



Ohio Legislative Service Commission

Bill Analysis

Megan Cummiskey

Am. Sub. H.B. 661 130th General Assembly (As Passed by the House)

Reps. Stebelton, Amstutz, Boose, Brown, Hackett, Hill, Letson, Maag, McClain, Ruhl, Scherer, Sears, Smith, Terhar, Batchelder

BILL SUMMARY

- Reinstates an annual cost-of-living adjustment (COLA) for the salaries of General Assembly members, beginning in 2017 and lasting through 2023; the COLA is the lesser of 3% or the percentage increase, if any, in the consumer price index (CPI) for the previous year.
- Reinstates the same annual COLA for the salaries of the Governor, Lieutenant Governor, Secretary of State, Auditor of State, Treasurer of State, and Attorney General, beginning in 2017 and lasting through 2023.
- Increases the annual salaries of the Supreme Court justices and the judges of the courts of appeals, courts of common pleas, municipal courts, and county courts by 5% in 2015 through 2018.
- Increases these judicial salaries in 2019 through 2023 by an amount equal to the adjustment percentage for the specific year multiplied by the preceding year's compensation.
- Increases the annual salaries of county auditors, county treasurers, sheriffs, common pleas court clerks, county recorders, county commissioners, prosecuting attorneys, county engineers, and coroners in 2015 and 2016.
- Increases the annual salaries of these county elected officers in 2017 and in each year thereafter by a COLA of the lesser of 3% or the percentage increase, if any, in the CPI for the previous year.
- Reduces from eight to six the number of population classes that are used to determine the salaries of county elected officers.

- Increases the per diem compensation amount for township trustees and the annual compensation of township fiscal officers in 2015.
- Increases the township trustees' and township fiscal officers' compensation in 2016 and in each year thereafter by a COLA of the lesser of 3% or the percentage increase, if any, in the CPI for the previous year.
- Revises the monetary size of the budgetary amounts that determine the pay ranges for township trustees and township fiscal officers.
- Increases the annual compensation of members of boards of elections by 5% in 2015 and by 5% in 2016, and increases their annual compensation in 2017 and in each year thereafter by a COLA of the lesser of 3% or the percentage increase, if any, in the CPI for the previous year.
- Establishes the Ohio Elected Official Compensation Commission and requires the Commission to recommend to the General Assembly pay schedules and additional compensation amounts for state and local government elected officials.
- Requires the Commission to make its recommendations by adopting a resolution and submit the resolution to the General Assembly in odd-numbered years or more frequently if the General Assembly takes no action regarding the resolution or directs the Commission to revise its recommendations.
- Requires the Governor to consider, as part of the state budget proposal, a resolution adopted by the General Assembly approving the resolution adopted by the Commission and any recommended statutory changes necessary to implement the Commission's resolution.
- Appropriates \$2,633,139 from the General Revenue Fund in FY 2015 to pay for the increases in the judicial salaries under the bill.
- Appropriates \$12 million in fiscal year 2015 to reimburse counties and townships for the costs of providing pay raises to elected officials.

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CONTENT AND OPERATION

Overview and background

The bill increases the compensation of General Assembly members; the Governor, Lieutenant Governor, Secretary of State, Auditor of State, Treasurer of State, and Attorney General; justices of the Supreme Court; judges of the courts of appeals, courts of common pleas, municipal courts, and county courts; county auditors, county treasurers, sheriffs, common pleas court clerks, county recorders, county commissioners, prosecuting attorneys, county engineers, and coroners (nonjudicial county elected officers); township trustees and fiscal officers; and members of boards of elections. The last act that increased the salaries of these officials was Sub. H.B. 712 of the 123rd General Assembly, which took effect December 8, 2000. The reason the General Assembly revises the salaries of these officials by enacting a bill is because the Ohio Constitution requires that General Assembly members receive a fixed compensation, to be prescribed by law,¹ and that the compensation of justices and judges be provided by law.² In addition, the Ohio Constitution requires the General Assembly, in cases not provided for in the Constitution, to fix the compensation of all other officers.³ No entity other than the General Assembly, and the people, by initiative, can enact laws. And the Ohio Constitution states that laws (statutes) must be enacted by passing bills, which is a power vested in the General Assembly.⁴

¹ Ohio Constitution, Article II, Section 31.

² Ohio Constitution, Article IV, Section 6.

