

House of Representatives

Senate Finance and Financial Institutions Committee

*Ross Miller, Senior Economist
Legislative Service Commission*

May 11, 2007

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LSC Redbook

for the

House of Representatives

Senate Finance and Financial Institutions Committee

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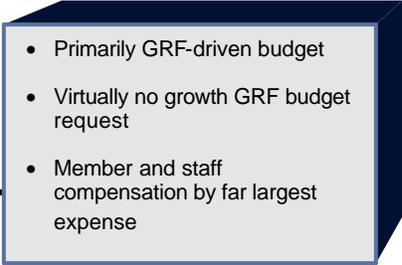
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ATTACHMENTS:

Catalog of Budget Line Items
LSC Budget Spreadsheet By Line Item: Executive to House Passed
Comparison Document: Permanent and Temporary Law

May 11, 2007

House of Representatives

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

OVERVIEW

Duties and Responsibilities

The role of the House of Representatives, in conjunction with the Senate, 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 House of Representatives 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; and
- To be the judge of the elections, returns, and qualifications of its own members.

Representatives are elected from 99 legislative districts, each serving a population of approximately 115,000 persons. The elections to the House of Representatives occur every two years. All members are subject to term limits prescribing no more than four consecutive two-year terms. Each Representative retains his or her own personal staff, typically consisting of an administrative aide, and for certain members, an additional legislative aide.

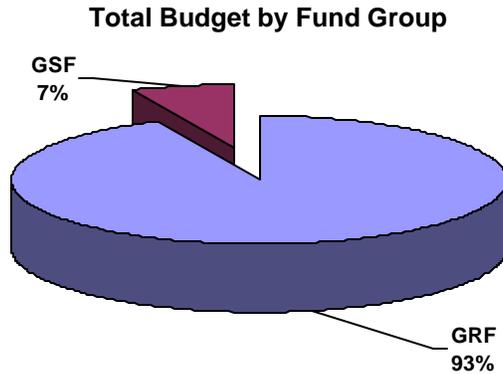
Highlights from the Executive Budget for FYs 2008 and 2009

The budget for the House of Representatives contains three line items as follows: a GRF line item providing funding for approximately 93% of the House's total budget, the majority of which is directed toward payroll and benefit expenses for legislators and their staffs, and two General Service Fund line items, one of which collects reimbursement payments for various expenses, and one of which collects revenue from the sale of flags, insignia, seals, and other similar items.

Under section 107.03 of the Revised Code, "no alterations shall be made in the [budget] requests for the legislative and judicial branches of the state filed with the director of budget and management." In accordance with Ohio law, the Governor made no alterations to the budget request submitted by the House of Representatives.

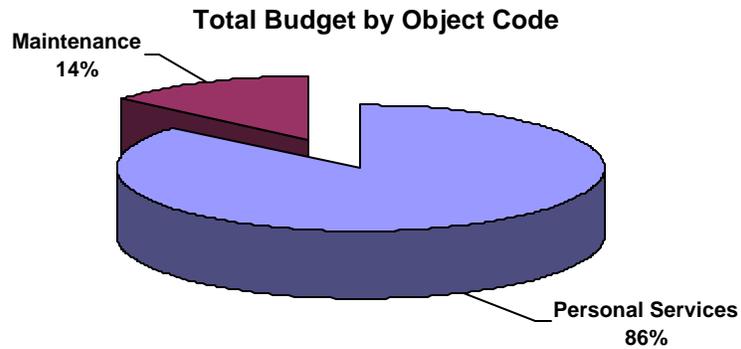
Expense by Fund Group

The pie chart immediately below shows the total recommended appropriations (FYs 2008 and 2009) for the House of Representatives by fund group: General Revenue Fund (GRF) and General Services Fund (GSF).



Expense by Object Summary

The pie chart immediately below shows the total recommended appropriations (FYs 2008 and 2009) by major object of expense for the House of Representatives. This information includes GRF and GSF funding.



Staffing Levels

The table below displays the number of members and staff paid, or to be paid, by the House of Representatives from FYs 2004 through 2009.

House of Representatives Staffing Levels						
Type of Staff	2004	2005	2006	2007	2008*	2009*
Members	99	99	99	99	99	99
Administrative Staff	191	176	176	168	176	176
Pages	47	44	43	43	43	43
Totals	337	319	318	310	318	318

* The staffing levels displayed in the above table for FYs 2008 and 2009 are estimates.

Note: Administrative Staff includes full-time and part-time staff.

Note: Staffing levels fluctuate greatly over the course of a given fiscal year, especially during election years when historically some staff take leaves of absence. For purposes of this chart, the average number of administrative staff employed for a given fiscal year is used.

ANALYSIS OF EXECUTIVE PROPOSAL

Single Program Series

Operating Expenses

Purpose: To support the efforts of state representatives and related staff in representing their respective districts, developing legislation, and overseeing the administration of state activities and the state budget

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

Fund	ALI	Title	FY 2008	FY 2009
General Revenue Fund				
GRF	025-321	Operating Expenses	\$20,574,568	\$20,574,568
General Revenue Fund Subtotal			\$20,574,568	\$20,574,568
General Services Fund				
103	025-601	House Reimbursement	\$1,433,664	\$1,433,664
4A4	025-602	Miscellaneous Sales	\$37,849	\$37,849
General Services Fund Subtotal			\$1,471,513	\$1,471,513
Total Funding: House of Representatives			\$22,046,081	\$22,046,081

Program Description: This program serves to promote the role and responsibilities of the House of Representatives. Each member of the House of Representatives is elected to a two-year term from one of the state's 99 House districts. Each member is assigned to serve on at least one standing committee or subcommittee.

