

LSC Redbook

Analysis of the Executive Budget Proposal

Environmental Review Appeals Commission

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READER'S GUIDE

The Legislative Service Commission prepares an analysis of the executive budget proposal for each agency. These analyses are commonly called "Redbooks." This brief introduction is intended to help readers navigate the Redbook for the Environmental Reviews Appeal Commission (EBR), which includes the following three sections.

1. Overview: Provides a brief description of the Commission and the role of the commissioners in handling environmental appeals, as well as an overview of the executive recommended budget for the FY 2016-FY 2017 biennium.
2. Analysis of Executive Proposal: Provides an analysis of the Commission's executive recommended budget, which consists solely of GRF funding.
3. Attachments: Includes the catalog of budget line items (COBLI), which describes the funding source and purpose of the Commission's lone line item, and the LSC budget spreadsheet, which summarizes the line item's recent expenditure and appropriations history.

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ATTACHMENTS:

- Catalog of Budget Line Items
- Budget Spreadsheet By Line Item

Environmental Review Appeals Commission

- GRF is sole funding source
- Services to be maintained under executive budget
- Information technology upgrade project underway

OVERVIEW

Agency Overview

The Environmental Review Appeals Commission (EBR) is an appellate review board whose primary statutory duty is to hear and resolve appeals from certain legal actions taken by state and local governmental entities, including the Ohio Environmental Protection Agency, the State Fire Marshal, the State Emergency Response Commission, the Department of Agriculture, and local boards of health.^{1,2}

The Commission's office consists of three Commission members appointed by the Governor with the advice and consent of the Senate. Commission members serve staggered six-year terms; their salaries are fixed by the Governor. The members conduct hearings, review filings, and issue rulings, and are currently supported by two full-time staff, including an executive director.

Appropriations Overview

The Commission's estimated FY 2015 expenditures are compared with the executive recommendations for FYs 2016 and 2017, by fund group, in Table 1 below.

| Fund Group | FY 2015* | FY 2016 | % change, FY 2015-FY 2016 | FY 2017 | % change, FY 2016-FY 2017 |
|-----------------|-----------|-----------|---------------------------|-----------|---------------------------|
| General Revenue | \$545,530 | \$612,435 | 12.3% | \$612,435 | 0.0% |

*FY 2015 figure represents estimated expenditures.

¹ Any party adversely affected by an order of the Commission may appeal to the Franklin County Court of Common Pleas, or, if the appeal arises from an alleged violation of a law or regulation, to the court of appeals of the district in which the violation was alleged to have occurred.

² An appeal is generally required to be accompanied by a \$70 filing fee, which the Commission may waive in cases of extreme hardship. The fee, which generates an average of around \$2,500 annually, is deposited into the state treasury to the credit of the General Revenue Fund (GRF).

The Commission's budget consists of one GRF line item. Of note in Table 1 above is the 12.3%, or \$66,905, increase from FY 2015 estimated expenditures to the \$612,435 executive recommendations in each of FYs 2016 and 2017. This additional funding is being allocated to the Commission to pay for the space it occupies in the Riffe state office building beginning FY 2016.

Information Technology Upgrade Project

In FY 2014, the Commission initiated an information technology upgrade project to provide electronic filing and an online case management system. The anticipated completion date is between February and August of calendar year 2016. An unexpected staff vacancy was left unfilled in order to finance the project. It was the Commission's judgment that their workload could be handled by the remaining two full-time staff and that the project was a much higher priority.