³ Ohio Constitution, Article II, Section 20. The Ohio Supreme Court has ruled that the General Assembly cannot delegate the authority to fix the compensation of officers conferred upon it by this constitutional provision. *Neff v. Bd. of County Commissioners*, 166 Ohio St. 360 (1957); *State ex rel. Godfrey v. O'Brien*, 95 Ohio St. 166 (1917).

⁴ Ohio Constitution, Article II, Section 15(A).



In the 2000 act, salaries were increased and then indexed to the consumer price index⁵ (CPI) each calendar year from 2002, 2003, 2004, or 2005 (depending on the group whose salaries were being increased) through 2008. The annual cost-of-living adjustment, or COLA, that was applied to the salaries was the lesser of 3% or the percentage increase, if any, in the CPI for the previous year (the bill uses this same COLA and CPI). Because the COLA ceased after 2008, salaries have not changed since that year. The exception to this appears to be members of boards of elections, whose salaries were not adjusted by the COLA, but instead were given 3% increases in 2001, 2002, and 2003, with no increases in 2004 or thereafter.⁶

Compensation of General Assembly members

During 2014, the annual salary of a member of the General Assembly is \$60,583. Members selected for leadership positions are paid more, in varying amounts, depending upon the position held. The bill's changes in R.C. 101.27(A) reflect what General Assembly members and members holding leadership positions are being paid in 2014 and are not an increase of their salaries.

Beginning in 2017, the bill reinstates the COLA that previously was applied to General Assembly members' salaries, and applies the COLA in 2017 and in each calendar year thereafter through 2023. The bill's COLA is applied as follows: the salary amounts in the immediately preceding calendar year are increased by the lesser of 3% or the percentage increase, if any, in the CPI over the 12-month period ending on September 30 of the immediately preceding year, rounded to the nearest one-tenth of 1%.⁷

General Assembly members who are mid-term at the beginning of the 131st General Assembly cannot receive the salary increases. The Ohio Constitution prohibits any change in the compensation of a member or an officer of the General Assembly that takes effect during the individual's term of office.⁸

⁵ The CPI used is the U.S. city average for urban wage earners and clerical workers: all items, 1982-1984=100. If that index is no longer published, a generally available comparable index may be used.

⁶ R.C. 3501.12.

⁷ R.C. 101.27(B).

⁸ Ohio Constitution, Article II, Section 31.



Compensation of statewide elected officers

The annual salaries in 2014 of the Governor, Lieutenant Governor, Attorney General, Auditor of State, Secretary of State, and Treasurer of State are as follows:

Officer	2014 Annual Salary
Governor	\$148,304
Lieutenant Governor	\$78,041 ⁹
Attorney General, Auditor of State, Secretary of State, and Treasurer of State	\$109,553

The bill continues, for the Governor's and Lieutenant Governor's salaries, the COLA currently applied annually through 2016. The salary amounts for those officers in calendar year 2015 and 2016 are to be the 2007 annual salary increased by the lesser of 3% or the percentage increase, if any, in the CPI from October 1, 2006, to September 30, 2007, rounded to the near one-tenth of 1%. With respect to the other statewide elected officers, the bill provides that their annual salaries will be \$109,985.92.

The bill further provides that for 2017 through 2023 the salary amounts in the immediately preceding calendar year for all the statewide elected officers will be increased by the lesser of 3% or the percentage increase, if any, in the CPI over the 12-month period ending on September 30 of the immediately preceding year, rounded to the nearest one-tenth of 1%.¹⁰

Judicial salary increases

The bill increases the salaries of justices of the Ohio Supreme Court and judges of the courts of appeals, courts of common pleas and divisions thereof, municipal courts, and county courts.¹¹ Justices and judges may receive salary increases during their terms of office because the Ohio Constitution does not prohibit in-term increases for them.¹²

⁹ The Lieutenant Governor instead draws her salary as the Superintendent of Insurance, which is \$150,404 per year.

¹⁰ R.C. 141.011.

¹¹ R.C. 141.04.

¹² Ohio Constitution, Article IV, Section 6. But this constitutional provision prohibits compensation from being diminished during a justice's or judge's term of office. *MacDonald v. Bell*, 23 Ohio App.2d 249 (7th Dist. Ct. App. 1970).



The bill's revisions that apply in 2014 merely reflect the amounts currently paid to justices and judges and are not salary increases. On January 1 of 2015 through 2018, the bill increases the judicial salaries in each of those years by 5% over the preceding calendar year.

