



# Ohio Legislative Service Commission

*Terry Steele*

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## Fiscal Note & Local Impact Statement

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**Bill:** Sub. S.J.R. 9 of the 130th G.A. **Date:** December 4, 2014

**Status:** As Reported by Senate State Government Oversight & Reform **Sponsor:** Sen. Faber

**Local Impact Statement Procedure Required:** No

**Contents:** Proposes a constitutional amendment to create the Public Office Compensation Commission and specifies the Commission's responsibilities

### State and Local Fiscal Highlights

- The resolution proposes to establish the Public Office Compensation Commission, which is responsible for reviewing the compensation for each elected public official in the state and preparing a proposed compensation plan and report. Ultimately, this includes a final compensation plan that sets forth the compensation for each elected public official.
- The proposed constitutional amendment would be placed on the May 5, 2015 special election ballot. Appropriations made to the Controlling Board under GRF appropriation item 911411, Ballot Advertising Costs, are used to reimburse the Secretary of State for expenses incurred in advertising the ballot issue statewide. The amounts of the reimbursements approved by the Controlling Board are transferred to the Statewide Ballot Advertising Fund (Fund 5FH0) under the Secretary of State's budget.

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## **Detailed Fiscal Analysis**

### **Public Office Compensation Commission**

The resolution proposes the creation of the Public Office Compensation Commission under the Ohio Constitution. If approved by the General Assembly, the issue would appear on the May 5, 2015 special election ballot. The proposed Commission consists of nine members: two members appointed by the Governor; two members appointed by the President of the Senate; two members appointed by the Speaker of the House of Representatives; one member appointed by the Minority Leader of the Senate; one member appointed by the Minority Leader of the House of Representatives; and one member appointed by the Chief Justice of the Supreme Court. The Commission is required to meet each even-numbered year to review the current compensation of each elected public official in the state. After completing this review, the Commission, by a vote of at least five members, is required to prepare a proposed compensation plan that sets forth the compensation of each elected public official in the state. A detailed description of the factors the Commission is required to use in conducting this review can be found in the LSC Bill Analysis.

The proposed plan must be presented at not less than three public hearings in the state. After conducting these public hearings, the Commission, by a vote of at least five members, shall issue a final compensation plan that sets forth the compensation of each elected public official. Any new compensation amounts contained in the plan take effect on the first day of July in the following odd-numbered year unless, before that day, the General Assembly, by a three-fifths vote, rejects a portion of, or the entire compensation plan. Members of the Commission are not compensated, but do receive reimbursement for any expenses incurred in carrying out their duties. The resolution does not specify from where these reimbursements, or any other expenses incurred by the Commission, would be paid. Presumably, these costs would be covered by appropriations under the budgets for the House of Representatives, the Senate, and the Judiciary/Supreme Court.

### **Special election and ballot advertising costs**

If both houses of the General Assembly approve the resolution and the issue is placed on the statewide ballot for the May 5, 2015 special election, the Secretary of State would incur costs for ballot advertising under Section 1 of Article XVI of the Ohio Constitution. Section 1 requires that the ballot language, the explanations, and arguments, if any, be published once a week for three consecutive weeks preceding an election in at least one newspaper of general circulation in each county of the state where a newspaper is published.

The ballot advertising costs that the Secretary of State incurs are paid for on a reimbursement basis from GRF moneys appropriated to the Controlling Board, specifically GRF line item 911441, Ballot Advertising Costs. Once authorized, the reimbursable amounts are transferred by the Controlling Board to the Statewide Ballot

Advertising Fund (Fund 5FH0) under the Secretary of State's budget. Ballot advertising expenses incurred statewide depend on the length of the ballot language. As a guide, the Secretary of State spent \$447,473 in ballot advertising costs for statewide issues that appeared on the ballot during FY 2014. Statewide ballot advertising costs for this resolution, because it involves a single ballot issue, would likely be considerably less. Additionally, in cases where a special election is held for the purposes of voting on a proposed constitutional amendment, the state is responsible for paying the costs of the election if no other issue is on the ballot. However, in cases in which a special election is held, and political subdivisions have local issues on the ballot in addition to a proposed constitutional amendment, the state is responsible for a portion of the costs based on the ratio of the total number of issues on the ballot. As an example, during the May 7, 2013 primary/special election, there were only 16 counties that did not conduct an election. The Ohio Secretary of State estimates that the cost of conducting a special election can range from \$800 to \$1,500 per precinct. This range is fairly large, with urban areas typically falling on the higher end and rural counties falling on the lower end. Additionally, a political subdivision is more likely to have more precincts open, produce more ballots, and have more poll workers working in larger voting areas or in cases where larger turnouts are anticipated due to the nature of the ballot item.

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