

State of Ohio
Department of Commerce

Role and Overview

The Department of Commerce (DOC) regulates several industries in Ohio including securities, financial institutions, liquor, and real estate. The department also enforces the state's building codes, fire codes, and prevailing and minimum wage requirements, and oversees the collection and return of unclaimed funds. A director is appointed by the Governor to oversee the operations of approximately 900 employees and manage an annual budget of approximately \$525 million. The department's operations and activities are financed primarily by revenue generated from fees assessed to the regulated communities. More information regarding the Department of Commerce is available at <http://www.com.state.oh.us>.

Executive Priorities for the Department of Commerce

- Protect the health and safety of Ohio families at home and in the workplace.
- Promote consumers' financial well-being by regulating financial services and the real estate industry.
- Facilitate the retrieval and distribution of unclaimed funds.
- Regulate the sale of alcoholic beverages in the state.
- Provide consumer protection services that help Ohioans.
- Commit to fair and efficient regulation that protects consumers without overburdening business.

Summary of Budget History and Recommendations

(In thousands)						RECOMMENDED			
BUDGET FUND GROUP	FY 2002	ACTUAL FY 2003	FY 2004	ESTIMATE FY 2005	% CHANGE FY 04-05	FY 2006	% CHANGE	FY 2007	% CHANGE
General Revenue Fund	4,750	3,872	3,937	4,111	4.4	2,086	(49.2)	2,032	(2.6)
General Services Fund Group	47,206	54,569	68,841	70,056	1.8	66,597	(4.9)	69,754	4.7
Liquor Control Fund Group	343,055	368,688	387,603	410,619	5.9	441,367	7.5	466,536	5.7
Fed Special Revenue Fund Group	2,893	2,913	3,030	3,649	20.4	2,045	(44.0)	2,045	.0
State Special Revenue Fund Group	58,642	57,612	59,038	67,525	14.4	68,224	1.0	68,427	.3
TOTAL	456,545	487,656	522,449	555,960	6.4	580,320	4.4	608,796	4.9

(In thousands)						RECOMMENDED			
OBJECT OF EXPENSE	FY 2002	ACTUAL FY 2003	FY 2004	ESTIMATE FY 2005	% CHANGE FY 04-05	FY 2006	% CHANGE	FY 2007	% CHANGE
Personal Services	85,415	89,584	91,438	96,579	5.6	98,507	2.0	100,852	2.4
Purchased Services	5,730	3,883	11,451	9,654	(15.7)	7,655	(20.7)	6,329	(17.3)
Maintenance	23,034	22,349	23,779	27,635	16.2	26,789	(3.1)	26,742	(.2)
Equipment	3,211	1,509	2,534	4,049	59.8	3,554	(12.2)	3,343	(5.9)
Subsidy	1,951	1,643	1,462	1,614	10.4	1,877	16.3	1,877	.0
Goods For Resale	283,854	304,974	319,773	321,110	.4	347,295	8.2	361,186	4.0
Capital Improvements	1,832	103	0	0	.0	0	.0	0	.0
Transfer & Other	51,517	63,611	72,012	95,318	32.4	94,643	(.7)	108,467	14.6
TOTAL	456,545	487,656	522,449	555,960	6.4	580,320	4.4	608,796	4.9

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PROGRAM SERIES 01: Financial Institutions and Services

This program series provides for the supervision and regulation of banks, credit unions, savings institutions, securities, securities professionals, and various consumer finance organizations. It also educates Ohioans about home mortgage lending practices in an effort to reduce the growing number of consumers falling victim to abusive lending practices.

Program 01.01: Banks

This program is responsible for the supervision and regulation of state-chartered banks and trust companies including banks, trust-only banks, and bank-trust operations. It does not have jurisdiction over federal thrifts or national banks. In fiscal year 2004, this program regulated nearly 140 institutions.

What the Budget Buys:

- Continues on-site field examinations and off-site surveillance and monitoring of the 139 state-chartered banks to ensure financial safety and soundness. The regulated community has total aggregated assets of over \$102 billion; and
- Supports the Ohio Banking Commission, which advises the Superintendent of Financial Institutions and confirms the annual schedule of assessments.

FUND GROUP	FUND	ALI	ALI NAME	RECOMMENDED	
				FY 2006	FY 2007
SSR	4X2	800-619	Financial Institutions	935,359	935,359
SSR	544	800-612	Banks	6,452,861	6,440,642
TOTAL FOR PROGRAM				7,388,220	7,376,001

Program 01.02: Consumer Affairs

This program educates Ohioans on how to protect themselves in the mortgage lending process, receives complaints from those who have been victimized, and acts as a referral service to organizations that can assist the borrower. If lending laws have been violated, the office initiates enforcement actions and refers criminal cases for prosecution. In fiscal year 2004, this program received nearly 5,500 inquiries and over 1,500 formal complaints.