For the years 2019 through 2023, the bill "increases the salaries by an amount equal to the adjustment percentage for the specific year multiplied by the compensation paid in the preceding year."¹³

The salaries of the chief justice and justices of the Supreme Court and of the courts of appeals are paid entirely by the state. The salaries of common pleas, municipal, and county court judges are paid in part by the state and in part by the relevant local government. The bill applies the 5% increase for 2015 through 2018 and to the aggregate judicial salaries, but it holds the local share at the current level, so that the state pays for all of the increases.

The following chart summarizes the bill's judicial salary provisions, and for common pleas, municipal, and county court judges, states their aggregate salaries:

Judicial Office	Annual Salary in 2014	Increases in 2015 through 2018	Increases in 2019 through 2023
Chief Justice, Supreme Court	\$150,850	5%	Adjustment percentage increase
Justice, Supreme Court	\$141,600	5%	Adjustment percentage increase
Court of Appeals Judge	\$132,000	5%	Adjustment percentage increase
Court of Common Pleas Judge	\$121,350	5%	Adjustment percentage increase
Municipal Court Judge (full-time and part-time in large jurisdictions) ¹⁴	\$114,100	5%	Adjustment percentage increase

¹³ R.C. 141.04(E).

¹⁴ A part-time judge of a municipal court that has a population of more than 50,000 in its territory receives the same salary as a full-time municipal court judge. If the presiding judge of a municipal court that has full-time judges or that has a population of more than 50,000 in its territory is also the administrative judge, that judge receives additional compensation of \$1,500, which is paid by the relevant local government or governments. R.C. 1901.11(B)(2) and (C), not in the bill.

Judicial Office	Annual Salary in 2014	Increases in 2015 through 2018	Increases in 2019 through 2023
Municipal Court Judge (part-time in small jurisdictions) ¹⁵	\$65,650	5%	Adjustment percentage increase
County Court Judge	\$65,650	5%	Adjustment percentage increase

Nonjudicial county elected officers

Overview

The bill has three major components that affect the compensation of county auditors, county treasurers, sheriffs, common pleas court clerks, county recorders, county commissioners, prosecuting attorneys, county engineers, and coroners (nonjudicial county elected officers). First, it increases the annual compensation they receive in calendar years 2015 and 2016. Second, the bill reinstates the annual COLAs for the officers, beginning in calendar year 2017 and in each calendar year thereafter. Last, the bill collapses the eight population classes presently used to determine the officers' salaries into six classes, starting in 2016. All of these components are discussed below. Because the change to the population classes is incorporated into the salary increases, it is discussed first.

New salary classification schedules

The salaries of the nonjudicial county elected officers are established by schedules that classify an officer according to the population of the county. In general, the larger the county population, the larger the salary. The bill maintains this system of classification, but reduces the number of population classes from eight to six, beginning in 2016. The bill's changes are shown in the following table:

¹⁵ A judge of a municipal court that has a population of 50,000 or less in its territory receives the same salary as a county court judge. All county court judges are part-time.



Former Classifications		2016 New Classifications	
Class	Population Range	Class	Population Range
1	1-20,000	1	1-55,000
2	20,001-35,000	2	55,001-95,000
3	35,001-55,000	3	95,001-200,000 ¹⁶
4	55,001-95,000	4	200,001-400,000
5	95,001-200,000 ¹⁷	5	400,001-1,000,000
6	200,001-400,000	6	1,000,001 or more
7	400,001-1,000,000		
8	1,000,001 or more		

Nonjudicial county elected officers' pay increases

The bill increases the annual compensation of nonjudicial county elected officers in 2015 and 2016, as reflected in the charts below. The percentages of the increases are not uniform for all of the county elected officials, but depend on the officer and the population of the officer's county. In general, the increases range from 1.5% to 17% and are paid by the county.

The bill reinstates the COLA that previously was applied to nonjudicial county elected officers' compensation, and applies the COLA in 2017 and in each calendar year thereafter.¹⁸ The COLA is applied to the officer's annual compensation in the immediately preceding calendar year and is the lesser of 3% or the percentage increase in the CPI over the 12-month period ending on September 30 of the previous year, rounded to the nearest one-tenth of 1%.

The increased salaries will not be available to a county elected officer who is mid-term. The Ohio Constitution prohibits any change in the compensation of an officer during the officer's existing term, unless the office is abolished.¹⁹

¹⁶ Under the bill, for coroners without a private practice, population class 3 is 175,001-200,000. See R.C. 325.15.

