

# **Ohio Legislative Service Commission**

## **Bill Analysis**

Phil Mullin

### H.B. 66

128th General Assembly (As Introduced)

Reps. Jordan, J. Adams, R. Adams, Amstutz, Bacon, Blair, Blessing, Boose, Bubp, Burke, Combs, Derickson, Evans, Hall, Hite, Hottinger, Huffman, Lehner, Martin, Mecklenborg, Morgan, Snitchler, Stebelton, Uecker, Wagner, Hackett, Grossman

#### **BILL SUMMARY**

- Creates the State Government Efficiency Commission and specifies its powers and duties.
- Requires implementation of 90% of the Commission's recommendations regarding costs savings within two biennia from the date the Commission issues its final report.

#### **CONTENT AND OPERATION**

### **Duties of the State Government Efficiency Commission**

The bill creates the State Government Efficiency Commission and requires the Commission to make findings and develop recommendations on reforming and restructuring state government to (1) increase the efficiency and effectiveness of state government operations, (2) achieve cost savings by cutting waste, and (3) expand the private sector economy in Ohio. In making findings and developing recommendations, the Commission may create subcommittees of Commission members to focus on specific areas within the Commission's duties and require the subcommittees to meet and submit to the Commission findings and recommendations for their specific areas. In particular, the Commission is required to consider what state agencies it considers to not be business-friendly and must examine any of these state agencies with extra scrutiny. The Commission's recommendations must (1) specify measures that the state should take to create cost savings, (2) indicate projected cost savings for each recommendation, and (3) be prioritized. The Commission is not permitted to review any functions of an agency that is scheduled for review or that is being reviewed by the

Sunset Review Committee as required by existing law. The Committee itself is exempt from sunset review. (R.C. 101.88(A) and (B).)

At the Commission's request, the Auditor of State, the Director of Administrative Services, the Director of Development, the Director of Job and Family Services, the Director of Transportation, and any member of the General Assembly must provide information to or testify before the Commission on matters that the Commission considers relevant to achieving its mission (R.C. 101.88(C)).

The Commission must provide recommendations or, in the absence of recommendations, a status report, to the Governor every 90 days beginning 120 days after the bill's effective date. The Commission must issue a final report of its findings and recommendations to the Governor, House Speaker, and Senate President not later than January 31, 2011. The Commission ceases to exist upon submitting its final report. (R.C. 101.88(D).)

#### State's duty to implement Commission recommendations

The bill requires the state to implement 90% of the Commission's recommendations regarding cost savings within two biennia from the date the Commission submits its final report (R.C. 101.88(E)).

#### Composition of and procedure for operation of the Commission

The State Government Efficiency Commission consists of 12 members. The Governor, Auditor of State, House Speaker, and Senate President each must appoint three members not later than 60 days after the bill's effective date. All of the members must be recognized, established business leaders, either active or retired, with expertise and experience such that is required to carry out the Commission's duties. No member (1) can have a personal or professional conflict of interest that would prevent the member from fully and objectively discharging the member's duties, (2) may derive a personal or professional benefit from the Commission's work, other than the general financial benefit received by all citizens of the state from increased governmental efficiency, or (3) can be a current employee of a state agency or of an entity that lobbies the General Assembly.

Vacancies on the Commission must be filled in the manner provided for original appointments.

The Commission members must select the Commission chairperson from among the Commission members at the Commission's first meeting.

The Commission must meet at least once every two months. Commission members serve without compensation or reimbursement.

The bill authorizes the Commission to appoint professional, technical, and clerical employees who are necessary to enable the Commission to achieve its mission, but only if the Commission has entered into an agreement with a business that is not an individual under which the business agrees to delegate and compensate, or to compensate, each such employee to or for the Commission.

A credit is to be allowed against any tax or across any taxes for which such a business is liable. The credit is an amount equal to the costs the business incurred to delegate and compensate, or to compensate, each such employee. For any tax, the credit is to be claimed for the tax accounting period in which the costs were incurred, and cannot exceed the tax for which the business is liable in that period. If any amount of the credit remains after it has been claimed against a tax, the credit may be claimed against other taxes for which the business is liable until the credit is exhausted. The Tax Commissioner must determine the taxes to which the credit applies, how the credit may be claimed across taxes and in relation to any other credits the business may be allowed, and the evidence the business must submit to prove that it is allowed the credit and to ensure that the credit is accurately computed and applied. The credit is disallowed if any such evidence is not timely submitted. (R.C. 101.88(B).)

#### **HISTORY**

ACTION DATE

Introduced 03-10-09

h0066-i-128.docx/kl