What the Budget Buys:

- Continues the Borrow Smart campaign, which provides seminars, publications, and educational materials to help protect Ohioans from abusive lending.

FUND GROUP	FUND	ALI	ALI NAME	RECOMMENDED	
				FY 2006	FY 2007
SSR	4X2	800-619	Financial Institutions	154,059	154,059
SSR	553	800-607	Consumer Finance	1,024,132	1,034,795
TOTAL FOR PROGRAM				1,178,191	1,188,854

Program 01.03: Consumer Finance

This program is responsible for regulating consumer finance organizations including check cashing services, check casher lenders, credit service organizations, insurance premium finance companies, mortgage brokers, mortgage broker loan officers, pawnbrokers, precious metals dealers, second mortgage businesses, and small loan businesses. In fiscal year 2004, this program regulated nearly 9,900 organizations and individuals.

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What the Budget Buys:

- Supports the continued regulation, licensure, and examination of mortgage brokers, check-cash lenders, pawnbrokers, consumer finance companies, and other consumer finance organizations.

FUND GROUP	FUND	ALI	ALI NAME	RECOMMENDED	
				FY 2006	FY 2007
SSR	4X2	800-619	Financial Institutions	440,169	440,169
SSR	553	800-607	Consumer Finance	3,276,313	3,265,650
TOTAL FOR PROGRAM				3,716,482	3,705,819

Program 01.04: Credit Unions

This program is responsible for the supervision and regulation of 234 state-chartered credit unions with total aggregated assets of \$8.5 billion. It also supervises and co-regulates the private insurer American Share Insurance, formerly the National Deposit Insurance Corporation (NDIC).

What the Budget Buys:

- Allows the division to conduct on-site field examinations and off-site surveillance and monitoring to ensure financial safety and soundness;
- Supports the Credit Union Council, which advises the Superintendent of Financial Institutions as requested; and
- Increases, from 12 to 15, the number of field examiners dedicated to conducting credit union examinations, in order to provide off-site monitoring of institutions that are increasing in overall size and complexity.

FUND GROUP	FUND	ALI	ALI NAME	RECOMMENDED	
				FY 2006	FY 2007
SSR	4X2	800-619	Financial Institutions	363,139	363,139
SSR	552	800-604	Credit Union	2,936,852	2,941,852
TOTAL FOR PROGRAM				3,299,991	3,304,991

Program 01.05: Money Transmitters

This program provides for the licensing, supervision, and regulation of domestic and foreign money transmitters in Ohio, including financing networks that may be potential threats to Homeland Security. In fiscal year 2004, 35 such entities operated in the state.

What the Budget Buys:

- Supports the regulation of domestic and foreign money transmitters operating in Ohio, including application procedures that include a review for compliance with federal money laundering and terrorist funding laws and regulation; and
- Provides increased regulation of an expanded number of money transmitters as well as additional supervision that is needed as part of Homeland Security initiatives.

FUND GROUP	FUND	ALI	ALI NAME	RECOMMENDED	
				FY 2006	FY 2007
SSR	4X2	800-619	Financial Institutions	44,017	44,017
SSR	544	800-612	Banks	304,336	318,555
TOTAL FOR PROGRAM				348,353	362,572

Program 01.06: Savings Institutions

This program is responsible for the supervision and regulation of 63 state-chartered savings and loan associations and state-chartered savings banks. The program does not have jurisdiction over federal thrifts or federal savings banks.

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What the Budget Buys:

- Supports the continuation of on-site field examinations and off-site surveillance and monitoring of the regulated institutions, which have total aggregated assets of \$10.8 billion.

FUND GROUP	FUND	ALI	ALI NAME	RECOMMENDED	
				FY 2006	FY 2007
SSR	4X2	800-619	Financial Institutions	264,100	264,100
SSR	545	800-613	Savings Institutions	2,678,248	2,669,774
TOTAL FOR PROGRAM				2,942,348	2,933,874

Program 01.07: Securities

This program promotes investor education, regulates the sale of securities in Ohio, and licenses securities professionals in Ohio who sell securities and give advice about investing in securities. It engages in administrative sanctions against those persons and entities violating the securities laws in Ohio and makes referrals for criminal prosecution. In fiscal year 2004, 5,800 filings for sale of securities were reviewed and the Division of Securities licensed over 123,000 securities salespersons.

What the Budget Buys:

- Allows for the continued regulation of over 2,300 securities dealers, 123,000 securities salespersons, 560 investment advisers, and 9,900 investment adviser representatives, including same-day on-line applications and approval if there is no prior disciplinary record;
- Supports investor education activities to combat fraud, including educational speakers, a 1-800 hotline, written materials, and on-line information; and
- Funds enforcement activities that in fiscal year 2004 resulted in orders for \$5.6 million in restitution and 44 years of prison time for violators.