¹⁷ Under current law, for coroners without a private practice, population class 5 is 175,001-200,000.

¹⁸ R.C. 325.18.

¹⁹ Ohio Constitution, Article II, Section 20.



The following charts indicate the existing annual compensation of officers in 2014, which are not increases, and show the 2015 and 2016 increases, with the COLA first being applied in 2017 and then in each calendar year thereafter:

County Auditor²⁰				
Class	2014 Compensation	2015 Compensation	2016 Compensation	Compensation in 2017 and after
1	\$53,431	\$62,476	\$71,522	COLA
2	\$56,256	\$63,889	\$80,800	COLA
3	\$58,132	\$64,827	\$86,574	COLA
4	\$68,390	\$74,595	\$94,935	COLA
5	\$76,754	\$81,664	\$101,626	COLA
6	\$86,109	\$90,522	\$103,618	COLA
7	\$91,248	\$96,437		
8	\$93,985	\$98,802		

County Treasurer²¹				
Class	2014 Compensation	2015 Compensation	2016 Compensation	Compensation in 2017 and after
1	\$39,157	\$45,786	\$52,415	COLA
2	\$42,172	\$47,293	\$59,818	COLA
3	\$45,182	\$48,798	\$67,525	COLA
4	\$53,214	\$56,516	\$75,273	COLA
5	\$61,247	\$64,386	\$82,027	COLA
6	\$68,275	\$71,774	\$83,636	COLA
7	\$73,294	\$77,661		
8	\$75,860	\$79,748		

²⁰ R.C. 325.03.

²¹ R.C. 325.04.



Sheriff²²				
Class	2014 Compensation	2015 Compensation	2016 Compensation	Compensation in 2017 and after
1	\$47,900	\$56,234	\$64,568	COLA
2	\$50,912	\$57,740	\$72,898	COLA
3	\$52,922	\$58,745	\$82,832	COLA
4	\$61,664	\$67,281	\$92,797	COLA
5	\$75,131	\$78,981	\$99,236	COLA
6	\$84,170	\$88,484	\$101,182	COLA
7	\$89,190	\$94,213		
8	\$91,775	\$96,478		

Common Pleas Court Clerk^{23,24}				
Class	2014 Compensation	2015 Compensation	2016 Compensation	Compensation in 2017 and after
1	\$39,157	\$45,786	\$52,415	COLA
2	\$42,172	\$47,293	\$59,818	COLA
3	\$45,182	\$48,798	\$67,525	COLA
4	\$53,214	\$56,516	\$75,273	COLA
5	\$61,247	\$64,386	\$82,027	COLA
6	\$68,275	\$71,774	\$83,636	COLA
7	\$73,294	\$77,661		
8	\$75,860	\$79,748		

²² R.C. 325.06; counties are reimbursed by the state for one-eighth of the sheriff's salary and the state is to pay its relative share of PERS employer contributions and employer Medicare Part A contributions. However, state payment is conditioned upon appropriations being made by the General Assembly. Sheriffs only receive this additional compensation if adequate appropriations are made.

²³ R.C. 325.08. Under R.C. 2303.03 (not in the bill), a common pleas court clerk who also serves as the clerk of the court of appeals receives from the state one-eighth of the clerk's county-paid compensation. As county-paid compensation increases, the amount paid by the state also will increase.

²⁴ Under R.C. 1901.31 and 1907.20 (not in the bill), clerks serving as municipal or county court clerks are paid by the municipality or county an additional 25% of their county compensation. As their county compensation increases, so will this additional amount.



County Recorder²⁵				
Class	2014 Compensation	2015 Compensation	2016 Compensation	Compensation in 2017 and after
1	\$38,153	\$44,612	\$51,071	COLA
2	\$41,165	\$46,118	\$58,422	COLA
3	\$43,174	\$47,122	\$65,772	COLA
4	\$50,203	\$54,312	\$73,123	COLA
5	\$57,232	\$61,502	\$80,474	COLA
6	\$65,262	\$69,192	\$82,051	COLA
7	\$71,287	\$75,880		
8	\$74,423	\$78,237		

County Commissioner²⁶				
Class	2014 Compensation	2015 Compensation	2016 Compensation	Compensation in 2017 and after
1	\$37,353	\$43,677	\$50,000	COLA
2	\$40,888	\$45,444	\$62,498	COLA
3	\$44,421	\$47,211	\$74,996	COLA
4	\$55,524	\$59,011	\$87,494	COLA
5	\$65,620	\$70,308	\$99,992	COLA
6	\$76,976	\$82,235	\$101,953	COLA
7	\$87,075	\$93,534		
8	\$92,474	\$97,213		

Prosecuting Attorney with a Private Practice²⁷				
Class	2014 Compensation	2015 Compensation	2016 Compensation	Compensation in 2017 and after
1	\$54,218	\$63,397	\$72,575	COLA
2	\$56,226	\$64,401	\$77,792	COLA
3	\$58,234	\$65,405	\$83,009	COLA

²⁵ R.C. 325.09.

