



# Ohio Legislative Service Commission

Mary Turocy and other LSC staff

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## Fiscal Note & Local Impact Statement

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**Bill:** [Sub. H.B. 482 of the 129th G.A.](#)

**Date:** March 28, 2012

**Status:** As Reported by Senate Finance

**Sponsor:** Rep. Amstutz

**Local Impact Statement Procedure Required:** No

**Contents:** Makes capital appropriations for the FY 2013-FY 2014 biennium and other changes

This bill makes capital appropriations totaling \$1.74 billion for the FY 2013-FY 2014 biennium. It also makes other changes affecting the operation of state programs. The *Capital Item Analysis* provides summary reports and detailed information on capital appropriations. This fiscal note covers the provisions of the bill other than capital appropriations.

### State and Local Fiscal Analysis

#### Higher Education Improvement Taxable Fund

The bill creates the Higher Education Improvement Taxable Fund to receive the proceeds of obligations issued by the state to pay the costs of capital facilities for state-supported and state-assisted institutions of higher education the interest on which is not exempt from the federal income tax. The bill permits the Director of Budget and Management to transfer appropriations between the existing Higher Education Improvement Fund and the Higher Education Improvement Taxable Fund, as needed, and to create new appropriation items within the Higher Education Improvement Taxable Fund and transfer appropriations to those new items from appropriations made from the Higher Education Improvement Fund.

#### Allocation of state capital appropriations to state colleges and universities

The bill eliminates the requirement that the Chancellor of the Ohio Board of Regents adopt rules governing the allocation of state capital appropriations to state colleges and universities. This provision may reduce the Board of Regents' administrative burden.

#### State Taxation, Accounting, and Revenue System (STARS)

The bill authorizes the Department of Administrative Services (DAS), in conjunction with the Department of Taxation, to acquire and implement the State Taxation, Accounting, and Revenue System (STARS) and limits any lease-purchase agreement to finance STARS to \$20.0 million. STARS is an integrated tax collection and

audit system that will replace all of the state's existing separate tax software and administration systems for the various taxes collected by the state.

### **Multi-Agency Radio Communications System (MARCS)**

The Multi-Agency Radio Communications System (MARCS) is a statewide computer and communications network that provides instant voice and data communication to public safety law enforcement and first responders. The bill authorizes DAS to update or add functionality to MARCS and limits any lease-purchase agreement to finance MARCS to \$90.0 million.

Furthermore, the bill requires that MARCS-related communications projects using state funds or federal grants must be P25 systems that do not limit interoperability in mission critical communications. A P25 system is one that meets certain emergency communication standards for digital radio communication and fosters interoperability in mission critical communications as certified by the MARCS steering committee. The P25 standards are jointly established by various organizations and agencies at the federal, state, and local level.

Under the bill, the MARCS Steering Committee under DAS must submit a business plan or model to the Controlling Board before any allocation of money for improvements to MARCS may be made and must seek Controlling Board approval prior to making purchases of the P25 system. The business plan must certify that the P25 system complies with P25 standards and include various details about the plan. DAS may incur minimal administrative expenses for the certification of the P25 system and creation of the business plan.