
Detailed Fiscal Analysis

The bill requires the Ohio Department of Development (ODOD) to conduct an annual survey of companies that have chosen to leave Ohio since calendar year 2007 and compile relevant information in a report identifying the reasons why these companies have chosen to relocate. The bill requires that the report include the reasons for a company's departure from the state, the company's contribution to the state's employment and tax base, the costs to the state as a result of the company's departure, and other relevant attributes of the departed or departing company. The report is to be submitted annually no later than July 31st to the majority and minority leadership as well as the clerks of both chambers of the General Assembly.

Although the bill does not specify the ODOD division or office that would be responsible for conducting the survey and publishing the report, the Office of Policy, Research, and Strategic Planning would most likely undertake this function. The Office is the unit within the Department that is responsible for researching and providing data on the state's economic and demographic characteristics and trends. Among other activities, the Office conducts an annual, ongoing survey of private investment projects undertaken in the state that involve business expansion or location in Ohio. This survey, referred to as the Private Investment Survey, collects data from a number of sources, including voluntary information from companies, media reports, and subscriptions to bidding opportunity reports for construction projects. The Office compiles this information in a database, the annual cost of which is estimated by ODOD to be approximately \$35,000.

The costs associated with producing the report required by the bill would likely be less than those associated with the Private Investment Survey, for which a database must be maintained. Nevertheless, initial costs to create the survey could be in the thousands to tens of thousands of dollars. There would also be some annual recurring cost for conducting the company surveys and preparing the report. These expenses would be paid out of line item 195684, Supportive Services, within the Supportive Services Fund (Fund 1350), the account used for ODOD's central administrative expenses. The fund is capitalized by assessments on ODOD's operating divisions. The fund supports the Office of Policy, Research, and Strategic Planning, as well as ODOD's other central administrative services such as the Director's Office, Legal Office, Office of Information Technology, and others. The line item receives appropriations of approximately \$10.3 million in each fiscal year under H.B. 1, the FY 2010-FY 2011 budget act.