²⁶ R.C. 325.10.

²⁷ R.C. 325.11(A).



Prosecuting Attorney with a Private Practice²⁷				
Class	2014 Compensation	2015 Compensation	2016 Compensation	Compensation in 2017 and after
4	\$64,761	\$71,277	\$88,227	COLA
5	\$70,284	\$76,647	\$93,444	COLA
6	\$78,317	\$83,272	\$95,276	COLA
7	\$83,335	\$88,389		
8	\$86,418	\$90,847		

Prosecuting Attorney without a Private Practice²⁸				
Class	2014 Compensation	2015 Compensation	2016 Compensation	Compensation in 2017 and after
1	\$92,565	\$108,235	\$123,906	COLA
2	\$104,135	\$114,020	\$127,525	COLA
3	\$104,135	\$114,020	\$127,525	COLA
4	\$115,703	\$121,614	\$131,144	COLA
5	\$115,703	\$121,614	\$134,764	COLA
6	\$115,703	\$123,424	\$138,383	See the following paragraph
7	\$118,513	\$126,638		
8	\$121,323	\$129,853		

Under the bill, a prosecuting attorney in a county with a population of 1,000,001 or more (category 6) who does not engage in the private practice of law must receive in calendar year 2017 and in each calendar year thereafter annual compensation that is equal to the total compensation paid to a judge of the court of common pleas of that county for the same calendar year, reduced by \$100.²⁹

²⁸ R.C. 325.11(A). Under R.C. 325.111 (not in the bill), counties with a population of 70,000 or less receive from the state a reimbursement of 40% of the difference between the "without a private practice" salary and the "with a private practice" salary, and the state must pay its relative share of PERS employer contributions and employer Medicare Part A contributions. However, reimbursement is conditioned upon whether the state appropriates adequate funds. If not, counties are responsible for the state's share.

²⁹ R.C. 325.11(B).



County Engineer with a Private Practice³⁰				
Class	2014 Compensation	2015 Compensation	2016 Compensation	Compensation in 2017 and after
1	\$56,629	\$66,216	\$75,802	COLA
2	\$59,039	\$67,421	\$79,412	COLA
3	\$61,448	\$68,625	\$83,021	COLA
4	\$66,267	\$72,839	\$86,631	COLA
5	\$71,287	\$77,154	\$90,240	COLA
6	\$75,303	\$80,967	\$92,009	COLA
7	\$80,323	\$85,281		
8	\$83,455	\$87,732		

County Engineer without a Private Practice³¹				
Class	2014 Compensation	2015 Compensation	2016 Compensation	Compensation in 2017 and after
1	\$80,536	\$94,170	\$107,804	COLA
2	\$82,944	\$95,374	\$109,874	COLA
3	\$85,354	\$96,579	\$111,945	COLA
4	\$90,174	\$100,024	\$114,015	COLA
5	\$95,193	\$103,569	\$116,085	COLA
6	\$99,209	\$106,612	\$118,361	COLA
7	\$104,230	\$110,158		
8	\$107,357	\$112,859		

Coroner with a Private Practice³²				
Class	2014 Compensation	2015 Compensation	2016 Compensation	Compensation in 2017 and after
1	\$22,090	\$26,372	\$30,653	COLA
2	\$25,102	\$27,878	\$45,384	COLA
3	\$28,112	\$29,383	\$56,458	COLA

³⁰ R.C. 325.14.

³¹ R.C. 325.14.

³² R.C. 325.15.