FUND GROUP	FUND	ALI	ALI NAME	RECOMMENDED	
				FY 2006	FY 2007
SSR	550	800-617	Securities	4,300,000	4,400,000
TOTAL FOR PROGRAM				4,300,000	4,400,000

PROGRAM SERIES 02: Industrial Compliance

This program series is responsible for code development, inspection, plan review, licensing, and permit services related to the commercial building and construction industry.

Program 02.01: Plans and Specifications

This program reviews building plans for new construction, major renovations, additions or alterations for structures, except where local certified building departments have jurisdiction, and regulates industrialized units. In fiscal year 2004, over 4,700 projects were submitted for review and over 1,000 industrial unit applications were submitted.

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What the Budget Buys:

- Supports the administration and enforcement of the Ohio Building Code for all state buildings, for commercial buildings, and for residential dwellings of four or more units that are not under the jurisdiction of a local certified building department; and
- Continues the appointment policy for walk-in plan review, so that applicants are contacted prior to their appointments to ensure that they bring appropriate documents for review and thus plan approvals can be granted more quickly.

FUND GROUP	FUND	ALI	ALI NAME	RECOMMENDED	
				FY 2006	FY 2007
SSR	556	800-615	Industrial Compliance	4,205,153	4,252,969
TOTAL FOR PROGRAM				4,205,153	4,252,969

Program 02.02: Construction Compliance

This program provides for building, electrical, and plumbing inspections of new construction and additions and major alterations of existing structures. It also provides licensing and certification of plumbing inspectors. The Bureau of Construction Compliance maintains next-day inspection service and conducts over 50,000 inspections per year.

What the Budget Buys:

- Supports regulation of construction, electrical wiring, and plumbing and medical gas system installation in locations where there is no local certified building department; and
- Allows for over 50,000 inspections to be conducted per year, including over 22,000 structures, 17,000 electrical systems, 8,000 plumbing systems, and 4,000 medical gas systems.

FUND GROUP	FUND	ALI	ALI NAME	RECOMMENDED	
				FY 2006	FY 2007
SSR	556	800-615	Industrial Compliance	5,685,980	5,753,227
TOTAL FOR PROGRAM				5,685,980	5,753,227

Program 02.03: Operations and Maintenance

This program provides for proper operations of critical systems including boilers, elevators, and escalators, and inspections of bedding and upholstered furniture. It provides licensing and certification for steam engineers and boiler operators. It also provides for ski lift inspections and roller rink registration. The diverse duties of this program include the inspection of over 16,200 boilers per year, more than 7,500 compliance inspections of bedding, nearly 50,000 elevator inspections, and the certification of 101 roller rinks and 47 ski lifts statewide.

What the Budget Buys:

- Supports the continued regulation and inspection of boilers, historical boilers, elevators, bedding, upholstered furniture, and stuffed toys; and
- Administers and supports certification and licensure of roller rinks, ski lift equipment, steam engineers, boiler operators, and elevator and boiler inspector commissions.

FUND GROUP	FUND	ALI	ALI NAME	RECOMMENDED	
				FY 2006	FY 2007
SSR	556	800-615	Industrial Compliance	10,620,943	10,754,941
TOTAL FOR PROGRAM				10,620,943	10,754,941

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Program 02.04: Building Code

This program supports the Board of Building Standards, which formulates and adopts rules governing building construction and maintenance to ensure building safety. The board also certifies local building code enforcement departments. More than 9,100 building department personnel, state agency personnel, design professionals, and contractors in fiscal year 2004 attended 153 continuing education courses developed and taught by the board's staff. The program also supports the Board of Building Appeals, which reviews appeals of orders issued by the department's Bureau of Construction Compliance or of a certified city or county building department. The Board of Building Appeals reviewed nearly 780 cases in fiscal year 2004.

What the Budget Buys:

- Supports the administrative, adjudication, and training responsibilities of the Board of Building Standards and the Board of Building Appeals.

FUND GROUP	FUND	ALI	ALI NAME	RECOMMENDED	
				FY 2006	FY 2007
SSR	556	800-615	Industrial Compliance	3,022,946	2,773,883
TOTAL FOR PROGRAM				3,022,946	2,773,883

Program 02.05: Ohio Construction Industry Examining Board

This program provides for the testing, licensing, and continuing education for electrical, plumbing, hydraulic, HVAC, and refrigeration contractors. Annually, the board issues over 19,000 licenses and approves over 200 training agencies.

What the Budget Buys:

- Supports licensure and oversight functions of the board.

