

LSC Redbook

Analysis of the Executive Budget Proposal

Legislative Service Commission

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TABLE OF CONTENTS

OVERVIEW..... 1
Agency Overview 1
Appropriation Overview 1
Products and Services..... 2
ANALYSIS OF EXECUTIVE PROPOSAL4

ATTACHMENTS:

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

Legislative Service Commission

- Nearly 100% of funding from the GRF
- Flat GRF budget over the biennium
- Provides for the continuation of current services through the biennium

OVERVIEW

Agency Overview

The Legislative Service Commission (LSC) is a nonpartisan agency providing drafting, fiscal, research, training, and other technical services to the General Assembly. LSC's governing authority consists of 14 members of the General Assembly, including the President of the Senate and the Speaker of the House of Representatives. The President and the Speaker each appoint six additional members, with no more than four of the appointed members from each chamber belonging to the same political party. The day-to-day operation of LSC is the responsibility of a director who is appointed by the governing authority. LSC staff includes attorneys, budget analysts, economists, research associates, and support personnel.

The LSC budget contains two appropriation items that provide funding for two additional legislative agencies: (1) Legislative Information Systems (LIS) and (2) the Correctional Institution Inspection Committee (CIIC). LIS provides network computer development and services for the General Assembly. CIIC is required to inspect and evaluate Ohio's prisons, and is also authorized to inspect, evaluate, and assist in the development of improvements in juvenile correctional institutions.

Appropriation Overview

R.C. 107.03(B) states that "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" Therefore, the Governor has made no alterations to the budget request submitted by LSC.

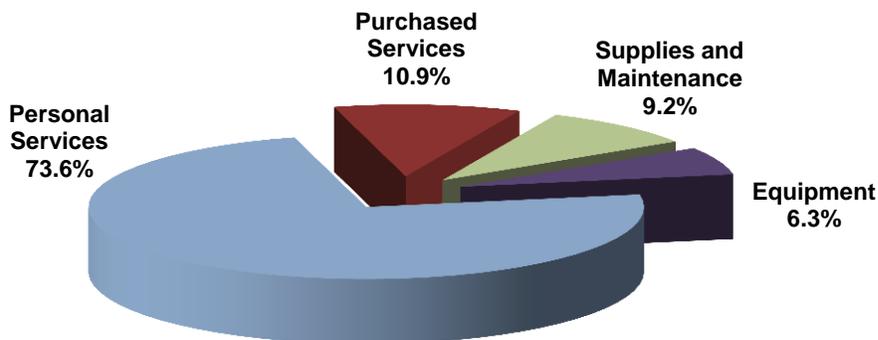
As shown in the table below, the executive appropriations for LSC total \$24.8 million in FY 2016, which is a 15% decrease from the adjusted appropriations in FY 2015, and \$24.7 million in FY 2017, a 0.4% decrease from FY 2016. The proposed \$100,000 decrease in FY 2017 is due to the elimination of funding for Fund 4F60 appropriation item 035603, Legislative Budget Services, which mostly supported LSC's health care analysis. The General Revenue Fund (GRF) is the primary funding source of the LSC budget, accounting for nearly 100% of the total appropriation in the next biennium.

Table 1. Executive Budget by Fund Group, FY 2016-FY 2017					
Fund Group	FY 2015*	FY 2016	% change, FY 2015-FY 2016	FY 2017	% change, FY 2016-FY 2017
General Revenue	\$28,961,000	\$24,670,478	-14.8%	\$24,670,478	0%
Dedicated Purpose	\$10,000	\$10,000	0%	\$10,000	0%
Internal Service Activity	\$230,000	\$100,000	-56.5%	\$0	-100%
TOTAL	\$29,201,000	\$24,780,478	-15.1%	\$24,680,478	-0.4%

*FY 2015 figures represent adjusted appropriations.

The majority (73.6%) of the LSC budget is for personal service costs (see chart below). The remainder of the budget goes to purchased services (10.9%), supplies and maintenance (9.2%), and equipment (6.3%). LSC, LIS, and CIIC collectively employ over 200 staff members, including 24 legislative fellows.