Coroner with a Private Practice³²				
Class	2014 Compensation	2015 Compensation	2016 Compensation	Compensation in 2017 and after
4	\$41,165	\$43,275	\$69,739	COLA
5	\$51,209	\$53,833	\$81,708	COLA
6	\$63,255	\$66,497	\$83,310	COLA
7	\$71,287	\$76,498		
8	\$75,565	\$79,438		

Coroner without a Private Practice³³					
Class	2014 Compensation	2015 Compensation	Class	2016 Compensation	Compensation in 2017 and after
5	\$115,703	\$121,633	3	\$127,563	COLA
6	\$115,703	\$121,633	4	\$127,563	COLA
7	\$118,513	\$124,587	5	\$130,661	COLA
8	\$121,323	\$127,541	6	\$133,759	COLA

Salary increases for township trustees

Township trustees are paid an amount for each day of service, based on the monetary size of the township's budget. The days of service for which township trustees can be paid are capped at 200 days. The bill increases the compensation of township trustees in calendar year 2015, and revises the monetary ranges of the budgets they oversee.³⁴ For example, the smallest budget size for a township for 2014 is \$50,000 or less, for which a township trustee is paid \$25.72 per day for not more than 200 days, but for 2015, the smallest budget size is \$250,000 or less, for which a township trustee will be paid \$37.61 per day for not more than 200 days. The bill retains the existing law requirement that the number of days of service for which a township trustee can be paid cannot exceed 200 days.

In calendar year 2016 and in each calendar year thereafter, the bill requires reinstatement of the COLA whereby a township trustee's per day amounts are

³³ R.C. 325.15.

³⁴ R.C. 505.24(A).



increased by the lesser of 3% or the percentage increase, if any, in the CPI for the previous calendar year, rounded to the nearest one-tenth of 1%.³⁵

The increased salaries will not be available to a township trustee who is mid-term. The Ohio Constitution prohibits any change in the compensation of an officer during the officer's existing term, unless the office is abolished.³⁶

The following table shows the current budget sizes and per day pay for township trustees in 2014, and what the bill proposes for increases in 2015 and thereafter:

Township Trustees (Amount per day, not to exceed 200 days)				
2014 Budget Size	2014 Amount	Budget Size in 2015 and after	2015 Amount	Amount in 2016 and after
\$50,000 or less	\$25.72	\$250,000 or less	\$37.61	COLA
\$50,000.01-\$100,000	\$30.87	\$250,000.01-\$500,000	\$43.55	COLA
\$100,000.01-\$250,000	\$36.66	\$500,000.01-\$750,000	\$46.19	COLA
\$250,000.01-\$500,000	\$42.45	\$750,000.01- \$1.5 million	\$52.78	COLA
\$500,000.01-\$750,000	\$45.02	\$1,500,000.01-\$3.5 million	\$58.06	COLA
\$750,000.01- \$1.5 million	\$51.44	\$3,500,000.01- \$6 million	\$63.33	COLA
\$1,500,000.01-\$3.5 million	\$56.59	\$6,000,000.01-\$10 million	\$82.07	COLA
\$3,500,000.01- \$6 million	\$61.73	More than \$10 million	\$105.51	COLA
\$6,000,000.01-\$10 million	\$79.99			
More than \$10 million	\$102.84			

Salary increases for township fiscal officers

Like township trustees, township fiscal officers are paid a salary that is based on the monetary size of the township's budget. The bill increases the annual compensation

³⁵ R.C. 505.24(B).

³⁶ Ohio Constitution, Article II, Section 20.



of township fiscal officers in calendar year 2015, and also revises the budget sizes they manage. In calendar year 2016 and in each calendar year thereafter, the bill requires reinstatement of the COLA whereby the compensation paid to a township fiscal officer in the immediately preceding calendar year is increased by the lesser of 3% or the percentage increase, if any, in the CPI for the previous calendar year, rounded to the nearest one-tenth of 1%.³⁷

The increased salaries will not be available to a township fiscal officer who is mid-term. The Ohio Constitution prohibits any change in the compensation of an officer during the officer's existing term, unless the office is abolished.³⁸

The current budget sizes and annual compensation for township fiscal officers in 2014, and what the bill proposes for increases in 2015 and thereafter, are as follows:

Township Fiscal Officers				
2014 Budget Size	2014 Annual Compensation	Budget Size in 2015 and after	2015 Annual Compensation	2016 and after Annual Compensation
\$50,000 or less	\$4,502	\$250,000 or less	\$10,161	COLA
\$50,000.01-\$100,000	\$7,074	\$250,000.01-\$500,000	\$13,064	COLA
\$100,000.01-\$250,000	\$9,903	\$500,000.01-\$750,000	\$14,515	COLA
\$250,000.01-\$500,000	\$12,733	\$750,000.01-\$1.5 million	\$17,419	COLA
\$500,000.01-\$750,000	\$14,147	\$1,500,000.01-\$3.5 million	\$20,321	COLA
\$750,000.01-\$1.5 million	\$16,977	\$3,500,000.01-\$6 million	\$21,773	COLA
\$1,500,000.01-\$3.5 million	\$19,806	\$6,000,000.01-\$10 million	\$24,988	COLA
\$3,500,000.01-\$6 million	\$21,221	More than \$10 million	\$28,909	COLA
\$6,000,000.01-\$10 million	\$24,355			
More than \$10 million	\$28,176			

³⁷ R.C. 507.09.

