



# Ohio Legislative Service Commission

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## Fiscal Note & Local Impact Statement

**Bill:** S.B. 45 of the 128th G.A.

**Date:** April 16, 2009

**Status:** As Introduced

**Sponsor:** Sen. Kearney

**Local Impact Statement Procedure Required:** No — Minimal cost

**Contents:** To enact section 3701.67 of the Revised Code regarding vermin infestations in apartments

### State Fiscal Highlights

STATE FUND	FY 2010 and FUTURE YEARS
<b>General Revenue Fund</b>	
Revenues	- 0 -
Expenditures	Potential increase
<b>Fee Supported Fund (Fund 4700)</b>	
Revenues	Potential gain
Expenditures	Potential increase

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

- The bill permits the Director of Health to take action against an owner found to be in violation of the vermin eradication requirement. The bill also specifies fines for violations of this requirement. According to the Department of Health (ODH), at this time, it is unclear the level of involvement for the Department. It is also unclear who would receive fine revenues. It appears likely that ODH will experience an increase in expenditures for some enforcement activities, as well as administration and rule promulgation. The magnitude of the increase will be dependent upon the level of ODH's involvement. It is assumed that any costs would be paid from the General Revenue Fund or the Fee Supported Fund (Fund 4700). It is further assumed that any fine revenue collected and retained by ODH would be deposited in Fund 4700.

# Local Fiscal Highlights

## LOCAL GOVERNMENT

## FY 2010 and FUTURE YEARS

### Local Boards of Health

Revenues	Potential gain
Expenditures	Potential increase

Note: For most local governments, the fiscal year is the calendar year. The school district fiscal year is July 1 through June 30.

- It appears that most local boards of health are currently involved with vermin infestations within their health districts through inspections and interventions. As a result, the bill would have no costs for these boards. However, it is possible that costs could increase for any local boards of health that are not. Also, it is possible that the bill could expand the definition of "vermin" for some local boards of health. If this occurs, these boards could experience an increase in costs. The fines could help offset costs for those incidents that go beyond a warning letter.

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## Detailed Fiscal Analysis

The bill requires the owner of an apartment building containing more than 30 dwelling units to eradicate vermin infestation from the building. Vermin is defined as "any noxious, objectionable, or disgusting insect or animal, including lice, bedbugs, cockroaches, mice, and rats." The bill permits any person to file a complaint with the Director of Health or the entity charged with enforcing this section. The Director must investigate each complaint promptly. The Director may take action against an owner found to be in violation of the vermin eradication requirement. For a first violation, the Director may issue a warning letter. For a second violation, the bill specifies a fine of \$500. For each subsequent violation, the amount of the fine is twice the amount of the most recently imposed fine.

According to the Ohio Department of Health (ODH), it is unclear what role it will play in the enforcement of this section. It is also unclear who will receive the fine revenues from violations of the bill. ODH will experience an increase in expenditures for enforcement activities, as well as administration and rule promulgation. The magnitude of the increase will be dependent upon the level of ODH's involvement with enforcement activities. It is assumed that any costs would be paid from the General Revenue Fund or the Fee Supported Fund (Fund 4700). It is further assumed that any fine revenue would be deposited in Fund 4700.

LSC assumes that local boards of health would be involved with the majority of enforcement of this section. According to the Association of Ohio Health Commissioners, most, if not all, local boards of health are currently involved in vermin infestations within their health districts through inspections and interventions. The Association maintains that the fine structure proposed in the bill would help offset the cost of enforcement for those incidents that go beyond a warning letter (assuming that the enforcer keeps the fine revenue). According to the Association, no fine revenues are currently collected for these violations.

It is possible that costs could increase for local boards of health that are not currently involved in vermin control measures. It is unknown how many boards, if any, are not. Also, it is possible that the bill could expand the definition of "vermin" for some local boards of health. If this occurs, these boards could experience an increase in costs. The fines could help offset costs for those incidents that go beyond a warning letter.