Chart 1: Biennial Executive Budget by Expense Category, FY 2016-FY 2017



Products and Services

As the central service agency of the General Assembly, LSC provides a comprehensive array of legislative and fiscal products and services. Some of these products and services include:

- Drafting bills, amendments, and resolutions;
- Preparing bill analyses as well as fiscal notes and local impact statements;
- Providing staff for each of the standing committees and subcommittees of the General Assembly, and for various joint, select, and ad hoc committees;
- Preparing analyses of state operating and capital budgets as they move from the executive proposal to final legislative enactment, keeping track of legislative changes, and summarizing the enacted budget;

- Producing budget briefing documents such as Redbooks, Comparison Documents, Budget In Detail spreadsheets, and Greenbooks;
- Conducting tax revenue and Medicaid expenditure forecasts;
- Performing long-term research studies and spot research services;
- Publishing various resource documents, such as Members Only briefs, Ohio Facts, Budget Footnotes, the Register of Ohio, and Digest of Enactments;
- Assisting the Controlling Board in analyzing agency spending requests;
- Drafting honorary resolutions and letters of commendation upon request;
- Providing an in-depth orientation for newly elected senators and representatives;
- Training fellows and legislative staff for both the House of Representatives and the Senate;
- Providing technical review of the Ohio Revised Code; and
- Operating the legislative research library.

ANALYSIS OF EXECUTIVE PROPOSAL

This section provides an analysis of the funding for each appropriation item in LSC's budget. The following table shows the appropriation in each fiscal year of the biennium.

Funding for the Legislative Service Commission				
Fund	ALI and Name		FY 2016	FY 2017
General Revenue Fund				
GRF	035321	Operating Expenses	\$15,600,000	\$15,600,000
GRF	035402	Legislative Fellows	\$1,022,120	\$1,022,120
GRF	035405	Correctional Institution Inspection Committee	\$460,845	\$460,845
GRF	035407	Legislative Task Force on Redistricting	\$400,000	\$400,000
GRF	035409	National Associations	\$460,560	\$460,560
GRF	035410	Legislative Information Systems	\$6,126,953	\$6,126,953
GRF	035411	Ohio Constitutional Modernization Commission	\$600,000	\$600,000
General Revenue Fund Subtotal			\$24,670,478	\$24,670,478
Dedicated Purpose Fund Group				
4100	035601	Sale of Publications	\$10,000	\$10,000
Dedicated Purpose Fund Subtotal			\$10,000	\$10,000
Internal Service Activity Fund Group				
4F60	035603	Legislative Budget Services	\$100,000	\$0
Internal Service Activity Fund Group Subtotal			\$100,000	\$0
Total Funding: Legislative Service Commission			\$24,780,478	\$24,680,478

Except for appropriation item 035603, Legislative Budget Services, funding for each line item in LSC's budget is flat in each fiscal year. LSC's core services as detailed in the "**Overview**" section are funded primarily through items 035321, 035601, and 035603, which is eliminated in FY 2017. As mentioned in the "**Overview**," two additional legislative agencies, the Correctional Institution Inspection Committee (CIIC) and Legislative Information Systems (LIS), receive funding through LSC's budget. This funding is provided through items 035405 and 035410. The legislative fellows program is funded through item 035402. This funding pays fellows who work for the General Assembly, Ohio Government Telecommunications, or LSC. The Legislative Taskforce on Redistricting, Reapportionment, and Demographic Research assists the General Assembly in establishing congressional districts and the Apportionment Board in establishing General Assembly districts. Funding for the Taskforce is provided in item 035407. The Ohio Constitutional Modernization Commission, supported by 035411, studies the Ohio Constitution, considers the problems pertaining to the amendment of the Constitution, and makes recommendations to the General Assembly for changes to

the Constitution. Funding for Ohio's membership fees for a number of national associations, such as the National Conference of State Legislatures and the Council of State Governments, is provided through item 035409. Table 2, below, lists the national associations for which LSC paid membership dues on behalf of the General Assembly in either fiscal or calendar year 2014.

Organization Name	FY/CY 2014 Dues Paid
American Legislative Exchange Council	\$1,000 (CY)
Council of State Governments	\$118,148 (FY)
National Conference of Insurance Legislators	\$10,000 (FY)
National Conference of State Legislatures	\$144,992 (FY)
Senate President's Forum	\$5,000 (CY)
State Legislative Leaders Foundation	\$1,000 (CY)

*FY = dues paid on a fiscal year cycle; CY = dues paid on a calendar year cycle.

