

LSC Redbook

Analysis of the Executive Budget Proposal

House of Representatives

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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 House of Representatives (REP), which includes the following three sections.

1. Overview: Provides a description of the House's existing functions and staffing, and an overview of the House's executive recommended budget.
2. Analysis of Executive Proposal: Provides a detailed analysis of the House's executive recommended budget, including the funding and purposes for each appropriated line item.
3. Attachments: Includes LSC's Catalog of Budget Line Items (COBLI), which describes each line item's purpose, revenue, and expenditures, and the LSC budget spreadsheet which summarizes each line item's recent expenditure and appropriations history.

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ATTACHMENTS:

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

House of Representatives

- Total funding is \$24.7 million in each fiscal year
- Primarily GRF-funded budget
- Largest expense is member and staff compensation

OVERVIEW

Duties and Responsibilities

The legislative branch of the state of Ohio includes the General Assembly, which is composed of two chambers: the Senate and the House of Representatives. Based on Article II of the Ohio Constitution, the General Assembly has three fundamental legislative powers: (1) the power to enact laws providing for the establishment, organization, and operation of government in Ohio, (2) the power to enact all manner of laws that promote the public peace, health, safety, and welfare, and (3) the power to levy and collect taxes for certain purposes. In terms of more specific legislative duties and responsibilities, the House:

- Enacts, in conjunction with the Senate, new laws or amends or repeals existing laws;
- Adopts, in conjunction with the Senate, joint, concurrent, and simple resolutions that generally are formal expressions of the opinions and wishes of the General Assembly and do not require approval of the Governor;
- Judges the election, returns, and qualifications of its members; and
- Institutes the process by which a state officer can be charged and impeached for misconduct, with the subsequent trial conducted by the Senate.

The House has 99 members called Representatives, with one Representative elected from each House District. Representatives are elected to terms of two years. Unlike the Senate, the entire membership of the House is subject to election every even-numbered year. Pursuant to the Ohio Constitution, a person cannot hold the office of Representative for longer than four successive two-year terms.

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 the House.

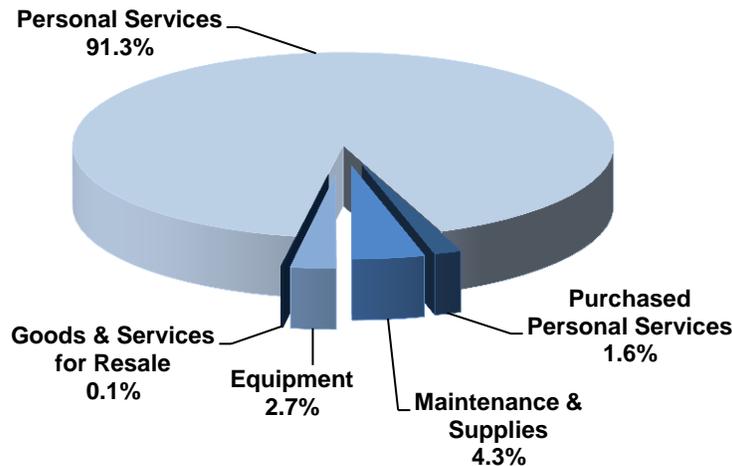
Under the executive budget, appropriations for the House total \$24.7 million in FY 2016 and FY 2017. As Table 1 below indicates, total appropriations represent a 6.6% decrease from FY 2015 funding levels. Over 94% of the House's expenditures are supported by money appropriated from the General Revenue Fund (GRF).

Fund Group	FY 2015*	FY 2016	% change, FY 2015-FY 2016	FY 2017	% change, FY 2016-FY 2017
General Revenue	\$25,024,667	\$23,272,941	-7.0%	\$23,272,941	0.0%
Internal Service Activity	\$1,471,513	\$1,471,513	0.0%	\$1,471,513	0.0%
TOTAL	\$25,496,180	\$24,744,454	-6.6%	\$24,744,454	0.0%

*FY 2015 figures represent estimated expenditures.

Chart 1 below shows the total recommended appropriations (FY 2016 and FY 2017) by expense category. Over 91% of the House's appropriations in the next biennium are allocated for personal services.

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



Staffing Levels

Table 2 immediately below displays the number of members and staff paid, or to be paid, by the House from FY 2013 through FY 2017. Staffing levels are not expected to change over the upcoming biennium, relative to FY 2015 levels.

Table 2. House Staffing Levels by Fiscal Year, FY 2013-FY 2017					
Type of Staff	FY 2013	FY 2014	FY 2015	FY 2016*	FY 2017*
Members	99	99	99	99	99
Administrative Staff	150	153	163	163	163
Pages	82	72	80	80	80
TOTAL	331	324	342	342	342

*The staffing levels displayed in the above table for FY 2016 and FY 2017 are estimates.