FUND GROUP	FUND	ALI	ALI NAME	RECOMMENDED	
				FY 2006	FY 2007
SSR	556	800-615	Industrial Compliance	1,502,235	1,502,237
TOTAL FOR PROGRAM				1,502,235	1,502,237

PROGRAM SERIES 03: Liquor Control

This program series is responsible for controlling the manufacture, distribution, and sale of all alcoholic beverages in Ohio. The Division of Liquor Control is the state's sole purchaser and distributor of spirituous liquor (intoxicating liquor containing more than 21 percent alcohol by volume).

Program 03.01: Liquor Agency Operations

This program is responsible for the sale of spirituous liquor by more than 400 private businesses, known as liquor agencies, which are contracted by the division to serve as its sales agents. This program contributed \$118 million to the General Revenue Fund in fiscal year 2004.

What the Budget Buys:

- Supports expected sales of \$602 million in fiscal year 2006 and \$626 million in fiscal year 2007.

FUND GROUP	FUND	ALI	ALI NAME	RECOMMENDED	
				FY 2006	FY 2007
LCF	043	800-601	Merchandising	382,595,409	397,839,347
LCF	043	800-627	Liquor Control Operating	11,048,464	10,156,627
TOTAL FOR PROGRAM				393,643,873	407,995,974

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Program 03.02: Liquor Permit Licensing

This program administers the state's liquor permitting system for the sale, manufacture, and distribution of all alcoholic beverages in Ohio. This includes issuing new permits, renewing and transferring permits, and the investigative and hearing requirements associated with permit issuance. In 2004, this program governed the issuance of permits to approximately 24,000 privately-owned and operated manufacturers, distributors, and retailers. As a result, permit fees of \$37 million were collected, with 35 percent being returned to local taxing districts for liquor law enforcement.

What the Budget Buys:

- Supports the licensure of privately-owned businesses involved in the manufacturing, distribution, and sales of alcoholic beverages, including processing licenses in one day;
- Completes the conversion of the LITS system to allow seamless distribution of liquor permit fees; and
- Provides for the distribution of over \$37 million in liquor permit fees.

FUND GROUP	FUND	ALI	ALI NAME	RECOMMENDED	
				FY 2006	FY 2007
LCF	043	800-627	Liquor Control Operating	5,283,599	5,283,599
TOTAL FOR PROGRAM				5,283,599	5,283,599

Program 03.03: Beer and Wine Compliance

This program oversees compliance in the manufacture, importing, and distribution of beer, wine, and low-proof mixed beverages. Additionally, this program provides for the registration of sales agents for alcohol beverage suppliers, manufacturers, distributors, vendors, and brokers.

What the Budget Buys:

- Supports industry compliance with laws relating to beer, wine, and mixed beverages containing 21 percent or less alcohol by volume.

FUND GROUP	FUND	ALI	ALI NAME	RECOMMENDED	
				FY 2006	FY 2007
LCF	043	800-627	Liquor Control Operating	541,120	541,120
TOTAL FOR PROGRAM				541,120	541,120

Program 03.04: Debt Service Payments

This program provides debt service payments on bonds issued under the authority of Ohio Revised Code Chapters 151 and 166 to support various economic development initiatives and environmental clean-up initiatives that are appropriated in the Department of Development.

What the Budget Buys:

- Provides required payments on bonds issued to support economic development and environmental revitalization initiatives.

FUND GROUP	FUND	ALI	ALI NAME	RECOMMENDED	
				FY 2006	FY 2007
LCF	043	800-633	Development Assistance Debt Service	32,158,300	39,230,000
LCF	043	800-636	Revitalization Debt Service	9,740,500	13,485,800
TOTAL FOR PROGRAM				41,898,800	52,715,800

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PROGRAM SERIES 04: Real Estate

This program series licenses Ohio real estate brokers, salespeople, appraisers, and foreign real estate dealers and salespeople, and registers property located outside of Ohio but marketed in the state. It also registers active cemeteries in Ohio.

Program 04.01: Real Estate

This program licenses and regulates real estate brokers and salespersons. In addition, the section regulates foreign real estate brokers and salespersons, and registers foreign real estate property. In fiscal year 2004, this program recorded over 47,000 active licensees, both real estate salespersons and real estate brokers.

What the Budget Buys:

- Supports consumer/industry outreach and education, including participating in events and conducting regional training sessions;
- Continues licensure, renewal, and continuing education functions; and
- Supports the Ohio Real Estate Commission, which held 110 hearings in 2004 and ordered payment of over \$80,000 in fines.

FUND GROUP	FUND	ALI	ALI NAME	RECOMMENDED	
				FY 2006	FY 2007
SSR	547	800-603	Real Estate Education/Research	250,000	250,000
SSR	548	800-611	Real Estate Recovery	50,000	50,000
SSR	549	800-614	Real Estate	3,605,892	3,605,892
TOTAL FOR PROGRAM				3,905,892	3,905,892

Program 04.02: Real Estate Appraisers

This program licenses and certifies all general and residential appraisers in the state. In fiscal year 2004, more than 3,400 real estate appraisers were regulated under this program.