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Legislative Service Commission

General Revenue Fund

GRF 035321 Operating Expenses

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$12,556,493	\$13,002,215	\$13,411,155	\$16,824,245	\$15,600,000	\$15,600,000
	3.5%	3.1%	25.4%	-7.3%	0.0%

Source: General Revenue Fund

Legal Basis: Section 313.10 of Am. Sub. H.B. 59 of the 130th G.A.

Purpose: This line item is used to fund the operating expenses of the Legislative Service Commission (LSC), a nonpartisan legislative agency providing drafting, fiscal, research, training, and other technical and legislative services to the General Assembly.

GRF 035402 Legislative Fellows

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$965,259	\$960,179	\$966,006	\$1,022,120	\$1,022,120	\$1,022,120
	-0.5%	0.6%	5.8%	0.0%	0.0%

Source: General Revenue Fund

Legal Basis: Section 313.10 of Am. Sub. H.B. 59 of the 130th G.A.

Purpose: This line item is used to fund a legislative fellowship program designed to provide college graduates with practical experience in the legislative process as paid staff for the General Assembly, Ohio Government Telecommunications, or the Legislative Service Commission.

GRF 035405 Correctional Institution Inspection Committee

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$398,795	\$414,497	\$402,946	\$460,845	\$460,845	\$460,845
	3.9%	-2.8%	14.4%	0.0%	0.0%

Source: General Revenue Fund

Legal Basis: Section 313.10 of Am. Sub. H.B. 59 of the 130th G.A. (originally established by Am. Sub. H.B. 305 of the 112th G.A.)

Purpose: This line item funds the operating costs of the Correctional Institution Inspection Committee (CIIC), which is statutorily required to inspect and evaluate Ohio's prisons and permitted to inspect and evaluate state juvenile correctional facilities.

Legislative Service Commission

GRF 035407 Legislative Task Force on Redistricting

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$666,186	\$31,209	\$0	\$2,994,005	\$400,000	\$400,000
	-95.3%	-100%	N/A	-86.6%	0.0%

Source: General Revenue Fund

Legal Basis: Section 313.10 of Am. Sub. H.B. 59 of the 130th G.A. (originally established by ORC 103.51)

Purpose: This line item supports the operating costs of the Legislative Task Force on Redistricting. The Task Force provides assistance to the General Assembly in establishing Congressional districts and to the Apportionment Board in establishing General Assembly districts. The Task Force also conducts other population and demographic research.

GRF 035409 National Associations

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$417,930	\$448,002	\$557,774	\$460,560	\$460,560	\$460,560
	7.2%	24.5%	-17.4%	0.0%	0.0%

Source: General Revenue Fund

Legal Basis: Section 313.10 of Am. Sub. H.B. 59 of the 130th G.A. (originally established by Am. Sub. H.B. 694 of the 114th G.A.)

Purpose: This line item is used to pay dues for Ohio's membership in several national associations, including the National Conference of State Legislatures (NCSL) and the Council of State Governments (CSG). The NCSL and CSG dues are determined by the two organizations using a population-based formula. Other organizations charge a flat annual amount.

GRF 035410 Legislative Information Systems

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$4,011,705	\$5,397,306	\$5,605,919	\$6,126,953	\$6,126,953	\$6,126,953
	34.5%	3.9%	9.3%	0.0%	0.0%

Source: General Revenue Fund

Legal Basis: Section 313.10 of Am. Sub. H.B. 59 of the 130th G.A. (originally established by Am. Sub. H.B. 117 of the 121st G.A.)

Purpose: This line item funds the operations of Legislative Information Systems (LIS), which serves the General Assembly and related legislative agencies by providing technology information network services, help desk support, computer education and training services, and assistance with the development of computer applications.

Legislative Service Commission

GRF 035411 Ohio Constitutional Modernization Commission

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$1,524	\$24,431	\$153,195	\$1,072,375	\$600,000	\$600,000
	1,503.4%	527.1%	600.0%	-44.0%	0.0%

Source: General Revenue Fund

Legal Basis: Section 313.10 of Am. Sub. H.B. 59 of the 130th G.A.

