

Introduction

R.C. 103.143 requires the Legislative Service Commission (LSC) to determine whether a local impact statement (LIS) is required for each bill that is introduced and referred to committee. An LIS may be required when a bill could result in net additional costs beyond a minimal amount to school districts, counties, municipalities, or townships. An LIS is not required for budget bills or joint resolutions. It is also not required when the bill is permissive or when the bill's potential local costs are offset by additional revenues, offset by additional savings, or caused by a federal mandate. The LIS determination is based solely on the "As Introduced" version of the bill.

R.C. 103.143 also requires LSC to annually compile the final local impact statements completed for laws enacted in the preceding year. The report is to be completed by September 30 each year. This 2008 report covers all legislation enacted in calendar year 2007. In 2007, 43 bills were enacted, of which four required an LIS. The LIS requirement is met through the detailed analysis of local fiscal effects included in LSC's fiscal notes. The fiscal notes for the enacted versions of those four bills requiring an LIS are included in this report.

Regardless of whether a bill requires an LIS, the fiscal note for a bill analyzes the bill's fiscal effects on both the state and local government. The difference is that, under R.C. 103.143, when a bill requiring an LIS is amended in a committee, the bill may be voted out of the committee by a simple majority vote with a revised LIS (i.e., an updated fiscal note) or by a two-thirds vote without a revised LIS. Because various bills are exempted from the LIS requirement, this report does not include every bill enacted in 2007 that may have fiscal effects on local government. It should also be noted that the fiscal notes in this report were prepared for the General Assembly's deliberations on legislation. Cost estimates included in fiscal notes may thus differ from the actual costs of implementing these laws as the estimations were made before the enacted legislation was implemented. For those who are interested in the local fiscal effects of all legislation enacted in 2007, please see the LSC fiscal notes for those laws, which are available on the LSC web site (www.lsc.state.oh.us). A list of all bills enacted in 2007 can be found in the appendix to this report.

Beyond this introduction, the report contains two sections and an appendix. First are comments on the report from the County Commissioners Association of Ohio, the Ohio Municipal League, the Ohio Township Association, and the Ohio School Boards Association. LSC is required to circulate the draft report to these associations for comment and to include their responses in the final report. The second, main section of the report consists of the final version of the fiscal notes for the bills enacted in 2007 that required an LIS. Finally, the appendix lists all House and Senate bills enacted in 2007.

This report may be viewed online at www.lsc.state.oh.us by clicking on *Publications, Annual & Biennial Reports*, and then *Local Impact Statements*. Alternatively, the report may be purchased at a cost of \$12 per copy, including postage and handling. Please call 614-995-9995 to order a hard copy of this report. For any other inquiries regarding this report, please contact Terry Steele, LSC Budget Analyst, who may be reached by phone at 614-387-3319 or by e-mail at tsteele@lsc.state.oh.us.