



Ohio Revised Code

Section 103.143 Local impact statement of net additional cost to school districts, counties, townships, or municipal corporations.

Effective: September 5, 2001

Legislation: House Bill 94 - 124th General Assembly

In addition to its duties under section 103.14 of the Revised Code, the legislative service commission shall, in accordance with this section, review all bills assigned to a committee of the general assembly, complete the appropriate local impact statements required by this section, and compile and distribute these statements as required by division (D) of this section.

(A) Subject to division (F) of this section, whenever any bill is introduced into either house of the general assembly and receives second consideration pursuant to the rules of that house, the bill shall be reviewed immediately by the legislative budget officer. Upon completing this review, the legislative budget officer shall determine whether the bill could result in a net additional cost to school districts, counties, townships, or municipal corporations from any new or expanded program or service that school districts, counties, townships, or municipal corporations would be required to perform or administer under the bill. If the legislative budget officer determines that it could result in such a cost, the legislative service commission shall prepare a local impact statement in the manner specified in this section. Immediately upon determining the potential for a net additional cost, the legislative budget officer shall notify the sponsor of the bill, the chairperson of the committee to which the bill has been assigned, and the presiding officer and minority leader of the house in which the bill originates of the legislative budget officer's determination by signing and dating a statement to be delivered to them.

If a local impact statement is required, the legislative service commission shall, as soon as possible but no later than thirty days after the date the bill is scheduled for a first hearing in a committee in the house in which the bill was introduced or no later than thirty days after being requested to do so by the chairperson of such a committee, prepare a statement containing the most accurate estimate possible, in dollars, of the net additional costs, if any, that will be required of school districts, counties, townships, or municipal corporations to perform or administer a new or expanded program or service required under the bill. Copies of this statement shall be sent to the governor, the speaker of the house of representatives, the president of the senate, the sponsor of the bill, the minority leader



in both houses, and the chairperson of the committee to which the bill has been assigned.

No bill for which a local impact statement is required by this section shall be voted out of committee until after the committee members have received and considered the statement or, if the bill was amended in committee, the revised statement, unless the bill is voted out of committee by a two-thirds vote of the membership of the committee.

(B) In preparing a local impact statement, the legislative service commission may request any department, division, institution, board, commission, authority, bureau, or other instrumentality or officer of the state, a school district, a county, a municipal corporation, or a township to provide any of the following information:

(1) An estimate, in dollars, of the amount by which the bill would increase or decrease the revenues received or expenditures made by the instrumentality, officer, or entity;

(2) Any other information the legislative service commission considers necessary for it to understand or explain the fiscal effect of the bill.

An instrumentality, officer, or entity shall comply with a request as soon as reasonably possible, but not later than fifteen days, after receiving it. The legislative service commission shall specify the manner of compliance in its request, and if necessary may specify a period of time longer than fifteen days for compliance. The legislative service commission may consider any information provided under division (B)(1) or (2) of this section in preparing a local impact statement.

(C) Any time a bill is amended, the legislative service commission shall, as soon as reasonably possible, revise the local impact statement to reflect changes made by amendment.

(D) The legislative service commission shall annually compile the final local impact statements completed for all laws passed by both houses of the general assembly in the preceding year. It shall send a copy of this compilation as a draft report to associations or nonprofit organizations formed for the improvement of school districts or municipal, township, or county government or for their elected officials by the last day of July of each year. Upon receiving the draft report, these associations and organizations may comment about the actual fiscal impact of bills passed during the



year covered by the report and forward those comments to the legislative service commission by the last day of August. The legislative service commission shall then prepare a final report consisting of the compiled local impact statements and all forwarded comments. The final report shall be completed by the last day of September and copies of the report shall be sent to the governor, the speaker of the house of representatives, and the president of the senate.

(E) As used in this section, "net additional cost" means any cost incurred or anticipated to be incurred by a school district, county, township, or municipal corporation in performing or administering a new or expanded program or service required by a state law other than any of the following:

(1) A cost arising from the exercise of authority granted by a state law rather than from the performance of a duty or obligation imposed by a state law;

(2) New duties or obligations that create only a minimal cost for affected school districts, counties, townships, or municipal corporations. The legislative service commission shall determine what constitutes such a minimal cost. Before making this determination, the legislative service commission shall notify the state organizations that represent school districts, counties, townships, and municipal corporations regarding the proposed determination and provide a thirty-day period for these organizations and individual school districts, counties, townships, and municipal corporations to comment on it.

(3) A cost arising from a law passed as a result of a federal mandate.

The amounts described in division (E)(2) of this section include only the amounts remaining after subtracting from such costs any revenues received or receivable by the school district, county, township, or municipal corporation on account of the program or service, including the following:

(a) Fees charged to the recipients of the program or service;

(b) State or federal aid paid specifically or categorically in connection with the program or service;

(c) Any offsetting savings resulting from the diminution or elimination of any other program or



service directly attributable to the performance or administration of the required program or service.

(F) This section does not apply to any of the following:

- (1) The main biennial operating appropriations bill;
- (2) The biennial operating appropriations bill for state agencies supported by motor fuel tax revenue;
- (3) The biennial operating appropriations bill or bills for the bureau of workers' compensation and the industrial commission;
- (4) Any other bill that makes the principal biennial operating appropriations for one or more state agencies;
- (5) The bill that primarily contains corrections and supplemental appropriations to the biennial operating appropriations bills;
- (6) The main biennial capital appropriations bill;
- (7) The bill that primarily contains reappropriations from previous capital appropriations bills.