

Senate

Senate Finance and Financial Institutions Committee

Joseph Rogers, Budget Analyst

Legislative Service Commission

April 21, 2005

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LSC Redbook for the Senate

Senate Finance and Financial Institutions Committee

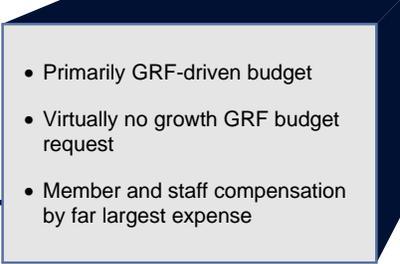
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April 21, 2005

Senate

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- Primarily GRF-driven budget
 - Virtually no growth GRF budget request
 - Member and staff compensation by far largest expense

OVERVIEW

The role of the Senate, in conjunction with the House of Representatives, is to represent the people of the State of Ohio and provide for their protection and well being as established in Article II of the Ohio Constitution. The specific duties and powers of the Senate are essentially as follows:

- To introduce, consider, and enact bills affecting the laws and public policies of the state of Ohio.
- To consider and pass, as is deemed necessary, resolutions, which are nonbinding formal expressions of the opinions and wishes of the General Assembly. The formal approval of resolutions does not require a gubernatorial signature.
- To confirm members of state boards and commissions appointed by the Governor, the Attorney General, the Director of the Bureau of Workers' Compensation, and other certain agency heads whom the Governor is authorized to appoint.
- To be the judge of the elections, returns, and qualifications of its own members.
- To conduct the required trial should any impeachment proceedings be brought forth by the House of Representatives against the Governor, other executive officers, and state judges.

Members of the Ohio Senate are elected to four-year terms, and represent 33 separate districts, the boundaries of which are determined according to equal distributions of population. The elections in the Senate are staggered such that approximately half of the members are elected in each two-year election cycle. All members are subject to term limits prescribing no more than two consecutive four-year terms.

Summary of FYs 2006-2007 Budget Issues

The Senate's budget contains one GRF and two non-GRF line items, all of which support its operating expenses. The GRF constitutes 96% of the Senate's total annual operating budget. Spending is typically dominated by the need to cover personnel related expenses for members of the Senate and their staffs.

The overall executive recommended funding level for the Senate in FY 2006 constitutes a 1.0% increase, or \$114,320, over the total estimated FY 2005 expenditures of \$11,432,037. The executive recommended funding level for the Senate in FY 2007 constitutes a 1.0% increase, or \$115,464, over the total FY 2006 recommendation of \$12,024,537.

Staffing Levels

The table below displays the number of members and staff paid, or to be paid, by the Senate from FYs 2002 through 2007.

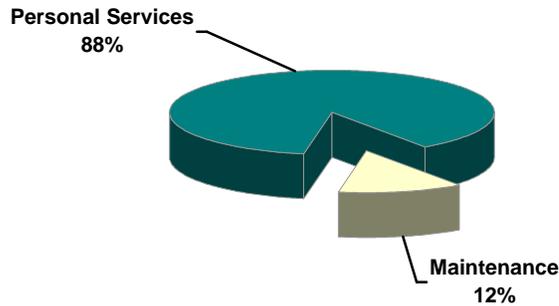
Senate Staffing Levels						
Type of Staff	2002	2003	2004	2005	2006*	2007*
Full-time Staff	125	125	125	125	125	125
Part-time Pages	40	40	40	40	40	40
Part-time Constituent Aides	5	5	5	5	0	0
Members	33	33	33	33	33	33
Totals	203	203	203	203	198	198

* The staffing levels displayed in the above table for FYs 2006 and 2007 are estimates.

Expense by Object Summary

The pie chart immediately below shows the total recommended appropriations (FYs 2006 and 2007) by major object of expense for the Senate. This information includes GRF and GSF funding.

**Total Budget by Object of Expense
FYs 2006 and 2007**



ANALYSIS OF EXECUTIVE PROPOSAL

Program Series 1

Senate

Purpose: To support the efforts of state senators and their staffs, in the representation of their districts.

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

Fund	ALI	Title	FY 2006	FY 2007
General Revenue Fund				
GRF	020-321	Operating Expenses	\$11,546,357	\$11,661,821
General Revenue Fund Subtotal			\$11,546,357	\$11,661,821
General Services Fund				
102	020-602	Senate Reimbursement	\$444,025	\$444,025
409	020-601	Miscellaneous Sales	\$34,135	\$34,135
General Services Fund Subtotal			\$478,180	\$478,180
Total Funding: Senate			\$12,024,537	\$12,140,001

Program Description: The Ohio Senate was established in 1802 and derives its authority from both Article II of the Ohio Constitution and Chapter 101. of the Revised Code. The primary role of the Ohio Senate is to enact Ohio laws. The Senate considers bills, which may alter existing law or create new law, and resolutions, which are formal expressions of the wishes and opinions of the Senate. The Senate also provides advice and consent on gubernatorial appointments to various state boards and commissions.

Each member of the Senate is elected for a four-year term from one of the state's 33 Senate districts. Each member of the Senate is assigned to at least one of the 16 standing committees and may also be assigned to a nonstanding temporary committee, a select committee, a joint-select committee, or a conference committee. In addition, members may also be appointed to serve on the Joint Commission on Agency Rule Review (JCARR), which has the power to review and invalidate agency rules.

