

# Greenbook

## LBO Analysis of Enacted Budget

### Ohio Lake Erie Commission

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#### TABLE OF CONTENTS

Quick look.....	1
Agency overview .....	1
Analysis of FY 2026-FY 2027 budget .....	2
Lake Erie Protection (ALI 780601).....	2
Fund 4C00 cash transfers .....	2
H2Ohio (ALI 780604).....	3
LEC Federal Grants (ALI 780603).....	3

# LBO Greenbook

## Ohio Lake Erie Commission

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### Quick look...

- The Ohio Lake Erie Commission's (LEC) mission is the protection, conservation, and development of Lake Erie and its surrounding areas.
- Biennial budget appropriates \$2.2 million in both FY 2026 and FY 2027.
- Sources of the budget: federal (52.0%) and state non-GRF (48.0%).
- H2Ohio Initiative work continues into the next biennium.

Fund Group	FY 2024 Actual	FY 2025 Actual	FY 2026 Appropriation	FY 2027 Appropriation
Dedicated Purpose	\$1,195,415	\$992,303	\$1,032,000	\$1,072,000
Federal	\$156,223	\$439,278	\$1,140,000	\$1,140,000
Total	\$1,351,638	\$1,431,581	\$2,172,000	\$2,212,000
% change	--	5.9%	51.7%	1.8%

### Agency overview

The Lake Erie Commission's mission is "to preserve Lake Erie's natural resources, to protect the quality of its waters and ecosystem, and to promote economic development of the region by ensuring the coordination of policies and programs of state government pertaining to water quality, toxic substances, and coastal resource management." In accordance with that mission, the Commission implements policies and programs focused on water quality, habitat, recreation, tourism, and resource management. The Lake Erie watershed covers 33 of Ohio's 88 counties.

The Commission consists of 13 members: the directors of Environmental Protection, Natural Resources, Health, Agriculture, Transportation, and Development Services, plus an additional seven members appointed by the Governor. The Commission's staff primarily coordinate programs that address nutrient management and the beneficial use of dredged material and promote the sales of Lake Erie license plates that help support staff operations and grants programs. Member state agencies provide additional services. The Ohio Environmental Protection Agency (Ohio EPA) provides fiscal management services and the Department of Natural Resources provides public information and information technology support.

The Commission receives no GRF funding, it relies on four, somewhat unpredictable, revenue streams: (1) Lake Erie license plate sales, (2) interest earnings distributed from the multistate Great Lakes Protection Fund, (3) federal grants, (4) transfers from other state agencies, and (5) a portion of H2Ohio funding (Fund 6H20).

## Analysis of FY 2026-FY 2027 budget

The Lake Erie Commission's budget consists of three appropriation line items (ALIs), two of which are supported by money appropriated from the Dedicated Purpose Fund (DPF) Group, and the other is supported by federal grants or awards. The budget provides a total appropriation of \$2.2 million in each of FY 2026 and FY 2027: 52.0% federal funding, and 48.0% DPF Group. Each of these line items is described further below.

### Lake Erie Protection (ALI 780601)

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Actual	FY 2026 Appropriation	FY 2027 Appropriation
<b>DPF Fund 4C00 ALI 780601, Lake Erie Protection</b>					
\$491,781	\$656,766	\$1,195,415	\$829,253	\$900,000	\$940,000
% change	33.5%	82.0%	-30.6%	8.5%	4.4%

This line item is used to pay for the Commission's ongoing annual operating expenses and to award research and demonstration grants related to the protection and restoration of Lake Erie resources of up to \$50,000 and other grants.

This line item is supported by the Lake Erie Protection Fund (Fund 4C00), which consists of revenue generated from Lake Erie license plate sales, Ohio's share of the interest earned from the multistate Great Lakes Protection Fund (GLPF), cash transfers from member agencies, and federal grants awarded to Ohio EPA and passed through to the Commission.