What the Budget Buys:

- Continues licensure, oversight, and continuing education monitoring functions for licensees, and outreach and education for industry officials and consumers; and
- Supports the Ohio Real Estate Appraiser Board, which in fiscal year 2004 held 34 formal hearings and issued 34 disciplinary orders, 31 suspensions and/or reprimands, and three revocations.

FUND GROUP	FUND	ALI	ALI NAME	RECOMMENDED	
				FY 2006	FY 2007
SSR	4B2	800-631	Real Estate Appraisal Recovery	35,000	35,000
SSR	6A4	800-630	Real Estate Appraiser Operating	664,006	664,006
TOTAL FOR PROGRAM				699,006	699,006

Program 04.03: Cemetery Registration

This program registers all active cemeteries in Ohio, and investigates complaints or disputes involving registered cemeteries. There are currently over 3,300 cemeteries registered. This program also collects fees for burial permits issued in Ohio. During fiscal year 2004, revenue from burial permits was nearly \$250,000.

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What the Budget Buys:

- Continues licensing and regulatory activities, and supports the Ohio Cemetery Dispute Resolution Commission, which heard 46 cases in fiscal year 2004.

FUND GROUP	FUND	ALI	ALI NAME	RECOMMENDED	
				FY 2006	FY 2007
SSR	4H9	800-608	Cemeteries	273,465	273,465
TOTAL FOR PROGRAM				273,465	273,465

PROGRAM SERIES 05: State Fire Marshal

This program series is responsible for education, research, regulation, and enforcement in the area of fire safety and fire prevention.

Program 05.01: Ohio Fire Academy

This program conducts fire-related training courses for more than 15,000 emergency responders annually. Training, which is conducted at the Academy facilities and on-site throughout the state, includes firefighting, anti-terrorism response, and urban search and rescue.

What the Budget Buys:

- Supports the instruction of over 780 classes per year on the Academy's campus and through the Direct Delivery Program.

FUND GROUP	FUND	ALI	ALI NAME	RECOMMENDED	
				FY 2006	FY 2007
SSR	546	800-610	Fire Marshal	3,111,239	3,216,239
TOTAL FOR PROGRAM				3,111,239	3,216,239

Program 05.02: Code Enforcement

This program performs fire safety inspections at hotels, motels, hospitals, nursing homes, and other buildings and events. It also enforces the fire code at fireworks facilities, manufacturers, and exhibitions. In fiscal year 2004, this program conducted nearly 10,000 fire safety inspections and almost 4,000 reinspections.

What the Budget Buys:

- Supports the promulgation and enforcement of the Ohio Fire Code, including responses to almost 400 complaints of violations per year.

FUND GROUP	FUND	ALI	ALI NAME	RECOMMENDED	
				FY 2006	FY 2007
SSR	546	800-610	Fire Marshal	2,711,239	2,711,239
TOTAL FOR PROGRAM				2,711,239	2,711,239

Program 05.03: Investigations

This program is responsible for investigating the cause, origin, and circumstances of fires, explosions, and fireworks incidents in Ohio. It is also responsible for the prosecution of persons believed to be guilty of arson or a similar crime. In fiscal year 2004, this program investigated 75 fire deaths, and determined that 16 were criminally related. Program staff determined that 382 of the incidents they investigated were a result of arson.

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What the Budget Buys:

- Supports investigations of violations of the Revised Code and Fire Code, and referral to local prosecutors, if necessary; and
- Supports licensure, inspection, and training in regards to explosives, fireworks, and fire safety.

FUND GROUP	FUND	ALI	ALI NAME	RECOMMENDED	
				FY 2006	FY 2007
SSR	546	800-610	Fire Marshal	2,475,479	2,475,479
TOTAL FOR PROGRAM				2,475,479	2,475,479

Program 05.04: Fire Prevention

This program creates fire safety publications and conducts fire safety education outreach at schools, senior centers, health care facilities, and other locations as requested. This program also promotes the use of fire detectors and distributes free detectors in southeast Ohio. In fiscal year 2004, nearly 3,400 fire safety-related programs reached almost 80,000 Ohioans. The program also presented five Smoke DOG (Smoke Detector on Guard) Awards to families who were saved as a result of proper actions taken when smoke detectors activated in their homes.

What the Budget Buys:

- Provides funding for fire safety activities, including the presentation of nearly 3,400 safety programs and the development and distribution of approximately 780,000 pieces of educational literature annually; and
- Supports the compilation and analysis of statistical data collected through the Ohio Fire Incident Reporting System.

