



# Ohio Legislative Service Commission

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## Fiscal Note & Local Impact Statement

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**Bill:** [Sub. H.B. 292 of the 130th G.A.](#) **Date:** May 27, 2014  
**Status:** As Reported by Senate State Government Oversight & Reform **Sponsor:** Rep. Perales

**Local Impact Statement Procedure Required:** No

**Contents:** Creates the Federal-Military Jobs Commission and the Aerospace and Aviation Technology Committee

### State Fiscal Highlights

- The bill creates the Federal-Military Jobs Commission to develop and maintain an ongoing strategy for retention and growth of federal-military jobs and associated private sector jobs in the state. The bill specifies that the nine members of the Commission would not be compensated, but would be reimbursed for actual and necessary expenses incurred in the performance of their duties.
- The bill creates a new fund, the Federal-Military Jobs Fund, in the state treasury, to pay for financial assistance authorized by, or powers exercised by, the Federal-Military Jobs Commission, including incidental administrative costs and expenses.
- The bill requires the Treasurer of State to provide administrative assistance to the Commission, including office space and facilities. The bill permits the Treasurer to pay expenses related to the Commission, which will be reimbursed from the Federal-Military Jobs Fund when funds become available in that Fund. Until reimbursed, the expenses would likely be borne by the GRF.
- The bill creates the 21-member Aerospace and Aviation Technology Committee to study and develop strategies to promote the aerospace and technology industry throughout Ohio. The Committee is an advisory committee to the Federal-Military Jobs Commission on the aviation, aerospace, and technology industry, and is separately required to publish an annual report by July 1 of each year. No funding source is specified.

### Local Fiscal Highlights

- No direct fiscal effect on political subdivisions.

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## Detailed Fiscal Analysis

### Federal-Military Jobs Commission

The bill creates a nine-member commission, the Federal-Military Jobs Commission, to develop and maintain an ongoing strategy for retention and growth of federal-military jobs and associated private sector jobs in the state. The bill requires the Commission to administer the federal-military jobs program that is established in this bill. The bill requires the Commission to establish criteria for and to make available financial assistance for eligible federal-military projects and take such other actions as necessary to implement the program.

The bill specifies that initial appointments to the Commission must be made not later than September 1, 2014. The bill specifies that members of the Commission would serve without compensation, but would be reimbursed for actual and necessary expenses incurred in the performance of their duties. The bill specifies that the Attorney General must serve as the legal representative for the Commission, and that the Attorney General may appoint special counsel for that purpose. The bill specifies that government agencies of the state must cooperate with and provide assistance to the Commission and the Controlling Board in the exercise of their respective functions under this bill. The bill requires the Commission to adopt rules specifying the types of financial assistance that may be offered under this bill.

The bill requires the Commission, not later than January 31, 2015, to establish criteria for evaluating proposals and awarding financial assistance for eligible federal-military projects. The bill requires the Commission to issue reports of its activities by January 31 each year to the Governor, Senate President, Senate Minority Leader, Speaker of the House, and House Minority Leader.

### Federal-Military Jobs Fund

The bill creates a new fund, the Federal-Military Jobs Fund, in the state treasury, to pay for financial assistance authorized by, or powers exercised by, the Commission, including incidental administrative costs and expenses. The Fund would consist of moneys appropriated to it by the General Assembly, repayments of principal and interest on financial assistance made from the Fund, and any grants or donations received from nonpublic entities. The bill specifies that interest earned on the money in the Fund must be credited to the Fund.

The bill requires the Treasurer of State to provide administrative assistance to the Commission, including office space and facilities for the Commission. The bill specifies that the Commission would administer any money that may be appropriated to it by the General Assembly, and the Treasurer may pay expenses related to the Commission, which would be reimbursed from the newly created fund, the Federal-Military Jobs

Fund. The bill allows the Treasurer to adopt rules to implement the requirements in this bill.

The bill provides that all expenses incurred by the Commission in carrying out its powers and in exercising its duties under this bill must be payable solely from, as appropriate, moneys in the Fund. The bill prohibits the Commission from incurring bonded indebtedness of the state or any political subdivision, or to obligate or pledge moneys raised by taxation for the payment of any guarantees made in this bill.

### **Ohio Aerospace and Aviation Technology Committee**

The bill creates a 21-member committee, the Ohio Aerospace and Aviation Technology Committee, which consists of six legislative members and 15 members representing the aviation, aerospace, or technology industry, the military, or academia. The bill specifies that the initial legislative members of the Committee must be appointed not later than September 1, 2014, and the remaining members must be appointed within ten days thereafter. The bill specifies the terms of all members of the Committee. The bill also specifies the duties of the Committee, including advising the Federal-Military Jobs Commission and studying and developing comprehensive strategies to promote the aviation, aerospace, and technology industry throughout the state. In addition, the bill requires an existing industry consortium, the Ohio Aerospace and Aviation Council, to serve as an advisory council to the Committee. Finally, the bill requires the Committee to compile an annual report of its activities, findings, and recommendations, and to furnish a copy of the report to the Governor, President of the Senate, and Speaker of the House of Representatives not later than July 1 of each year.

### **Fiscal effect**

The bill may increase the Treasurer's administrative costs, which would likely be paid from the GRF. Any costs incurred by the Treasurer may be reimbursed from the Federal-Military Jobs Fund established by the bill. The bill does not provide any appropriations to pay for any initial costs to implement the requirements under this bill; until funds are available in the Federal-Military Jobs Fund, the GRF may not be reimbursed, and no resources would be available to provide financial assistance to promote federal-military jobs. The bill specifies that Commission members would not be compensated, but would be reimbursed for actual and necessary expenses incurred in the performance of their duties. Such expenses, the expenses of producing annual reports, and other expenses may add up to tens of thousands annually.

The bill does not specify a funding source for the Ohio Aerospace and Aviation Technology Committee.