Caseload Statistics

Table 2 below summarizes the Commission's caseload from FYs 2008 through 2014. Of note is the across-the-board decrease, from FY 2010 to FY 2011, in the Commission's entire range of work (appeals, hearings, filings reviewed, and rulings issued). The Commission's staff attributes this decrease to a variety of factors, some of which are outside of the Commission's control. External factors mentioned include the downturn in the economy. Also noted is the possibility of a general improvement in the relationships between regulators and the regulated community that typically appear before the Commission as parties to an appeal. Internal factors mentioned include a host of restructured and redesigned operating processes, for example, eliminating the backlog of cases, tighter adherence to case management schedules, information and technology improvements, and reallocation/redefinition of staff responsibilities.

| Fiscal Year | Total Appeals | Appeals Concluded | Hearings | Filings Reviewed | Rulings Issued |
|--------------------|----------------------|--------------------------|-----------------|-------------------------|-----------------------|
| 2008 | 121 | 109 | 381 | 3,312 | 2,988 |
| 2009 | 166 | 136 | 387 | 3,020 | 2,128 |
| 2010 | 98 | 272 | 210 | 3,583 | 3,362 |
| 2011 | 85 | 114 | 113 | 1,434 | 704 |
| 2012 | 60 | 109 | 52 | 1,204 | 524 |
| 2013 | 142 | 100 | 74 | 1,525 | 785 |
| 2014 | 65 | 88 | 48 | 1,165 | 634 |

ANALYSIS OF EXECUTIVE PROPOSAL

| Executive Recommended Amounts for Commission Operations | | | | |
|---|--------------|--------------------|------------------|------------------|
| Fund | ALI and Name | | FY 2016 | FY 2017 |
| General Revenue Fund | | | | |
| GRF | 172321 | Operating Expenses | \$612,435 | \$612,435 |
| General Revenue Fund Subtotal | | | \$612,435 | \$612,435 |
| Total Funding: Commission Operations | | | \$612,435 | \$612,435 |

Operating Expenses (GRF line item 172321)

This GRF line item provides funding for all of the Commission's operating expenses. Around 90% of the line item's annual appropriations are typically allocated for payroll-related expenditures (wages, salaries, fringe benefits, and administrative charges). The remainder is allocated for a mix of supplies, maintenance, and purchased personal services.

The line item's executive recommended amounts are expected to be sufficient for the Commission to maintain current services, including completion of the information technology project currently underway. At this time, the Commission has no plans to fill the vacant staff position that freed up the money necessary to undertake that project.

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Environmental Review Appeals Commission

General Revenue Fund

GRF 172321 Operating Expenses

| FY 2012 Actual | FY 2013 Actual | FY 2014 Actual | FY 2015 Estimate | FY 2016 Introduced | FY 2017 Introduced |
|-------------------|-------------------|-------------------|---------------------|-----------------------|-----------------------|
| \$482,342 | \$433,668 | \$467,276 | \$545,530 | \$612,435 | \$612,435 |
| | -10.1% | 7.7% | 16.7% | 12.3% | 0.0% |

Source: General Revenue Fund

Legal Basis: Section 277.10 of Am. Sub. H.B. 59 of the 130th G.A. (originally established by Am. Sub. H.B. 283 of the 123rd G.A.)

Purpose: This line item is used to pay for the Commission's operating expenses.

FY 2016 - FY 2017 Introduced Appropriation Amounts

All Fund Groups

Line Item Detail by Agency

| | | | Estimate | Introduced | FY 2015 to FY 2016 | Introduced | FY 2016 to FY 2017 | |
|--|--------|--------------------|-------------------------------|-------------------|--------------------|---------------|--------------------|--------------|
| | | | FY 2014 | FY 2015 | FY 2016 | % Change | FY 2017 | % Change |
| Report For Main Operating Appropriations Bill | | | Version: As Introduced | | | | | |
| EBR Environmental Review Appeals Commission | | | | | | | | |
| GRF | 172321 | Operating Expenses | \$ 467,276 | \$ 545,530 | \$ 612,435 | 12.26% | \$ 612,435 | 0.00% |
| General Revenue Fund Total | | | \$ 467,276 | \$ 545,530 | \$ 612,435 | 12.26% | \$ 612,435 | 0.00% |
| Environmental Review Appeals Commission Total | | | \$ 467,276 | \$ 545,530 | \$ 612,435 | 12.26% | \$ 612,435 | 0.00% |