Fiscal Note & Local Impact Statement

127 th General Assembly of Ohio

Ohio Legislative Service Commission
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BILL: **Am. Sub. S.B. 84** DATE: **April 7, 2008**

STATUS: **As Passed by the House** SPONSOR: **Sen. Schaffer**

LOCAL IMPACT STATEMENT REQUIRED: **Yes** **Corrected after initial review; local costs appear confined to municipalities and townships located within Fairfield County**

CONTENTS: **Emergency management financing**

State Fiscal Highlights

- The bill has no readily discernible fiscal implications for state revenues and expenditures.

Local Fiscal Highlights

LOCAL GOVERNMENT	FY 2008	FY 2009	FUTURE YEARS
Municipalities and Townships located within Fairfield County*			
Revenues	- 0 -	- 0 -	- 0 -
Expenditures	Potential increase estimated at around $32,900 to cover county EMA contract costs	Potential increase estimated at around $32,900 to cover county EMA contract costs	Potential increase estimated at around $32,900 to cover county EMA contract costs
Fairfield County			
Revenues	Potential gain estimated at around $32,900 from locality contract payments	Potential gain estimated at around $32,900 from locality contract payments	Potential gain estimated at around $32,900 from locality contract payments
Expenditures	Potential increase, up to revenue gain	Potential increase, up to revenue gain	Potential increase, up to revenue gain

Note: For most local governments, the fiscal year is the calendar year. The school district fiscal year is July 1 through June 30.
* For a list of the localities in Fairfield County likely to be affected by the bill, see Table 1 appended to the back of this document.

- ***Payment for the provision of emergency management services generally.*** The bill clarifies the circumstances under which a political subdivision is required to pay for contracted emergency management services. Through conversations with emergency management practitioners, LSC fiscal staff has determined that this is not a statewide issue, but may be confined to Fairfield County where some have taken the position that localities cannot be compelled to pay for county-delivered emergency management services. Most local jurisdictions appear to abide by currently accepted practices of paying for contracted emergency management services.

- ***Fairfield County and related localities.*** To date, Fairfield County apparently has never sought payment for the provision of emergency management services to various municipalities and townships, but wishes to do so at this time. The bill would compel any political subdivision that voluntarily enters into a contract to pay Fairfield County for future contracted services. Legislative Service Commission fiscal staff estimates that those localities will collectively pay Fairfield County around $32,900 annually for the provision of emergency management services. It appears that these moneys would likely be used by Fairfield County to fund new emergency management equipment and communications systems and/or to fulfill federal grant cash match requirements.

Detailed Fiscal Analysis

Overview

For the purposes of this fiscal analysis, the bill most notably:

- Clarifies the circumstances under which a political subdivision is required to pay for contracted emergency management services.
- Permits a board of county commissioners to maintain meeting records by electronic means.

Local fiscal effects

Contracted emergency management services

The bill clarifies the circumstances under which a political subdivision is required to pay for contracted emergency management services. By all accounts, the bill is intended to specifically address the view of the Fairfield County Prosecuting Attorney's Office asserting that political subdivisions are not required to pay the Fairfield County Office of Emergency Management and Homeland Security for the provision of emergency management services. Through conversations with emergency management practitioners, LSC fiscal staff has determined that this is not a statewide issue, as most other local jurisdictions appear to abide by currently accepted practices of paying for contracted emergency management services.

In years past, the Fairfield County Office of Emergency Management and Homeland Security has had contracts in place with other political subdivisions located within Fairfield County under which the former provided emergency management services to the latter, i.e., planning for, and responding to, all-hazards emergencies. To date, Fairfield County apparently has never sought payment for those services, but wishes to do so at this time. The bill would compel any political subdivision that voluntarily enters into a contract to pay Fairfield County for future contracted services.

The state's political subdivisions, defined for the purposes of the Emergency Management Law as a county, municipality, or township, are required to have emergency response protocols in place. A municipality or township is permitted to enter into an agreement with a county or regional emergency management agency, but is not required to do so. Based on conversations with staff of the Ohio Emergency Management Agency, LSC fiscal staff has discerned that it is typically less expensive for a municipality or township to contract with a

county or regional emergency management agency rather than establish and maintain its own program for emergency management.

Fairfield County and related localities. Earlier this year, all emergency management agency directors statewide received an electronic mail from the Emergency Management Association of Ohio (EMO), the intent of which was to approximate an emergency management "cost" per citizen for federal grant application purposes. Response was voluntary. Based on those responses, the EMO determined that the statewide average emergency management expense per person was about 25 cents. It appears that the Fairfield County Office of Emergency Management and Homeland Security intends to use this statewide average per person expense as part of their formula for determining the amount that each participating municipality and township will be charged annually for the provision of county emergency management services.

Using the above-noted EMO average cost per person, and the population figures of the participating municipalities and townships located in Fairfield County, LSC fiscal staff estimates that those localities will collectively pay Fairfield County around $32,900 annually for the provision of emergency management services. Table 1, which is appended to the back of this document, identifies the likely participating municipalities and townships, as well as the estimated annual cost of county-delivered emergency management services. It appears that these moneys would likely be used by Fairfield County to fund new emergency management equipment and communications systems and/or to fulfill federal grant cash match requirements.

County commissioner records

The bill permits a board of county commissioners to maintain a full record of its proceedings by electronic means. Relative to current practice, LSC fiscal staff conversed with staff of the County Commissioners' Association of Ohio and discerned that most boards of county commissioners are already audio taping various board meetings and proceedings and approximately half of the boards are video taping meetings and proceedings. Arguably then, this permissive authority in some sense codifies current practice and may actually reduce the time and effort that staff would otherwise have expended in order to maintain any required records in written form.

State fiscal effects

The bill has no readily apparent direct fiscal effect on state revenues and expenditures.

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Table 1 – Localities Annual Cost for Fairfield County Emergency Management Services

Political Subdivision	Type	Estimated Population	Estimated Annual Cost
Amanda	Municipality	719	$179
Amanda	Township	1,722	$430
Baltimore	Municipality	2,397	$599
Berne	Township	4,521	$1,130
Bloom	Township	5,765	$1,441
Bremen	Municipality	1,254	$313
Buckeye Lake	Municipality	3,055	$763
Canal Winchester	Municipality	5,819	$1,454
Carroll	Municipality	470	$117
Clearcreek	Township	2,830	$707
Greenfield	Township	4,465	$1,116
Hocking	Township	4,812	$1,203
Lancaster	Municipality	36,507	$9,126
Liberty	Township	4,387	$1,096
Lithopolis	Municipality	910	$227
Madison	Township	1,385	$346
Millersport	Municipality	961	$240
Pickerington	Municipality	16,575	$4,143
Pleasant	Township	5,039	$1,259
Pleasantville	Municipality	853	$213
Richland	Township	1,540	$385
Rush Creek	Township	2,284	$571
Rushville	Municipality	272	$68
Stoutsville	Municipality	578	$144
Sugar Grove	Municipality	439	$109
Thurston	Municipality	609	$152
Violet	Township	16,893	$4,223
Walnut	Township	4,545	$1,136
West Rushville	Municipality	138	$34
Estimated Totals		**131,744**	**$32,936**

Notes: Municipality population figures provided by U.S. Census Bureau for 2006. Township population figures provided as estimates for 2007 by the state of Ohio Department of Development. Cost figures may not total due to rounding.