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 House's total FY 2007 GRF spending is estimated at \$20.37 million. Under the executive-proposed budget, the House has requested a 1% increase in GRF funding in FY 2008, as compared with FY 2007, and no increase in FY 2009. This translates into a gain of slightly under \$204,000 in each of FYs 2008 and 2009. With that amount of GRF funding, it would appear that the House will be able to maintain current service levels, including covering the payroll costs associated with 99 House members and approximately 176 full-time and part-time staff. It would also be sufficient to provide funding for up to 3% pay increases for legislators on January 1, 2008, the final pay increase for legislators provided for currently in statute.

Temporary Law

Operating Expenses (Section 301.10). The executive budget contains a temporary law provision requiring the Director of Budget and Management, at the direction of the Chief Administrative Officer of the House of Representatives, to transfer: (1) any unencumbered appropriations from FY 2007 to FY 2008 for use within line item 025-321, Operating Expenses, and (2) any unencumbered appropriations from FY 2008 to FY 2009 for use within line item 025-321, 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.

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General Revenue Fund

GRF 025-321 Operating Expenses

2004	2005	2006	2007 Estimate	2008 House Passed	2009 House Passed
\$18,428,388	\$18,359,466	\$18,937,078	\$20,370,859	\$20,574,568	\$20,574,568
	-0.4%	3.1%	7.6%	1.0%	0.0%

Source: GRF

Legal Basis: Section 206.54 of Am. Sub. H.B. 66 of the 126th G.A.

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

General Services Fund Group

103 025-601 House Reimbursement

2004	2005	2006	2007 Estimate	2008 House Passed	2009 House Passed
\$28,249	\$8,833	\$161,480	\$1,419,469	\$1,433,664	\$1,433,664
	-68.7%	1728.2%	779.0%	1.0%	0.0%

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

Legal Basis: ORC 101.272(A); Section 206.54 of Am. Sub. H.B. 66 of the 126th G.A. (originally established by Am. Sub. S.B. 336 of the 118th G.A.)

Purpose: Moneys deposited to the credit of the fund may only be used to pay operating expenses of the House of Representatives.

4A4 025-602 Miscellaneous Sales

2004	2005	2006	2007 Estimate	2008 House Passed	2009 House Passed
\$28,498	\$22,195	\$16,386	\$37,474	\$37,849	\$37,849
	-22.1%	-26.2%	128.7%	1.0%	0.0%

Source: GSF: All moneys collected by the Office of the Chief Administrative Officer of the House of Representatives for the sale of flags, insignia, seals, frames for resolutions, and similar items

Legal Basis: ORC 101.69; Section 206.54 of Am. Sub. H.B. 66 of the 126th G.A. (originally established by Am. Sub. H.B. 111 of the 118th G.A.)

Purpose: Moneys deposited to the credit of the fund may only 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 House of Representatives.

LSC Budget Spreadsheet by Line Item, FY 2008 - FY 2009

<i>Fund ALI ALI Title</i>	<i>Estimated 2007</i>	<i>As Introduced 2008</i>	<i>House Passed 2008</i>	<i>% Change Est. 2007 to House 2008</i>	<i>As Introduced 2009</i>	<i>House Passed 2009</i>	<i>% Change House 2008 to House 2009</i>
REP House of Representatives							
GRF 025-321 Operating Expenses	\$20,370,859	\$ 20,574,568	\$ 20,574,568	1.0%	\$ 20,574,568	\$ 20,574,568	0.0%
General Revenue Fund Total	\$ 20,370,859	\$ 20,574,568	\$ 20,574,568	1.0%	\$ 20,574,568	\$ 20,574,568	0.0%
103 025-601 House Reimbursement	\$1,419,469	\$ 1,433,664	\$ 1,433,664	1.0%	\$ 1,433,664	\$ 1,433,664	0.0%
4A4 025-602 Miscellaneous Sales	\$37,474	\$ 37,849	\$ 37,849	1.0%	\$ 37,849	\$ 37,849	0.0%
General Services Fund Group Total	\$ 1,456,943	\$ 1,471,513	\$ 1,471,513	1.0%	\$ 1,471,513	\$ 1,471,513	0.0%
.....							
Total All Budget Fund Groups	\$ 21,827,802	\$ 22,046,081	\$ 22,046,081	1.0%	\$ 22,046,081	\$ 22,046,081	0.0%
.....							

As Introduced (Executive)

As Passed by the House

1 (CD-725-REP) Operating Expenses**Section: 301.10**

Requires the Director of Budget and Management, at the direction of the Chief Administrative Officer of the House of Representatives, to transfer 1) any unencumbered appropriations from FY 2007 to FY 2008 for use within line item 025-321, Operating Expenses, and 2) any unencumbered appropriations from FY 2008 to FY 2009 for use within that line item.

Fiscal effect: None.

Section: 301.10

Same as the Executive.

Fiscal effect: Same as the Executive.