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# OHIO LEGISLATIVE SERVICE COMMISSION

Office of Research  
and Drafting

Legislative Budget  
Office

S.B. 124  
133<sup>rd</sup> General Assembly

## Fiscal Note & Local Impact Statement

[Click here for S.B. 124's Bill Analysis](#)

**Version:** As Introduced

**Primary Sponsor:** Sen. Williams

**Local Impact Statement Procedure Required:** No

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### Highlights

- The bill creates the Ohio Maritime Assistance Program under the Ohio Department of Transportation (ODOT) to award grants to port authorities to support infrastructure development. It appears as though 12 port authorities with maritime operations would qualify for assistance under the program.
- The bill includes appropriations of \$10.0 million in each of FY 2020 and FY 2021 under Ohio Maritime Assistance Fund (Fund 5QT0) line item 776670, Ohio Maritime Assistance Program, to use for grants in the next two years.
- Fund 5QT0 is created under the bill and is capitalized by a cash transfer of \$10.0 million in each of FY 2020 and FY 2021 from the Facilities Establishment Fund (Fund 7037).

### Detailed Analysis

The bill creates the Ohio Maritime Assistance Program under the Ohio Department of Transportation (ODOT) to award grants to port authorities to support infrastructure development. The bill includes appropriations of \$10.0 million in each of FY 2020 and FY 2021 under the Ohio Maritime Assistance Fund (Fund 5QT0) line item 776670, Ohio Maritime Assistance Program, to use for grants in the next two years.

A March 2017 study prepared for ODOT indicated that there are ten port authorities along Lake Erie and two port authorities along the Ohio River that would likely qualify for funding under the bill.<sup>1</sup> Eligible port authorities are those that either own an existing active

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<sup>1</sup> <http://www.dot.state.oh.us/Divisions/Planning/SPR/StatewidePlanning/MaritimeStrategy/WP%2020%20-%20Governance%20of%20Ohio%27s%20Maritime%20Transportation%20System.pdf> (accessed May 2019).

marine cargo terminal or are planning new construction of a marine cargo terminal on the Ohio River, Lake Erie, or a Lake Erie tributary. Eligible uses of the grant assistance include (1) land acquisition and site development, including demolition and environmental remediation, (2) construction of various structures and improvements directly related to maritime commerce and harbor infrastructure, (3) construction and repair of warehouses, railroad tracks, and other improvements needed for marine cargo terminal and associated uses, (4) acquisition of cargo handling equipment, and (5) planning and design services associated with construction.

The guidelines that ODOT uses to evaluate under the bill must include criteria that, at minimum, include (1) the increased efficiency or capacity of terminal operations, (2) the new volume capacity of cargo at the terminal, and (3) the identification of supply chain needs being addressed. Grants under the program may pay for up to 50% of the total project cost.

The Ohio Maritime Assistance Fund created under the bill would be capitalized by a transfer of \$10.0 million in each of FY 2020 and FY 2021 from the Facilities Establishment Fund (Fund 7037). Fund 7037 is used by the Development Services Agency (DSA) primarily to award loans under the 166 Direct Loan Program. This DSA program provides loans to eligible businesses for land and building acquisition, construction, expansion or renovation, and equipment purchases. Fund 7037 has a May 2019 balance of \$299.9 million.