Purpose: This line item is used to support the operation and expenses of the Ohio Constitutional Modernization Commission, which was established in Am. H.B. 188 of the 129th G.A. The purpose of the Commission is to study the Ohio Constitution, promote an exchange of suggestions regarding desired changes in the Ohio Constitution, consider the problems of constitutional amendment, and make recommendations for amendments to the Ohio Constitution.

Dedicated Purpose Fund Group

4100 035601 Sale of Publications

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$6,802	\$0	\$0	\$10,000	\$10,000	\$10,000
	-100%	N/A	N/A	0.0%	0.0%

Source: Dedicated Purpose Fund Group: Proceeds from the sale of documents produced by the Legislative Service Commission

Legal Basis: Section 313.10 of Am. Sub. H.B. 59 of the 130th G.A. (originally established by Controlling Board in September 1975)

Purpose: This line item is used to fund the publication of documents produced by the Legislative Service Commission.

Internal Service Activity Fund Group

4F60 035603 Legislative Budget Services

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$193,251	\$199,296	\$106,081	\$200,000	\$100,000	\$0
	3.1%	-46.8%	88.5%	-50.0%	-100%

Source: Internal Service Activity Fund Group: A portion of assessments charged to all hospitals, based on total facility costs, under the Hospital Care Assurance Program (HCAP)

Legal Basis: ORC 5112.19; Section 313.10 of Am. Sub. H.B. 59 of the 130th G.A.

Purpose: This line item funds health care analysis by the Legislative Service Commission.

Legislative Service Commission

5EF0 035607 Legislative Agency Telephone Usage

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$10,134	\$16,647	\$6,645	\$30,000	\$0	\$0
	64.3%	-60.1%	351.5%	-100%	N/A

Source: Internal Service Activity Fund Group: Reimbursements paid to the Office of Legislative Information Systems (LIS) by legislative agencies including both houses of the General Assembly for telephone service

Legal Basis: Discontinued line item (originally established by Controlling Board on January 22, 2007)

Purpose: This line item was used by Legislative Information Systems (LIS) to pay the monthly telephone bills it received for calls made from House of Representatives, Senate, JLEC and other legislative agency telephones.

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					
LSC Legislative Service Commission								
GRF	035321	Operating Expenses	\$ 13,411,155	\$ 16,824,245	\$ 15,600,000	-7.28%	\$ 15,600,000	0.00%
GRF	035402	Legislative Fellows	\$ 966,006	\$ 1,022,120	\$ 1,022,120	0.00%	\$ 1,022,120	0.00%
GRF	035405	Correctional Institution Inspection Committee	\$ 402,946	\$ 460,845	\$ 460,845	0.00%	\$ 460,845	0.00%
GRF	035407	Legislative Task Force on Redistricting	\$0	\$ 2,994,005	\$ 400,000	-86.64%	\$ 400,000	0.00%
GRF	035409	National Associations	\$ 557,774	\$ 460,560	\$ 460,560	0.00%	\$ 460,560	0.00%
GRF	035410	Legislative Information Systems	\$ 5,605,919	\$ 6,126,953	\$ 6,126,953	0.00%	\$ 6,126,953	0.00%
GRF	035411	Ohio Constitutional Modernization Commission	\$ 153,195	\$ 1,072,375	\$ 600,000	-44.05%	\$ 600,000	0.00%
General Revenue Fund Total			\$ 21,096,993	\$ 28,961,103	\$ 24,670,478	-14.82%	\$ 24,670,478	0.00%
4100	035601	Sale of Publications	\$0	\$ 10,000	\$ 10,000	0.00%	\$ 10,000	0.00%
Dedicated Purpose Fund Group Total			\$0	\$ 10,000	\$ 10,000	0.00%	\$ 10,000	0.00%
4F60	035603	Legislative Budget Services	\$ 106,081	\$ 200,000	\$ 100,000	-50.00%	\$ 0	-100.00%
5EF0	035607	Legislative Agency Telephone Usage	\$ 6,645	\$ 30,000	\$ 0	-100.00%	\$ 0	N/A
Internal Service Activity Fund Group Total			\$ 112,726	\$ 230,000	\$ 100,000	-56.52%	\$ 0	-100.00%
Legislative Service Commission Total			\$ 21,209,719	\$ 29,201,103	\$ 24,780,478	-15.14%	\$ 24,680,478	-0.40%