Funding Source: (1) GRF, (2) sale of flags and other items to the general public, (3) moneys from salvage and recycling of equipment, materials, and supplies, and (4) miscellaneous reimbursements, such as those received for overpayment of medical insurance

Line Items: See above table

Implication of Executive Recommendation: As of this writing, the Senate's total FY 2005 GRF spending is estimated at \$11.43 million. Under the executive-proposed budget, the Senate has requested a 1% increase in GRF funding in each fiscal year of the next biennium, which translates into a gain of around \$150,000 in each of FYs 2006 and 2007. With that amount of GRF funding, it would appear that the Senate will be able to maintain current service levels, including covering the payroll costs associated with 33 Senate members, 125 full-time staff, and 40 part-time pages.

Temporary Law

Operating Expenses (Section 209.96). The executive budget contains a temporary law provision requiring the Director of Budget and Management, at the direction of the Clerk of the Senate, to transfer: (1) any unencumbered appropriations from FY 2005 to FY 2006 for use within line item 020-321, Operating Expenses, and (2) any unencumbered appropriations from FY 2006 to FY 2007 for use within line item 020-321, Operating Expenses.

REQUESTS NOT FUNDED

Under existing law – division (B) of section 107.03 of the Revised Code – the executive branch of the state of Ohio has limited authority over the state’s legislative agencies, especially in the case of their biennial budgets and associated permanent and temporary law. Although these state legislative agency budgets are presented to the legislature as executive recommendations, the Office of Budget and Management in reality only serves as the conduit through which legislative agency budgets are passed to the legislature.

General Revenue Fund

GRF 020-321 Operating Expenses

2002	2003	2004	2005 Estimate	2006 House Passed	2007 House Passed
\$11,348,652	\$10,129,927	\$10,377,782	\$11,432,037	\$11,546,357	\$11,661,821
	-10.7%	2.4%	10.2%	1.0%	1.0%

Source: GRF

Legal Basis: Section 100 of Am. Sub. H.B. 95 of the 12th G.A.

Purpose: Funds disbursed from the line item are used exclusively to pay operating expenses of the Senate, primarily compensation paid to the members of the Senate and legislative staff.

General Services Fund Group

102 020-602 Senate Reimbursement

2002	2003	2004	2005 Estimate	2006 House Passed	2007 House Passed
\$2,743	\$5,589	\$103,803	\$444,025	\$444,025	\$444,025
	103.8%	1757.3%	327.8%	0.0%	0.0%

Source: GSF: (1) Refunds from the Department of Administrative Services for overpayment of medical insurance premiums for state senators, (2) amounts received by the Senate clerk's office for salvage and recycling of equipment, materials, and supplies, and (3) payments from members and employees for incidental use of Senate equipment or facilities

Legal Basis: ORC 101.272(B) (originally established by Am. Sub. S.B. 336 of the 118th G.A.)

Purpose: Moneys deposited to the credit of the fund must be used to pay operating expenses of the Senate.

409 020-601 Miscellaneous Sales

2002	2003	2004	2005 Estimate	2006 House Passed	2007 House Passed
\$4,100	\$5,880	\$5,880	\$34,155	\$34,155	\$34,155
	43.4%	0.0%	480.9%	0.0%	0.0%

Source: GSF: All moneys collected by the Office of the Clerk of the Senate from the sale of flags, insignia, seals, frames for resolutions, and similar items

Legal Basis: ORC 101.69 (originally established by Am. Sub. H.B. 1237 of the 113th G.A.)

Purpose: Moneys deposited to the credit of the fund must be used solely to pay for the costs of procuring items for resale, such as flags, insignia, seals, and frames for resolutions. Any costs of procuring such items in excess of the money available in the fund is required to be paid out of the regular appropriation to the Senate.

LSC Budget Spreadsheet by Line Item, FY 2006 - FY 2007

<i>Fund ALI ALI Title</i>	<i>Estimated 2005</i>	<i>As Introduced 2006</i>	<i>House Passed 2006</i>	<i>% Change Est. 2005 to House 2006</i>	<i>As Introduced 2007</i>	<i>House Passed 2007</i>	<i>% Change House 2006 to House 2007</i>
SEN Senate							
GRF 020-321 Operating Expenses	\$11,432,037	\$ 11,546,357	\$ 11,546,357	1.0%	\$ 11,661,821	\$ 11,661,821	1.0%
General Revenue Fund Total	\$ 11,432,037	\$ 11,546,357	\$ 11,546,357	1.0%	\$ 11,661,821	\$ 11,661,821	1.0%
102 020-602 Senate Reimbursement	\$444,025	\$ 444,025	\$ 444,025	0.0%	\$ 444,025	\$ 444,025	0.0%
409 020-601 Miscellaneous Sales	\$34,155	\$ 34,155	\$ 34,155	0.0%	\$ 34,155	\$ 34,155	0.0%
General Services Fund Group Total	\$ 478,180	\$ 478,180	\$ 478,180	0.0%	\$ 478,180	\$ 478,180	0.0%
<hr/>							
Total All Budget Fund Groups	\$ 11,910,217	\$ 12,024,537	\$ 12,024,537	1.0%	\$ 12,140,001	\$ 12,140,001	1.0%

As Introduced (Executive)**As Passed by the House****(CD-798-SEN) Operating Expenses****Section: 209.96**

Requires the Director of Budget and Management, at the direction of the Clerk of the Senate, to: (1) transfer any FY 2005 unencumbered appropriations in GRF appropriation item 020-321, Operating Expenses, to FY 2006 for use within that same GRF appropriation item, and (2) transfer any FY 2006 unencumbered appropriations in GRF appropriation item 020-321, Operating Expenses, to FY 2007 for use within that same GRF appropriation item.

Section: 209.96

Same as the Executive.