

**Testimony of Linda Bailiff, Director
Ohio Public Works Commission**

**Senate Transportation, Commerce and Workforce Committee
Tuesday, March 12, 2019**

Chairman McColley and Committee members, thank you for the opportunity to comment on Am. Sub. H.B. 62 and any impact to the Ohio Public Works Commission.

We appreciate that the Ohio House recognized the need for an increase in the Director's Emergency Fund which is currently a two percent (2%) set aside of the State Capital Improvement Program (SCIP). The House increased this permissive set aside to six percent (6%); a monetary increase of \$7 million (\$3.5 million to \$10.5 million). The set aside comes off the top of the total annual SCIP allocation before we calculate district allocations. So the increase results in a reduction to the annual allocations made to the 19 District Integrating Committees. We've provided a spreadsheet showing the impact to each district's allocation. Since the Districts have already awarded their FY 20 funds to infrastructure projects, this increase cannot be effective before FY 21.

Since existing language is permissive and to lessen the financial impact to the Districts, we would prefer to delay the increase until FY 22. First, a previous voter-approved increase in SCIP funds will take place in FY 22. Second, about that time OPWC will be making allocation adjustments due to the 2020 decennial census data. Therefore, an allocation decrease due to increased funding for the Emergency Program will be more than offset by these other funding adjustments. Although we are currently out of Emergency funds until the next allocation on July 1, 2019, we are also sensitive to the financial impacts on a statewide level due to any adjustments in the Emergency Program.

Thank you again for inviting me to comment on the Transportation Budget Bill. We are happy to respond to any questions.