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## H2OHIO FUND

- Creates the H2Ohio Fund in the state treasury.
- Directs a portion of FY 2019 GRF surplus revenue and 50% of FY 2021 surplus revenue to the fund.
- Requires fund money to be used for water quality purposes, including awarding grants, issuing loans, funding cooperative research, and encouraging cooperation with governmental and private entities.
- Requires the Ohio Lake Erie Commission, in coordination with state agencies or boards responsible for water protection and water management, to submit an annual report to the General Assembly and the Governor, beginning August 31, 2020.

### H2Ohio Fund

(R.C. 126.60; Sections 211.10, 211.20, 277.10, 277.20, 343.10, 343.30, 513.10, 513.20, and 513.30)

The act creates the H2Ohio Fund in the state treasury and directs a portion of FY 2019 GRF surplus revenue (up to \$172 million) to the fund. It appropriates a total of \$85.2 million from the fund for FY 2020 among the Departments of Agriculture (\$30.3 million) and Natural Resources (\$46.2 million) and the Environmental Protection Agency (\$8.7 million), and reappropriates for FY 2021 any unencumbered money remaining from FY 2020. It authorizes the Controlling Board, in FY 2021, to increase or establish appropriations from the fund to state agencies as “necessary to support the statewide strategic vision and comprehensive periodic water protection strategy.” It also requires 50% of FY 2021’s ending GRF surplus revenue to be transferred to the fund (the other 50% will be transferred to the Budget Stabilization Fund).

The H2Ohio Fund also may include money from donations, bequests, and other sources.

For a more detailed description of the H2Ohio Fund’s financing, see the LBO budget support documents. From the LSC home page, [www.lsc.ohio.gov](http://www.lsc.ohio.gov), click on “Budget Central,” then on “Main Operating – H.B. 166.”

The fund is to be used for any of the following purposes:

- Awarding or allocating grants or money, issuing loans, or making purchases for the development and implementation of projects and programs that are designed to address water quality priorities;
- Funding cooperative research, data gathering and monitoring, and demonstration projects related to water quality priorities;
- Encouraging cooperation with and among leaders from state legislatures, state agencies, political subdivisions, business and industry, labor, agriculture, environmental organizations, institutions of higher education, and water conservation districts;

- Agricultural water improvement projects, which focus on agricultural practices that impact Ohio waters;
- Community water improvement projects, which involve a public water system operated by a political subdivision;
- Nature water improvement projects, which involve a natural water system, including the creation and maintenance of wetlands and flood plains; and
- Other purposes, policies, programs, and priorities identified by the Ohio Lake Erie Commission in coordination with state agencies or boards responsible for water protection and water management, provided they align with a statewide strategic vision and comprehensive periodic water protection and restoration strategy.

### **Annual report**

The Ohio Lake Erie Commission, in coordination with state agencies or boards responsible for water protection and water management, must submit a report to the General Assembly and the Governor annually, beginning August 31, 2020. The report must address activities undertaken with respect to the H2Ohio Fund during the preceding fiscal year, and revenues and expenses for that year.