Bill Analysis

Bill Rowland *Legislative Service Commission*

H.B. 271

125th General Assembly
(As Introduced)

Reps. **McGregor, Cirelli, Fessler, Grendell, Hughes, Kearns, Latta, Seaver, Schaffer, J. Stewart, Wagner, Webster, Willamowski, Williams**

BILL SUMMARY

- Prohibits a state agency or state-assisted entity from increasing the salary of an executive, or from increasing an executive's employee benefits, if the salary of that executive equals or exceeds, or with the increase would equal or exceed, the Governor's annual salary.

- Establishes other salary and benefit requirements related to executives.

- Provides for the bill's purpose that an "executive" means a person who holds a managerial or supervisory position in a state agency or state-assisted entity, including a person who is a member of a state board or commission, but not including a person who holds a teaching or research position or who holds an elective state office with a salary set by statute.

CONTENT AND OPERATION

The bill establishes limitations on the amount of salary and benefits of certain high-ranking employees of state agencies[1] and state-assisted entities referred to as "executives" in the bill. An "executive" is defined to mean a person who holds a managerial or supervisory position in a state agency or state-assisted entity, including a person who is a member of a state board or commission, but not including a person who holds a teaching or research position or who holds an

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[1] *"State agency" means every organized body, office, or agency established by the laws of Ohio for the exercise of any function of state government and includes, but is not limited to, the General Assembly, any legislative agency, the courts, any judicial agency, any state-supported or state-assisted institution of higher education, the Ohio Police and Fire Pension Fund, the Public Employees Retirement System, the School Employees Retirement System, the State Highway Patrol Retirement System, and the State Teachers Retirement System. (R.C. 141.20(A)(2).)*

elective state office with a salary explicitly set by statute. The bill defines a "state-assisted entity" to mean any private entity that receives funds from the state or a state agency, whether by appropriation or by any other type of payment, to perform an activity on behalf of the state or a state agency. (R.C. 141.20(A).)

With respect to specific salary and benefit limitations established by the bill, a state agency or state-assisted entity is prohibited from doing any of the following:

(1) Increasing the annual salary of an executive, or increasing an executive's employee benefits, if the executive's salary equals or exceeds, or with the increase would equal or exceed, the Governor's annual salary. The Governor's annual salary through calendar year 2006 is $130,292 and is scheduled to increase by a formula established in statute in calendar years 2007 and 2008 (R.C. 124.15 and 141.20(B)).[2]

(2) Initially employing an executive at a salary that exceeds the Governor's annual salary, or providing an executive being initially employed with employee benefits that exceed the value of the employee benefits that were provided to the executive's immediate predecessor (R.C. 141.20(C)).

(3) Paying or reimbursing an executive in any fiscal year for more than $1,000 in expenses that the executive incurs because of travel outside this state in the performance of official duties. (R.C. 126.31 and 141.20(D).)

HISTORY

ACTION	DATE	JOURNAL ENTRY
Introduced	09-09-03	p. 1044

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[2] *R.C. 141.011(A), not in the bill.*