FUND GROUP	FUND	ALI	ALI NAME	RECOMMENDED	
				FY 2006	FY 2007
SSR	546	800-610	Fire Marshal	1,532,439	1,532,439
SSR	546	800-639	Fire Department Grants	200,000	200,000
TOTAL FOR PROGRAM				1,732,439	1,732,439

Program 05.05: Forensic Lab

This program analyzes evidence from fires and explosions as well as hazardous material leaks and spills on behalf of fire investigators and state and local law enforcement agencies. During fiscal year 2004, the laboratory examined nearly 780 cases consisting of over 2,400 pieces of evidence.

What the Budget Buys:

- Supports staffing and laboratory facilities for scientific examinations and written reports on physical evidence involved in a suspected arson fire or hazardous situation.

FUND GROUP	FUND	ALI	ALI NAME	RECOMMENDED	
				FY 2006	FY 2007
SSR	546	800-610	Fire Marshal	1,178,799	1,178,799
TOTAL FOR PROGRAM				1,178,799	1,178,799

Program 05.06: Bureau of Underground Storage Tanks

This program regulates and enforces statutes related to the registration, installation, removal, upgrade, or repair of petroleum underground storage tanks. In addition, in fiscal year 2004, the program issued over 1,500 permits to install, remove, repair, or modify systems and inspected these activities.

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What the Budget Buys:

- Provides for regulation of almost 25,000 underground storage tanks, including the performance of over 1,300 compliance inspections annually; and
- Supports investigations and appropriate cleanup of releases of regulated substances from underground storage tanks.

FUND GROUP	FUND	ALI	ALI NAME	RECOMMENDED	
				FY 2006	FY 2007
FED	348	800-622	Underground Storage Tanks	195,008	195,008
FED	348	800-624	Leaking Underground Storage Tank	1,850,000	1,850,000
SSR	653	800-629	UST Registration/Permit Fee	1,249,632	1,249,632
TOTAL FOR PROGRAM				3,294,640	3,294,640

Program 05.07: Fireworks and Explosives

This program oversees more than 50 fireworks wholesalers and manufacturing facilities, over 520 licensed fireworks exhibitors, nearly 1,100 registered assistants, and multiple flame effect technicians regulated by the State Fire Marshal. In fiscal year 2004, in-service training courses and presentations reached over 1,300 attendees.

What the Budget Buys:

- Supports continuing regulation and oversight of the sale and display of fireworks, and the investigation of illegal fireworks sales in conjunction with local law enforcement.

FUND GROUP	FUND	ALI	ALI NAME	RECOMMENDED	
				FY 2006	FY 2007
SSR	546	800-610	Fire Marshal	1,178,799	1,178,799
TOTAL FOR PROGRAM				1,178,799	1,178,799

Program 05.08: Fire Department Assistance

This program provides grants and no-interest loans to local fire departments to offset the cost of training and equipment. In fiscal year 2004, grants totaling \$1,353,000 were issued.

What the Budget Buys:

- Continues the availability of no-interest loans to small government fire departments to expedite purchases of major equipment or projects for the construction or renovation of fire department buildings;
- Increases, from \$609,000 in fiscal year 2005 to \$760,000 annually, funding available for grants to volunteer fire departments;
- Supports full or partial reimbursement to local units of government and fire departments for the cost of firefighter training and equipment or gear (as previously provided from the Mandate Assistance line item in the Controlling Board budget); and
- Provides up to \$200,000 per fiscal year for grants to fire departments to assist in the conversion of existing data systems to the National Fire Information Reporting System 5 (NFIRS 5) electronic fire reporting system.

FUND GROUP	FUND	ALI	ALI NAME	RECOMMENDED	
				FY 2006	FY 2007
GSF	5F1	800-635	Small Government Fire Departments	250,000	250,000
SSR	546	800-639	Fire Department Grants	1,447,140	1,447,140
TOTAL FOR PROGRAM				1,697,140	1,697,140

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PROGRAM SERIES 06: Unclaimed Funds

This program series is responsible for the safekeeping and return of moneys designated as “unclaimed.”

Program 06.01: Unclaimed Funds

Each year, due to death, inadvertence, or forgetfulness, more than 200,000 people and organizations lose track of moneys, rights to moneys, and intangible property in Ohio. The funds are remitted to this program by various entities, such as employers, corporations, financial institutions, and insurance companies. The program then acts as the custodian of the funds and returns them to their rightful owners. In fiscal year 2004, more than 39,000 claims were paid and a total of over \$49 million was returned to current or former Ohio residents.

What the Budget Buys:

- Continues the enforcement of compliance and reporting by holders of dormant accounts of 200,000 people and organizations, including expected collections of \$158 million per fiscal year;
- Provides sufficient appropriations for payment of over \$50 million per fiscal year in claims;
- Supports modifications to the unclaimed funds electronic system and the Ohio Business Gateway to allow reports and funds to be submitted electronically; and
- Supports advertising in all 88 counties, including local and minority papers, to notify owners that they are due unclaimed funds.