This line item helps to support the Lake Erie Protection Fund grant program. Direct recipients of grant funds, technical support, and training programs include universities, local governments, and nongovernmental organizations such as watershed groups and land conservancies.

### Fund 4C00 cash transfers

The budget contains a cash transfer provision which permits the Director of the Office of Budget and Management (OBM) to transfer specified cash amounts in FY 2026 and FY 2027 from certain state funds to the Lake Erie Protection Fund (Fund 4C00). The total amount of cash authorized for transfer annually is up to \$125,000 in FY 2026 and FY 2027 (see the table below).

Authorized Cash Transfers to Fund 4C00*				
Fund	Fund Name	User	FY 2026	FY 2027
5BC0	Environmental Protection Fund	Environmental Protection Agency	\$25,000	\$25,000
6690	Pesticide, Fertilizer and Lime Fund	Department of Agriculture	\$25,000	\$25,000
4700	General Operations Fund	Department of Health	\$25,000	\$25,000
1570	Program Support	Department of Natural Resources	\$25,000	\$25,000
1350	Supportive Services	Department of Development	\$25,000	\$25,000
<b>Total</b>			<b>\$125,000</b>	<b>\$125,000</b>

\*All of the authorized cash transfers are "up to" amounts.

## H2Ohio (ALI 780604)

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Actual	FY 2026 Appropriation	FY 2027 Appropriation
<b>DPF Fund 6H20 ALI 780604, H2Ohio</b>					
\$125,000	\$125,000	\$0	\$163,050	\$132,000	\$132,000
% change	0.0%	-100.0%	--	-19.0%	0.0%

This line item is used to support the Commission's role in the H2Ohio Initiative to provide coordination and to ensure transparency and accountability.

H.B. 166 of the 133<sup>rd</sup> General Assembly created the H2Ohio Fund (Fund 6H20) in the state treasury. The fund is used for water quality purposes, including awarding grants, issuing loans, funding cooperative research, and encouraging cooperation with governmental and private entities. The budget allows the Director of Budget and Management to transfer \$165.0 million from the GRF to the fund on July 1, 2025, or as soon as possible thereafter. Cash transferred to Fund 6H20 is shared among the departments of Agriculture, Natural Resources, and Environmental Protection, in addition to the Lake Erie Commission.<sup>1</sup>

## LEC Federal Grants (ALI 780603)

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Actual	FY 2026 Appropriation	FY 2027 Appropriation
<b>FED Fund 3EP0 ALI 780603, LEC Federal Grants</b>					
\$612,814	\$137,783	\$156,223	\$439,278	\$1,140,000	\$1,140,000
% change	-77.5%	13.4%	181.2%	159.5%	0.0%

This line item is primarily used to disburse project grants awarded by the Great Lakes Restoration Initiative (GLRI).<sup>2</sup> In FY 2025, the Commission was awarded (1) \$1.4 million to develop and implement the Lake Erie Environmental Justice Grant Program for historically overburdened and underserved communities in Ohio's Lake Erie watershed, and (2) \$86,329 to host the 2025 U.S. Great Lakes Areas of Concern (AOC) Conference to be held in Toledo (Lucas County). In FY 2022 and FY 2023, the Commission was awarded three GLRI grants: \$880,088 to sub-grant federal funds to local partners to improve understanding of algae toxins in Lake Erie, \$75,000 for the Cuyahoga Area of Concern Brandywine Enhancement and Restoration Project, and \$75,000 for the Black River AOC Beneficial Use Impairments (BUI) Evaluation Monitoring Project. Future federal grants or awards are unpredictable.

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<sup>1</sup> In addition to the appropriation for the Commission, the bill also appropriates \$53.6 million in each fiscal year for the Department of Agriculture, \$21.2 million in each fiscal year for the Department of Natural Resources, and \$7.5 million in each fiscal year for Ohio EPA.

<sup>2</sup> The GLRI is a 2010 federal initiative aimed at restoring the Great Lakes ecosystem. U.S. EPA is the lead federal agency for implementing the GLRI.