



Ohio Legislative Service Commission

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Fiscal Note & Local Impact Statement

Bill: Sub. H.J.R. 9 of the 128th G.A.

Date: May 14, 2010

Status: As Reported by House Judiciary

Sponsor: Reps. Huffman and Yates

Local Impact Statement Procedure Required: No — Not required for joint resolutions

Contents: Proposes to amend Section 6 of Article IV and repeal Sections 19 and 22 of Article IV of the Constitution of Ohio to change the age at and after which a person may not be elected or appointed to a judicial office and to eliminate the authority of the General Assembly to establish courts of conciliation and to reappoint a Supreme Court commission

State Fiscal Highlights

STATE FUND	FY 2011	FY 2012 – FUTURE YEARS
GRF (Controlling Board line item 911441)		
Revenues	- 0 -	- 0 -
Expenditures	Likely one-time cash transfer of up to \$200,000 or more to Fund 5FH0	- 0 -
Secretary of State – Statewide Ballot Advertising Fund (Fund 5FH0)		
Revenues	Likely one-time gain of up to \$200,000 or more in GRF cash reimbursement transfer	- 0 -
Expenditures	Likely increase of up to \$200,000 or more for ballot advertising costs	- 0 -
Public Employees Retirement System (PERS)		
Revenues	- 0 -	- 0 -
Expenditures	- 0 -	Potential savings if certain officeholders do not retire, annual magnitude uncertain

Note: The state fiscal year is July 1 through June 30. For example, FY 2010 is July 1, 2009 – June 30, 2010.

- **Ballot advertising costs.** Appropriations made to the Controlling Board, typically GRF line item 911441, Ballot Advertising Costs, would be used to reimburse the Secretary of State for all expenses the Secretary of State incurs to advertise the ballot issue statewide. The funds to reimburse the Secretary of State are transferred by the Controlling Board to the Statewide Ballot Advertising Fund (Fund 5FH0). The amount of cash that would be transferred from the GRF to Fund 5FH0 could be up to \$200,000 or more.
- **Public Employees Retirement System (PERS).** To the extent that judicial officeholders choose to defer retirement and continue working up to age 75, PERS would presumably save, for the time being, any expenditures associated with

providing retirement benefits to that judicial officeholder. The magnitude of this potential savings annually is uncertain.

Local Fiscal Highlights

- **County boards of elections.** County boards of elections may incur some small additional expense for printing the language of the proposed amendment on ballots. This would be the case for all counties to print the necessary absent voter and provisional ballots. In addition, counties using optical scan ballots would also incur some additional cost for printing this language on ballot forms.
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Detailed Fiscal Analysis

Overview

The resolution proposes to include a constitutional amendment on the ballot of the statewide election on November 2, 2010. The constitutional amendment proposes to: (1) amend Section 6 of Article IV of the Constitution of Ohio to change the age at or after which a person may not be elected or appointed to a judicial office from 70 to 75 and (2) repeal Sections 19 and 22 of Article IV of the Constitution of Ohio to eliminate the authority of the General Assembly to establish courts of conciliation and to reappoint a Supreme Court commission.

Ballot advertising costs

If both houses of the General Assembly concur in the resolution, the Secretary of State would incur costs for ballot advertising under Section 1 of Article XVI of the Constitution of Ohio, which requires that the ballot language, the explanations, and the arguments, if any, be published once a week for three consecutive weeks preceding such election, in at least one newspaper of general circulation in each county of the state, where a newspaper is published.

Appropriations made to the Controlling Board, typically GRF line item 911441, Ballot Advertising Costs, are used to reimburse the Secretary of State for all expenses the Secretary of State incurs for such advertising. The funds to reimburse the Secretary of State are transferred by the Controlling Board to the Statewide Ballot Advertising Fund (Fund 5FH0).

The Secretary of State spent \$567,095 in ballot advertising costs for the three statewide issues that appeared on the November 2009 ballot. Statewide advertising costs for this resolution, because it involves a single ballot issue, would likely be considerably less.

County boards of elections may incur some small additional expense for printing the language of the proposed amendment on ballots. This would be the case for all counties to print the necessary absent voter and provisional ballots. In addition,

counties using optical scan ballots would also incur some additional cost for printing this language on ballot forms.

Repealed sections of the Constitution of Ohio

If approved by the voters, the repeal of Sections 19 and 22 of Article IV of the Constitution of Ohio will have no direct fiscal effect on the state or any of its political subdivisions. This is because Ohio does not utilize courts of conciliation or a Supreme Court commission.

Public Employees Retirement System (PERS)

If approved by the voters, the resolution would impact PERS pension benefits and pension fund assets; therefore, it could also indirectly affect employer and employee contributions in the future. Extending the ability of a person to remain in a judicial office from the age of 70 to the age of 75 would yield some potential savings to PERS. Judicial officeholders are not required to enroll in PERS, however, many choose to do so. To the extent that judicial officeholders choose to defer retirement and continue working up to age 75, PERS would presumably save, for the time being, any expenditures associated with providing retirement benefits to that judicial officeholder. The magnitude of these potential savings annually is uncertain.