FUND GROUP	FUND	ALI	ALI NAME	RECOMMENDED	
				FY 2006	FY 2007
GSF	543	800-602	Unclaimed Funds - Operating	7,351,051	7,351,051
GSF	543	800-625	Unclaimed Funds - Claims	52,000,000	55,000,000
TOTAL FOR PROGRAM				59,351,051	62,351,051

PROGRAM SERIES 07: Labor & Worker Safety

This program series promotes safety in the work place and compliance with wage laws. Two programs formerly associated with this program series, the Public Employment Risk Reduction Program and the Occupational Safety and Health Administration Consultation Program, are transferred to the Bureau of Workers' Compensation.

Program 07.01: Wage and Hour Law Enforcement

This program enforces minimum wage and minor labor laws. Since September 2002, over 1,300 schools have registered to file age and schooling certificates (minor work permits) electronically, thus resulting in savings for school districts, the state, and employers. It also enforces Ohio's prevailing wage, which is the wage rate that must be paid to employees who are working on any type of public works or public improvement construction project. In fiscal year 2004, this program collected more than \$825,000 in prevailing wage back wages, more than \$111,000 in minimum and overtime back wages, and more than \$43,000 in prevailing wage penalties.

What the Budget Buys:

- Supports public education and enforcement of wage and hour laws, including prevailing wage, minimum wage, and minor labor laws; and
- Provides funding for complaint investigations and the collection of back wages owed to workers.

FUND GROUP	FUND	ALI	ALI NAME	RECOMMENDED	
				FY 2006	FY 2007
GRF	GRF	800-410	Labor and Worker Safety	2,086,477	2,032,397
SSR	5K7	800-621	Penalty Enforcement	50,000	50,000
TOTAL FOR PROGRAM				2,136,477	2,082,397

Department of Commerce

PROGRAM SERIES 08: Program Management

This program provides policy and administrative direction as well as centralized functions for the department.

Program 08.01: Program Management

This program provides communications, fiscal administration, human resources, information technology, legal, legislative affairs, quality, training, and employee development, and support services.

What the Budget Buys:

- Supports centralized services to ensure the efficient operation of the department.

FUND GROUP	FUND	ALI	ALI NAME	RECOMMENDED	
				FY 2006	FY 2007
GSF	163	800-620	Division of Administration	4,262,314	4,368,037
GSF	163	800-637	Information Technology	2,733,853	2,785,045
TOTAL FOR PROGRAM				6,996,167	7,153,082

Department of Commerce

Appropriation Line Item Analysis for FYs 2006 and 2007

Line Item Notes

Grants-Volunteer Fire Departments/402: Funding for this grant program is now available from the State Fire Marshal Fund. Please refer to Program 05.08, Fire Department Assistance, for further information.

Labor and Worker Safety/410: Two programs formerly funded by this line item, the Public Employment Risk Reduction Program and the Occupational Safety and Health Administration Consultation Program, are transferred to the Bureau of Workers' Compensation.

