

Ohio Elections Commission

House Higher Education Subcommittee

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Legislative Service Commission

March 11, 2003

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LSC Redbook for the Ohio Elections Commission

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Note: The estimated General Revenue Fund (GRF) spending for FY 2003 used in this LSC Redbook reflects the 2.5% reduction made as a result of the Governor's January 22, 2003 budget cut order. The executive reduction was applied across-the-board to FY 2003 GRF appropriations, subject to certain exceptions. Subsequent to such reductions (and not reflected in the Redbook), state agencies were permitted to reallocate the amount that each of their GRF appropriation line items was reduced, while still absorbing the 2.5% budget cut within the total amount of their GRF appropriations.

Ohio Elections Commission

- Executive recommendations for FY 2004 are \$616,418 and for FY 2005 are \$625,468
- Increase in corporate filings of registrations of contributions due to more companies contributing to ballot issue committees
- FYs 2004-2005 will see the continuation of a split of ELC's budget between the GRF and the Ohio Elections Fund (4P2)

OVERVIEW

The Ohio Elections Commission (ELC) oversees political party spending, campaign finance, and corporate political contributions to ensure compliance with the Ohio Elections Law set forth in Chapter 3517. of the Revised Code. The Commission issues advisory opinions on campaign finance questions, responds to questions about campaign activities, and acts as an enforcement body and customer service center for the policing of campaign activities.

The Commission is comprised of seven members including three Republicans, three Democrats, and one Independent. The Commission employs a staff of three people, including an executive director and two administrative assistants.

ANALYSIS OF EXECUTIVE PROPOSAL

Ohio Elections Commission

Purpose: The Ohio Elections Commission (ELC) oversees political party spending, campaign finance, and corporate political contributions and investigates causes of unlawful practices.

The following table shows the line items that are used to fund the Commission, as well as the Governor's recommended funding levels.

Fund	ALI	Title	FY 2004	FY 2005
GRF	051-321	Operating Expenses	\$303,702	\$303,702
4P2	051-601	Ohio Elections Commission	\$312,716	\$321,766
Total funding: Ohio Elections Commission			\$616,418	\$625,468

Ohio Elections Commission

Program Description: The Ohio Elections Commission (ELC) oversees political party spending, campaign finance, and corporate political contributions to ensure compliance with the Ohio Elections Law set forth in Chapter 3517. of the Revised Code. The Commission also investigates unlawful campaign practices and issues advisory opinions concerning Ohio's Elections Law. In 2002, the Commission received 1,246 complaints, issued four advisory opinions, and held 39 meetings.

The Governor, upon the recommendation of the Democratic and Republican caucuses of the Ohio Legislature, appoints six of the Commission members. The seventh member must be an Independent and is chosen by a majority vote of the other six partisan appointees. Commission members are paid an annual salary of \$25,000 plus reimbursement for expenses incurred in the performance of their duties.

The Commission became an independent agency in 1996 under S.B. 9 of the 121st General Assembly. Previously ELC was housed within the Secretary of State's Office.

Funding Source: GRF; SSR, declaration of candidacy and ballot question/issue filing fee revenue, and fine revenue from violators of Ohio's Election Law

Implication of the Executive Recommendation: The Governor's recommendation would permit the Commission to meet its statutorily required duties and continue its activities at current levels.

Salaries and lease costs for the Commission's office space comprise approximately 90% of the total budget. Variable costs amount to approximately 10% of the budget. Variable costs are incurred for mailing expenses and materials associated with commission meetings.

ADDITIONAL FACTS AND FIGURES

Ohio Elections Commission Staffing Levels						
Ohio Elections Commission	2000	2001	2002	2003	Estimated	
					2004	2005
Staff	3	3	3	3	3	3
Commission Members	7	7	7	7	7	7
Totals	10	10	10	10	10	10

Filing fee and fine revenue (Non-GRF Revenue)

- Fifty-one percent (51%) of the Elections Commission budget during the FY 2004-2005 biennium will come from filing fees.
- The Commission receives a majority of its filing fee revenue between August and October in even-numbered years because most local candidates file their petitions to run for elected office in this time period.
- To ensure fair and consistent treatment, ELC typically follows a set pattern for fining violators of the Elections Law. Usually a first offense results in a warning, a second offense is a \$100 fine, a third offense is a \$200 fine, and doubling of fines for each offense thereafter. The Commission is considering a change in the fine structure such that a \$100 fine would be imposed on first time offenders rather than merely issuing a warning. Circumstances of a particular case may warrant a fine amount that differs from the general fine structure.

