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OHIO LEGISLATIVE SERVICE COMMISSION

Office of Research
and Drafting

Legislative Budget
Office

S.B. 84
134th General Assembly

Fiscal Note & Local Impact Statement

[Click here for S.B. 84's Bill Analysis](#)

Version: As Introduced

Primary Sponsors: Sens. Williams and Rulli

Local Impact Statement Procedure Required: No

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Highlights

- The bill modifies the Clean Ohio Revitalization Program by directing the share of liquor profits the state receives from JobsOhio to the Clean Ohio Revitalization Fund rather than to the GRF, as is the case currently. The amounts deposited into the GRF were \$38.6 million in FY 2018, \$56.5 million in FY 2019, and \$71.2 million in FY 2020. The bill authorizes the issuance of Clean Ohio bonds supported by these payments the state receives from JobsOhio.
- The bill expands the list of applicants eligible for brownfield remediation grants to include county land reutilization corporations, commonly referred to as land banks. As of this writing, there are 54 land banks operating in Ohio.

Detailed Analysis

Overview

The bill expands the list of entities which are able to apply for Clean Ohio Revitalization Fund (CORF) grants and provides an additional stream of funding for the program. CORF awards grants to municipalities and other public entities, such as port authorities, for cleanup and remediation of brownfield sites. The Ohio Development Services Agency (DSA) and Environmental Protection Agency (EPA) are responsible for overseeing this program.

Clean Ohio Revitalization Program applicants

The bill adds county land reutilization corporations, commonly referred to as land banks, to the list of eligible applicants for CORF funding. Under current law, a public entity that is applicable for CORF funds may enter into an agreement with a land bank for brownfield remediation, but the county land bank itself cannot be the sole applicant. This provision would

presumably increase the number of grant applications for CORF grant awards for brownfield remediation. Currently, there are 54 active county land bank organizations operating in Ohio.¹

Clean Ohio Revitalization funding

The bill provides an additional funding source for the CORF Program by directing a share of the gross profit on the sale of spirituous liquor the state receives from JobsOhio to the Clean Ohio Revitalization Fund, beginning July 1, 2022. Currently, these amounts are deposited into the GRF. As way of background, in 2013, JobsOhio issued bonds to lease the state's liquor franchise and its profits for a 25-year term. One part of this agreement was that JobsOhio remit annual "deferred payments" to the state when the profits from liquor sales exceed a predetermined level. In FY 2018, approximately \$36.8 million in deferred payments was remitted to the GRF. That amount increased to \$56.3 million in FY 2019 and \$71.2 million in FY 2020.

The bill authorizes the issuance of Clean Ohio bonds supported by these deferred payments. Prior to the lease of the liquor franchise to JobsOhio, Clean Ohio bonds were backed directly by the state's liquor profits. The bill modifies this law to specify that the bonds are now only supported by the portion of excess liquor profit payments the state receives from JobsOhio.

From the implementation of the Clean Ohio Program in CY 2000 through CY 2013, when the liquor franchise rights were leased to JobsOhio, 164 brownfield site remediation projects were completed and approximately \$315 million was paid out under CORF. Currently, JobsOhio operates a JobsOhio Revitalization Program Loan and Grant Fund, although it has a slightly different focus. The Development Services Agency, in conjunction with the Ohio Water Development Authority, continues to operate the federal Brownfield Revolving Loan Program through the Brownfield Revolving Loan Fund (Fund 5UL0). Approximately \$2.5 million in state funding and \$2.0 million in federal funding is available for this program in FY 2021.

¹ <https://www.wrlandconservancy.org/county-land-banks/land-banks/>.