as determined by the Free

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<sup>13</sup> R.C. 3333.80(C)(1).

<sup>14</sup> R.C. 3333.80(C)(2) and (3).

<sup>15</sup> R.C. 3333.80(D).



Application for Federal Student Aid (FAFSA), or (b) receive a letter which indicates that the student is in recovery for opioid addiction or impacted by family opioid addiction (see "**Opioid impact letter**" below).

(4) Achieve either, (a) a score that meets remediation-free standards on a nationally standardized assessment that measures college and career readiness and is used for college admission, or (b) a high school cumulative grade point average of 3.0 or higher on a 4.0 scale;

(5) Complete a college preparatory curriculum, as determined by the Chancellor;

(6) Complete a community service training program offered by a local partner and complete at least 40 hours of community service for each school year that the student is enrolled in high school; and

(7) Participate in the College Credit Plus program, and under that program receive a passing grade in at least one course each of English language arts and math.<sup>16</sup>

### **Opioid impact letter**

A student's letter indicating that the student is in recovery for opioid addiction or impacted by family opioid addiction must be written by a teacher, administrator, judge, case worker, police officer, healthcare professional, cleric, employee of a county department of Job and Family Services who is a professional and who works with children and families, or another individual from a public entity approved by the Chancellor. The at-risk student must submit the letter to the student's school district or school. A district or school in possession of such a letter must treat it as a student record in accordance with state student privacy laws and must make it available to the Chancellor upon request in accordance with those laws.<sup>17</sup>

### **OhioCorps Fund**

The bill establishes the OhioCorps Fund, which consists of amounts appropriated by the General Assembly, the federal government, or other sources.

The fund must be used to award OhioCorps scholarships and to assist eligible state institutions of higher education in establishing and administering mentorship

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<sup>16</sup> R.C. 3333.801.

<sup>17</sup> R.C. 3333.801(A)(3)(b). See R.C. 3319.321, not in the bill.





programs. The Fund also may be used by the Chancellor to implement and administer the OhioCorps Pilot Program.<sup>18</sup>

## **Appropriation**

The bill appropriates \$2.5 million from the General Revenue Fund to the OhioCorps Fund<sup>19</sup> specifically to assist eligible state institutions of higher education in establishing and administering OhioCorps mentorship programs. No amount is appropriated for the OhioCorps Scholarship program. Up to \$50,000 of the total appropriation may be used by the Chancellor to implement and administer the OhioCorps Pilot Program.<sup>20</sup>

## **Payments for public safety levy losses**

The bill provides for state payments to a township or fire district where a nuclear power plant is located to partly compensate for public safety-related tax levy revenue losses resulting from a one-year decline of 30% or more in the taxable value of the plant.<sup>21</sup> The payments would be made over an eleven-year period beginning with fiscal year 2018 and ending with 2028. The payments for the first two fiscal years equal the revenue loss resulting from the decline in taxable value between 2016 and 2017. The payment for each of the nine succeeding years equals 90% of the preceding year's payment (i.e., a 10% reduction year-over-year). Levies are compensated only if they are levied specifically for police or fire protection, emergency medical service, ambulance service, or a combination of them; a levy for a fixed annual sum of money would not be compensated (since the rate of such a levy would increase across all properties to offset the reduction in the plant's value). Payments must be applied to fund police, fire, EMS, or ambulance services.

Payments would be made monthly and through the existing mechanism of the LGF. The source of the payments would be the General Revenue Fund; the payments do not reduce or otherwise affect LGF payments to any subdivision. Payment amounts are based on tax year 2017 tax rates and on the reduction in taxable value of a nuclear plant's equipment and other tangible personal property between 2016 and 2017 as indicated by the preliminary assessment or amended preliminary assessment issued by the Department of Taxation. (A preliminary or amended preliminary assessment represents the initial valuations the Department proffers based on a utility's reporting;

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<sup>18</sup> R.C. 3333.802.

<sup>19</sup> Section 4.

<sup>20</sup> Section 4.

<sup>21</sup> R.C. 5747.50(E).



they do not reflect subsequent adjustments in response to a utility's formal appeals, the Department's final determination on an appeal, or findings by the Board of Tax Appeals or a court.) The bill affects only townships and fire districts where a nuclear plant is located because the bill's definition of "eligible power plant" refers specifically to power plants subject to a federal regulation, 10 Code of Federal Regulations Part 73, that governs the physical protection of nuclear materials and sites from sabotage or theft.

The bill directs the Tax Commissioner to compute the payments and certify the computation to the Office of Budget and Management by the first day of the month that begins after the bill's effective date.<sup>22</sup> An appropriation is made for fiscal years 2018 and 2019 to fund the payments.<sup>23</sup>

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## HISTORY

ACTION	DATE
Introduced	05-09-18
Reported, S. Finance	06-06-18
Passed Senate (33-0)	06-06-18
Reported, H. Finance	----

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<sup>22</sup> Section 3.

<sup>23</sup> Section 6.

