Ohio Legislative Service Commission

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Fiscal Note & Local Impact Statement

Bill: H.B. 238 of the 128th G.A. **Date**: January 8, 2010

Status: As Passed by the House **Sponsor**: Rep. Harwood

Local Impact Statement Procedure Required: No — No local cost

Contents: Disclosure of assets in a divorce or separation proceeding

State Fiscal Highlights

- No direct fiscal effect on the state.

Local Fiscal Highlights

LOCAL GOVERNMENT	FY 2010 – FUTURE YEARS
Courts of Common Pleas	
Revenues	- 0 -
Expenditures	Potential, likely no more than minimal, annual savings effect

Note: For most local governments, the fiscal year is the calendar year. The school district fiscal year is July 1 through June 30.

- As a result of the bill, the court may be able to make more informed decisions in a timelier manner than might otherwise have been the case under current law and practice. In theory, such an outcome reduces the amount of time and effort expended on certain matters and generates some form of operational savings, the potential magnitude of which is likely to be no more than "minimal." For the purposes of this fiscal analysis, minimal means an estimated savings of no more than $5,000 for any affected court per year.

Detailed Fiscal Analysis

Overview

For the purposes of this fiscal analysis, the bill most notably: (1) requires that the court in a divorce or legal separation proceeding require each spouse to disclose in a full and complete manner all marital property, separate property, and other assets of the spouse, and (2) treats nondisclosure of assets as a form of financial misconduct for which the court may compensate the offended spouse.

Local fiscal effects

Courts of common pleas

Divorce or legal separation proceedings fall under the subject matter jurisdiction of a court of common pleas. Based on information provided by staff of the Judicial Conference of Ohio, LSC fiscal staff has discerned the following:

- Most courts have local rules requiring the disclosure of assets and their penalties for nondisclosure are generally weak.
- The general sanctions for discovery violations under the Ohio Rules for Civil Procedure are cumbersome and often ill suited to divorce or legal separation proceedings.
- The number of spouses initiating divorce or legal separation proceedings without an attorney is rising.

The bill, in theory, provides a way for the court to have better or more accurate information for making decisions, and may decrease the amount of time and effort the court expends on a given divorce or legal separation proceeding. From a fiscal perspective, this creates a potential savings effect, the magnitude of which in terms of budgetary dollars and cents is difficult to precisely estimate. That said, the potential savings for any affected court is likely to be minimal at most, if that. Minimal herein means an estimated savings of no more than $5,000 for any affected court per year.

State fiscal effects

The bill's provisions will have no direct effect on state revenues and expenditures.

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