ANALYSIS OF EXECUTIVE PROPOSAL

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

Recommended Amounts for the House of Representatives				
Fund	ALI and Name		FY 2016	FY 2017
General Revenue Fund				
GRF	025321	Operating Expenses	\$23,272,941	\$23,272,941
<i>General Revenue Fund Subtotal</i>			\$23,272,941	\$23,272,941
Internal Services Activity Fund Group				
1030	025601	House Reimbursement	\$1,433,664	\$1,433,664
4A40	025602	Miscellaneous Sales	\$37,849	\$37,849
<i>Internal Services Activity Fund Group Subtotal</i>			\$1,471,513	\$1,471,513
Total Funding: House of Representatives			\$24,744,454	\$24,744,454

Operating Expenses (025321)

Under the executive recommended budget, the appropriation for this GRF line item in FY 2016 and FY 2017 is \$23.3 million, a decrease of 7.0% below the FY 2015 appropriation level. With this appropriation, the House will be able to maintain current service levels, including covering the payroll costs and obligations associated with 99 House members, 163 full-time staff, and 80 part-time pages. About 97% of the appropriated amounts in FY 2016 and FY 2017 will be allocated to cover payroll costs.

The executive budget also contains a temporary law provision requiring the Director of Budget and Management, at the direction of the Clerk of the House, to transfer all, or a portion, of the House's unexpended, unencumbered GRF appropriation from FY 2015 to FY 2016, and similarly, from FY 2016 to FY 2017. Current law contains a similar provision relative to the transfer of the line item's unexpended, unencumbered balance of appropriations from FY 2013 to FY 2014, and from FY 2014 to FY 2015.

House Reimbursement (025601)

This ISA line item is funded through miscellaneous reimbursements, such as refunds from the Department of Administrative Services for overpayment of medical insurance premiums for Representatives; amounts received for the salvage and recycling of equipment, materials, and supplies; and payments from members and staff for incidental use of equipment or facilities. This money is used for the operating expenses of the House.

For the next biennium, the executive budget recommends an appropriation of \$1.4 million in FY 2016 and FY 2017, which is the same as the FY 2015 appropriation. Just over 75% of the appropriated amounts in FY 2016 and FY 2017 will be allocated to a mix of supplies and maintenance and equipment, and the remaining 25% will be allocated for personal services, purchased personal services, and goods and services for resale.

The executive budget also contains a temporary law provision increasing the line item's appropriation if the Chief Administrative Officer of the House determines that additional amounts are necessary. Current law contains a similar provision for the FY 2014-FY 2015 biennium.

Miscellaneous Sales (025602)

This ISA line item is funded by money collected by the Office of the Chief Administrative Officer of the House from the sale of flags, insignia, seals, frames for resolutions, and similar items. This money is used to pay for the costs of procuring these items for resale.

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House of Representatives

General Revenue Fund

GRF 025321 Operating Expenses

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$16,924,338	\$18,261,970	\$19,526,505	\$25,024,667	\$23,272,941	\$23,272,941
	7.9%	6.9%	28.2%	-7.0%	0.0%

Source: General Revenue Fund

Legal Basis: Section 293.10 of Am. Sub. H.B. 59 of the 130th G.A.

Purpose: This line item is used to pay operating expenses of the House of Representatives, primarily compensation paid to the members of the House and their staff.

Internal Service Activity Fund Group

1030 025601 House Reimbursement

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$672,992	\$452,354	\$360,618	\$1,433,664	\$1,433,664	\$1,433,664
	-32.8%	-20.3%	297.6%	0.0%	0.0%

Source: Internal Service Activity Fund Group: (1) Refunds from the Department of Administrative Services for overpayment of medical insurance premiums for state representatives, (2) salvage and recycling of equipment, materials, and supplies, and (3) payments from members and employees for incidental use of House equipment or facilities

Legal Basis: ORC 101.272(A); Section 293.10 of Am. Sub. H.B. 59 of the 130th G.A. (originally established by Am. Sub. S.B. 336 of the 118th G.A.)

Purpose: This line item is used to pay operating expenses of the House of Representatives.

House of Representatives

4A40 025602 Miscellaneous Sales

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$25,407	\$18,723	\$37,545	\$37,849	\$37,849	\$37,849
	-26.3%	100.5%	0.8%	0.0%	0.0%

Source: Internal Service Activity Fund Group: Sale of flags, insignia, seals, frames for resolutions, and similar items

Legal Basis: ORC 101.69; Section 293.10 of Am. Sub. H.B. 59 of the 130th G.A. (originally established by Am. Sub. H.B. 111 of the 118th G.A.)

Purpose: This line item is used to pay for the costs of procuring items for sale, 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.

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					
REP House of Representatives								
GRF	025321	Operating Expenses	\$ 19,526,505	\$ 25,024,667	\$ 23,272,941	-7.00%	\$ 23,272,941	0.00%
General Revenue Fund Total			\$ 19,526,505	\$ 25,024,667	\$ 23,272,941	-7.00%	\$ 23,272,941	0.00%
1030	025601	House Reimbursement	\$ 360,618	\$ 1,433,664	\$ 1,433,664	0.00%	\$ 1,433,664	0.00%
4A40	025602	Miscellaneous Sales	\$ 37,545	\$ 37,849	\$ 37,849	0.00%	\$ 37,849	0.00%
Internal Service Activity Fund Group Total			\$ 398,163	\$ 1,471,513	\$ 1,471,513	0.00%	\$ 1,471,513	0.00%
House of Representatives Total			\$ 19,924,668	\$ 26,496,180	\$ 24,744,454	-6.61%	\$ 24,744,454	0.00%