



Richard Bloedel

Bill Analysis
Legislative Service Commission

S.B. 246

123rd General Assembly
(As Introduced)

Sens. Wachtmann, Mumper, Brady

BILL SUMMARY

- Requires the Ohio Turnpike Commission to issue bonds only as authorized by the General Assembly by law and to use the bond proceeds to pay costs of turnpike projects designated by the General Assembly by law.
- Creates the Ohio Turnpike Revenue Fund in the state treasury and requires the Commission to deposit all its money into the fund except as the Commission is prohibited from doing so by agreements the Commission enters into before the effective date of the bill.
- Requires that Turnpike Commission revenues and proposed expenses be included in the executive budget that the Governor submits to the General Assembly.
- Requires the Commission to adopt its rules under the Administrative Procedure Act and applies to Commission rules the same filing and periodic review requirements that apply to rules adopted by most other state agencies.

CONTENT AND OPERATION

General Assembly authorization required for the issuance of Ohio Turnpike Commission bonds

Existing law empowers the Ohio Turnpike Commission to issue revenue bonds--payable from tolls and other revenue of the Commission--to pay costs of constructing turnpike projects. On and after its effective date, the bill subjects this power to the requirements that the Commission (1) issue bonds only as authorized by the General Assembly by law and (2) use the bond proceeds to pay costs of any one or more turnpike projects designated by the General Assembly by law. (Secs. 5537.04(A)(6), 5537.041, and 5537.08.)

Inclusion of Turnpike Commission finances in the executive budget

At present the Turnpike Commission operates "off-budget," i.e., its operating revenues and proposed expenses are not included in the executive budget that the Governor submits to the General Assembly each biennium, and money for its operations and activities are not subject to appropriation by the General Assembly.

The bill changes this situation by:

(1) Creating, effective July 1, 2001, the Ohio Turnpike Revenue Fund in the state treasury and requiring the Commission to deposit into the fund all money coming into its possession or under its control--except as the Commission is prohibited from doing so by bond agreements or other private contracts that are in effect on the effective date of the bill. Money in the Ohio Turnpike Revenue Fund is to be used by the Commission in accordance with appropriations made by the General Assembly. Investment earnings on money in the fund is to be credited to the fund.

(2) Requiring the Commission to prepare its budget request and estimates of revenues and proposed expenditures from the Ohio Turnpike Revenue Fund as required by the Director of Budget and Management--the same as most other state agencies are required to do. (Sec. 5737.042.)

New requirements for administrative rules of the Turnpike Commission

Existing law authorizes the Turnpike Commission to adopt rules for the use of any turnpike project and bylaws or rules for the control and regulation of traffic on any turnpike project, the protection and preservation of property under its jurisdiction and control, and the maintenance and preservation of good order within such property. The bill eliminates references to the adoption of bylaws on these matters, since bylaws are properly adopted for the conduct of an agency's internal affairs. (Secs. 5537.04(A)(5) and 5537.16.) Rules, by contrast, are properly adopted for the regulation of matters that affect the public.

Currently rules of the Turnpike Commission are adopted under R.C. 111.15, which does not require public hearings. With one exception, the bill requires Commission rules to be adopted under R.C. Chapter 119. (the Administrative Procedure Act), which does require public hearings. The exception pertains to rules that change the toll rate structure, which must comply with the public notice requirements of existing law, namely, at least three public hearings at least 90 days prior to a Commission vote to change the toll rate structure. (Sec. 5537.04(C).)

The bill also requires the Commission, not later than 30 days after the effective date of the bill, to (1) file with the Secretary of State and the Director of the Legislative Service Commission two copies of each of its rules that is in effect on January 1, 2000 and that it wishes to continue beyond that date and (2) assign a review date to each of these rules such that approximately one-fifth of its rules will be scheduled for review each year in every five-year period. The same requirements already apply to most other state agencies. Any Turnpike Commission rule in effect on January 1, 2000 that is not filed in compliance with these requirements will be void on the 31st day after the effective date of the bill. (Section 3.) The bill also voids, on the 120th day after the effective date of the bill, any rule the Commission adopts on or after January 1, 2000 and before the effective date of the bill unless, in the meantime, the Commission adopts the rule under the Administrative Procedure Act (Section 4).

Additionally, the bill requires the Commission, within 120 days after the effective date of the bill, to amend or rescind as appropriate any Commission rules that were in effect on January 1, 2000 to bring all Commission rules into harmony with each other (Section 5).

HISTORY

ACTION	DATE	JOURNAL ENTRY
Introduced	01-26-00	p. 1347

S0246-I.123/jc