³⁸ Ohio Constitution, Article II, Section 20.



Salary increases for members of county boards of elections

The annual compensation of a member of a county board of elections is based on the population of the county the member serves. In 2014, a member of a board of elections is paid \$92.89 for each full 1,000 of the first 100,000 population, \$44.26 for each full 1,000 of the second 100,000 population, \$24.04 for each full 1,000 of the third 100,000 population, and \$7.37 for each full 1,000 above 300,000 population. The minimum annual salary of a member of the board is \$3,687, but the annual salary cannot exceed \$21,855.

In 2015, the bill increases each member's annual compensation by 5% over the preceding year, and specifies that a member's compensation cannot be less than \$4,830. In 2016, the bill increases each member's annual compensation by 5% over the preceding year, and specifies that a member's compensation cannot be less than \$6,000. In calendar year 2017, and in each calendar year thereafter, the annual compensation is computed by applying a COLA to the annual compensation in the immediately preceding calendar year. The COLA is the lesser of 3% or the percentage increase, if any, in the CPI for the previous calendar year, rounded to the nearest one-tenth of 1%.³⁹

Members of a county board of elections, although appointed by the Secretary of State, are officers whose compensation is subject to Ohio Constitution, Article II, Section 20, which precludes an in-term change of compensation.⁴⁰

Ohio Public Officials Compensation Advisory Commission

Commission creation

The bill creates the Ohio Public Officials Compensation Advisory Commission to recommend the salaries of all state and local elected officials.⁴¹ The commission consists of the following members: two members appointed by the Governor, one from each major political party; two members appointed by the President of the Senate; one member appointed by the Minority Leader of the Senate; two members appointed by the Speaker of the House of Representatives; one member appointed by the Minority Leader of the House of Representatives; and one member appointed by the Chief Justice of the Supreme Court.⁴² Members appointed to the Commission must possess expertise, knowledge, or skills consistent with the purpose of the Commission, including

³⁹ R.C. 3501.12.

⁴⁰ *State ex rel. Milburn v. Pethtel*, 153 Ohio St. 1 (1950).

⁴¹ R.C. 195.01(A).

⁴² R.C. 195.01(B).



personnel management, fiscal management, economic analysis, and statistics.⁴³ The following are ineligible to serve on the Commission: (1) an individual who has served in public office by appointment or election within a year prior to the proposed appointment to the Commission, (2) an incumbent by appointment or election to an office in which the Commission may make a salary recommendation, or (3) an individual employed as a legislative agent, retirement system lobbyist, or executive agency lobbyist or an employer of a legislative agent, retirement system lobbyist, or executive agency lobbyist.⁴⁴

Each member of the Commission is appointed for a term of two years and may be reappointed. Vacancies are filled in the manner provided for the original appointment. Members may be removed or replaced by the member's appointing authority.⁴⁵

Members serve without compensation but must be reimbursed for actual and necessary expenses incurred in the performance of official duties of the Commission.⁴⁶

The Commission is authorized to employ staff and to contract with consultants with expertise in the field of compensation. The Commission must be appropriated funds necessary to carry out these tasks.⁴⁷ The Legislative Service Commission must provide facilities and staff support to the Commission.⁴⁸

Commission duties

The bill requires the Commission to recommend salaries of elected officials in the form of pay schedules. Beginning in 2022, the Commission must convene every other year to perform its duties unless required to convene more often for reasons discussed below in "**Commission must reconvene under certain circumstances.**"⁴⁹ The Commission must consider any matter related to proper compensation of elected officials, and must recommend any compensation package or structure the commission finds to be appropriate. In determining the salaries to be recommended in the pay

⁴³ R.C. 195.01(C).

⁴⁴ R.C. 195.01(D).

⁴⁵ R.C. 195.01(E).