Estimated Non-GRF Filing Fee and Fine Revenue			
FY	Estimated Fee Revenue	Estimated Fine Revenue	Total Non-GRF Revenue
2004	\$250,000	\$28,000	\$278,000
2005	\$50,000	\$27,000	\$77,000

Statutory Filing Fees and Portion Going to ELC

Fees for Filing Petition of Candidacy		
Office	Total Statutory Fee	Portion of total fee that goes to ELC
Statewide (e.g. Governor, U.S. Senate)	\$150	\$50
<i>State Board of Education</i>	\$55	\$35
Judge (Supreme Court judges pay statewide fee)	\$80	\$30
District (State legislators and U.S. representatives)	\$85	\$35
City	\$45	\$25
County	\$80	\$30
Township and Village	\$30	\$20
School Board/Educational Service Center	\$30	\$20

Fees for Filing Petitions for Ballot Questions/Issue		
Jurisdiction Affected by Question/Issue	Total Statutory Fee	Portion of total fee that goes to ELC
Statewide	\$25	\$25
City	\$12.50	\$12.50
County or Multi-county district	\$15	\$15
Precinct or sub-county district	\$10	\$10
School Board/Educational Service Center	\$10	\$10

PERMANENT AND TEMPORARY LAW

This section describes permanent and temporary law provisions contained in the executive budget that will affect the Commission's activities and spending decisions during the next biennium.

There are no permanent or temporary law provisions with fiscal effects on this agency.

REQUESTS NOT FUNDED

The Ohio Elections Commission's budget request for FY 2004 was \$623,114 (Core: \$539,833 and Supplemental: \$83,281). The executive recommendation for FY 2004 is \$616,418 (GRF: \$303,702 and 4P2: \$312,716) or 98.9% of the agency request.

The Ohio Elections Commission's budget request for FY 2005 was \$660,164 (Core: \$544,320 and Supplemental: \$115,844). The executive recommendation for FY 2005 is \$625,468 (GRF: \$303,702 and 4P2: \$321,766) or 94.7% of the agency request.

General Revenue Fund

GRF 051-321 Operating Expenses

2000	2001	2002	2003 Estimate	2004 Executive Proposal	2005 Executive Proposal
\$418,726	\$433,299	\$277,494	\$294,857	\$303,702	\$303,702
	3.5%	-36.0%	6.3%	3.0%	0.0%

Source:

Legal Basis: Section 46 of Am. Sub. H.B. 94 of the 124th G.A.

Purpose: To pay personnel, maintenance, and equipment costs for the Ohio Elections Commission.

State Special Revenue Fund Group

4P2 051-601 Ohio Elections Commission

2000	2001	2002	2003 Estimate	2004 Executive Proposal	2005 Executive Proposal
\$124,679	\$116,756	\$296,319	\$312,923	\$312,716	\$321,766
	-6.4%	153.8%	5.6%	-0.1%	2.9%

Source: SSR: Filing fee revenue from declarations of candidacy and ballot question/issue; and fine revenue from violators of Ohio's election laws

Legal Basis: Section 46 of Am. Sub. H.B. 94 of the 124th G.A. (originally established by S.B. 9 of the 121st G.A.)

Purpose: To pay expenses related to the operation of the Ohio Elections Commission.

LSC Budget Spreadsheet by Line Item, FY 2004 - FY 2005

<i>Fund</i>	<i>ALI</i>	<i>ALI Title</i>	<i>2002</i>	<i>Estimated 2003</i>	<i>Executive 2004</i>	<i>% Change 2003 to 2004</i>	<i>Executive 2005</i>	<i>% Change 2004 to 2005</i>
<i>ELC Ohio Elections Commission</i>								
GRF	051-321	Operating Expenses	\$ 277,494	\$294,857	\$ 303,702	3.0%	\$ 303,702	0.0%
General Revenue Fund Total			\$ 277,494	\$ 294,857	\$ 303,702	3.0%	\$ 303,702	0.0%
4P2	051-601	Ohio Elections Commission	\$ 296,319	\$312,923	\$ 312,716	-0.1%	\$ 321,766	2.9%
State Special Revenue Fund Group Total			\$ 296,319	\$ 312,923	\$ 312,716	-0.1%	\$ 321,766	2.9%
<i>Total All Budget Fund Groups</i>			\$ 573,813	\$ 607,780	\$ 616,418	1.4%	\$ 625,468	1.5%