



Ohio Legislative Service Commission

Joseph Rogers

Fiscal Note & Local Impact Statement

Bill: [S.B. 228 of the 130th G.A.](#)

Date: November 20, 2013

Status: As Reported by Senate Finance

Sponsor: Sen. Widener

Local Impact Statement Procedure Required: No

Contents: Controlling Board authority

State Fiscal Highlights

- The bill may result in some increase in the time and effort that a state agency takes to prepare certain Controlling Board requests, the costs of which are likely to be negligible annually.

Local Fiscal Highlights

- No direct fiscal effect on political subdivisions.

Detailed Fiscal Analysis

The bill imposes a limitation on the Controlling Board's authority to approve the expenditure of certain federal and nonfederal funds, including stipulating that the amount of any expenditure authorized by the Board in any fiscal year cannot exceed an amount greater than 1% of the GRF appropriations for that fiscal year. A review of the Board's online meetings and agendas from 2007 through October 2013 suggests that extremely few of the fund/appropriation requests approved by the Board might have exceeded the 1% GRF threshold that would have been applicable prior to FY 2014.

In FY 2014, the above-noted provision will limit the authority of the Board to approve requests for appropriation increases in excess of \$302.6 million. In FY 2015, that limit will be \$317.0 million. This may create a situation in the future where a state agency would have to pursue other alternatives to increase or establish an appropriation, which presumably could include enactment of the necessary legislation by the General Assembly. The pursuit of such alternatives may delay activities and services that the agency might otherwise have performed sooner if such a request could have been submitted to the Board. Costs associated with such a delay, if any, are uncertain.

The bill also requires a state agency submitting a request to approve the making of a purchase, to provide the Board certain information when: (1) a proposed supplier, or subcontractor, is not headquartered in Ohio, and/or (2) any entity headquartered in Ohio was contacted or did not respond to a request for proposals. A state agency will likely have to expend additional time and effort to collect and provide this information to the Board for certain purchase requests, with at most a negligible increase in the agency's annual operating costs.