LINE ITEM SUMMARY - Commerce

FUND	ALI	ALI TITLE	FY 2002 ACTUAL	FY 2003 ACTUAL	FY 2004 ACTUAL	FY 2005 ESTIMATE	FY 2006 RECOMMENDED	% CHANGE	FY 2007 RECOMMENDED	% CHANGE
GRF	800-402	Grants-Volunteer Fire Depts.	844,768	647,953	622,035	609,076	0	**	0	.0
GRF	800-410	Labor and Worker Safety	3,550,430	3,224,492	3,315,130	3,501,537	2,086,477	**	2,032,397	(2.6)
GRF	800-412	Prevailing/Minimum Wage & Minors	254,001	0	0	0	0	.0	0	.0
GRF	800-413	OSHA Match	9,347	0	0	0	0	.0	0	.0
GRF	800-417	Public Employee Risk Reduction	91,110	0	0	0	0	.0	0	.0
TOTAL General Revenue Fund			4,749,656	3,872,445	3,937,165	4,110,613	2,086,477	(49.2)	2,032,397	(2.6)
163	800-620	Division of Administration	5,825,518	5,419,460	4,013,146	4,468,821	4,262,314	(4.6)	4,368,037	2.5
163	800-637	Information Technology	0	0	1,953,654	2,772,924	2,733,853	(1.4)	2,785,045	1.9
5F1	800-635	Small Government Fire Departments	0	180,491	0	250,000	250,000	.0	250,000	.0
543	800-602	Unclaimed Funds - Operating	6,496,019	5,534,537	13,698,709	7,051,051	7,351,051	4.3	7,351,051	.0
543	800-625	Unclaimed Funds - Claims	34,884,793	43,434,905	49,175,417	55,512,919	52,000,000	(6.3)	55,000,000	5.8
TOTAL General Services Fund Group			47,206,330	54,569,393	68,840,926	70,055,715	66,597,218	(4.9)	69,754,133	4.7
043	800-321	Liquor Control Operating	701,491	0	0	0	0	.0	0	.0
043	800-601	Merchandising	313,164,920	335,330,014	351,560,667	353,892,432	382,595,409	8.1	397,839,347	4.0
043	800-627	Liquor Control Operating	13,195,027	13,865,808	13,630,760	17,960,686	16,873,183	(6.1)	15,981,346	(5.3)
043	800-633	Development Assistance Debt Service	15,993,211	16,069,417	21,229,598	29,029,500	32,158,300	10.8	39,230,000	22.0
043	800-636	Revitalization Debt Service	0	3,423,009	1,182,282	9,736,300	9,740,500	.0	13,485,800	38.5
TOTAL Liquor Control Fund Group			343,054,649	368,688,248	387,603,307	410,618,918	441,367,392	7.5	466,536,493	5.7
348	800-622	Underground Storage Tanks	194,554	193,937	193,900	195,008	195,008	.0	195,008	.0
348	800-624	Leaking Undergrnd Storage Tank	1,285,423	1,317,395	1,325,340	1,850,000	1,850,000	.0	1,850,000	.0
349	800-626	OSHA Enforcement	1,412,598	1,401,951	1,510,685	1,604,142	0	(100.0)	0	.0
TOTAL Fed Special Revenue Fund Group			2,892,575	2,913,283	3,029,925	3,649,150	2,045,008	(44.0)	2,045,008	.0
4B2	800-631	Real Estate Appraisal Recovery	0	10,000	0	60,000	35,000	(41.7)	35,000	.0
4H9	800-608	Cemeteries	254,987	251,266	239,891	273,465	273,465	.0	273,465	.0
4L5	800-609	Fireworks Training & Education	10,489	230	3,815	5,000	0	(100.0)	0	.0
4X2	800-619	Financial Institutions	1,820,089	1,556,663	1,391,419	2,200,843	2,200,843	.0	2,200,843	.0
5B8	800-628	Auctioneers	50,028	0	0	0	0	.0	0	.0
5B9	800-632	PI & Security Guard Provider	1,027,675	1,002,241	990,889	0	0	.0	0	.0
5K7	800-621	Penalty Enforcement	0	5,131	29,459	50,000	50,000	.0	50,000	.0
544	800-612	Banks	5,479,109	5,448,545	5,780,933	6,657,997	6,757,197	1.5	6,759,197	.0
545	800-613	Savings Institutions	2,575,318	2,711,672	2,328,273	2,894,330	2,678,248	(7.5)	2,669,774	(.3)
546	800-610	Fire Marshal	13,650,948	12,043,907	12,665,345	13,259,480	12,187,994	(8.1)	12,292,994	.9
546	800-639	Fire Department Grants	0	0	0	0	1,647,140	.0	1,647,140	.0
547	800-603	Real Estate Education/Research	166,689	183,515	85,991	250,000	250,000	.0	250,000	.0
548	800-611	Real Estate Recovery	0	10,000	20,000	100,000	50,000	(50.0)	50,000	.0

** Please see the Appropriation Line Item analysis for further detail.

LINE ITEM SUMMARY - Commerce

FUND	ALI	ALI TITLE	FY 2002 ACTUAL	FY 2003 ACTUAL	FY 2004 ACTUAL	FY 2005 ESTIMATE	FY 2006 RECOMMENDED	% CHANGE	FY 2007 RECOMMENDED	% CHANGE
549	800-614	Real Estate	2,798,338	3,015,799	3,077,353	3,535,892	3,605,892	2.0	3,605,892	.0
550	800-617	Securities	3,715,159	3,864,918	3,728,148	4,800,000	4,300,000	(10.4)	4,400,000	2.3
552	800-604	Credit Union	2,255,633	2,261,608	2,414,107	2,751,852	2,936,852	6.7	2,941,852	.2
553	800-607	Consumer Finance	2,070,556	2,442,459	3,171,714	3,735,445	4,300,445	15.1	4,300,445	.0
556	800-615	Industrial Compliance	21,360,131	21,215,004	21,430,177	25,037,361	25,037,257	.0	25,037,257	.0
6A4	800-630	Real Estate Appraiser Operating	506,067	521,369	529,262	664,006	664,006	.0	664,006	.0
653	800-629	UST Registration/Permit Fee	900,403	1,068,093	1,150,825	1,249,632	1,249,632	.0	1,249,632	.0
TOTAL State Special Revenue Fund Group			58,641,619	57,612,420	59,037,601	67,525,303	68,223,971	1.0	68,427,497	.3
TOTAL Department of Commerce			456,544,829	487,655,789	522,448,924	555,959,699	580,320,066	4.4	608,795,528	4.9

** Please see the Appropriation Line Item analysis for further detail.