⁴⁶ R.C. 195.01(F).

⁴⁷ R.C. 195.01(G).

⁴⁸ R.C. 195.01(H).

⁴⁹ R.C. 195.01(I).



schedules and additional compensation amounts, the Commission must do all of the following:

--Review the statutes that establish the current salaries of elected officials and their additional compensation amounts.

--Consider the length of time since the last salary or additional compensation amount of an elected official was last adjusted.

--Take into consideration both of the following changes that have occurred since the salary or additional compensation amount of an elected official was last adjusted:

- Any changes in the consumer price index prepared by the United States bureau of labor statistics for urban wage earners and clerical workers.
- Any changes in tax laws applicable to an elected official.

--Consider the salaries paid to elected officials in other states that are comparable to Ohio in terms of the following:

- Population.
- Revenue and expenses per capita.
- Urban and rural diversity.
- Federal salaries for similar positions.
- In the case of general assembly salaries, frequency of legislative sessions.

--Review Ohio laws governing reimbursement of expenses incurred by elected officials and take into consideration the expenses incident to the office held, for which the elected official is not reimbursed.

--Consider any other relevant factors that the commission considers necessary to make its determination.⁵⁰

Commission's resolution

The Commission must make its recommendations regarding elected public officials pay schedules and additional compensation amounts in the form of a resolution adopted by a simple majority of the Commission's members. The resolution

⁵⁰ R.C. 195.02.

must include the current salaries and additional compensation amounts received by elected officials and the statutes reviewed by the Commission.⁵¹

The Commission must prepare and adopt an initial resolution not later than January 31, 2023, and subsequent resolutions by January 31 of every other year after 2023.⁵² The pay schedules and additional compensation amounts in the initial resolution must be recommended to take effect January 1, 2025, for state elected officials and January 1, 2024, for county elected officials.⁵³

The Commission must provide a copy of its resolution to the Governor, President and Minority Leader of the Senate, Speaker and Minority Leader of the House of Representatives, and Chief Justice of the Supreme Court.⁵⁴

Commission must reconvene under certain circumstances

The Commission must reconvene to adopt a new resolution recommending elected officials pay schedules and additional compensation amounts if the General Assembly either:

(1) By July 1 of the year a resolution was submitted, does not adopt a resolution approving the resolution; or

(2) Notifies the commission that changes to the schedules and compensation amounts under the commission's resolution need to be made in accordance with the General Assembly's direction.⁵⁵

If the General Assembly does not adopt the resolution by July 1 of the year the resolution was submitted, the Commission must reconvene after July 1 of that year. If the General Assembly notifies the Commission that changes to the resolution need to be made, the Commission must reconvene within 60 days of receiving the notice.⁵⁶ The Commission must continue to reconvene to adopt a resolution in accordance with the

⁵¹ R.C. 195.03(A).

⁵² R.C. 195.03(B).

⁵³ R.C. 195.03(C).

⁵⁴ R.C. 195.04.

⁵⁵ R.C. 195.05(A).

⁵⁶ R.C. 195.05(B).



process described above until the General Assembly adopts a resolution approving a resolution of the Commission.⁵⁷

Effects

The salaries of elected public officials may not be altered except by adoption of a resolution by the General Assembly approving a resolution adopted by the Commission, as described above.⁵⁸

When the Governor proposes the state budget, the Governor must consider a resolution adopted by the General Assembly approving a resolution adopted by the Commission under the process described above, and must consider any statutory changes necessary to implement the Commission's resolution.⁵⁹

Appropriations

The bill appropriates \$2,633,139 in FY 2015 from the General Revenue Fund to the Supreme Court of Ohio to pay for the increased judicial salaries under the bill.⁶⁰

The bill appropriates \$12 million in fiscal year 2015 to the Controlling Board to be used to reimburse counties and townships for the costs of providing pay raises to elected officials. Counties and townships may submit requests for reimbursement to the Department of Administrative Services. The Department must certify the requested amounts and submit them to the Controlling Board for approval and release.⁶¹

HISTORY

ACTION	DATE
Introduced	11-10-14
Reported, H. Finance & Appropriations	12-04-14
Passed House (56-26)	12-04-14

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⁵⁷ R.C. 195.05(C).

⁵⁸ R.C. 195.05(D).

⁵⁹ R.C. 195.06 (in bill) and R.C. 107.03 (not in the bill).

⁶⁰ Section 3.

⁶¹ Sections 5 and 6.

