

Redbook

LBO Analysis of Executive Budget Proposal

Joint Legislative Ethics Committee

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LBO Redbook

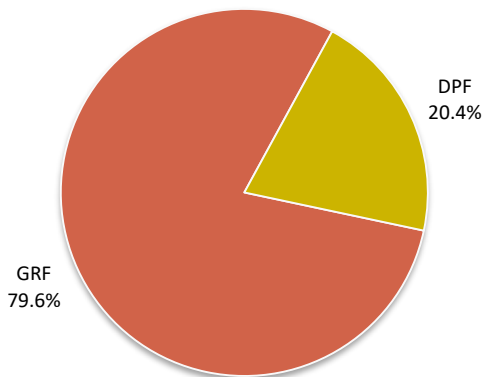
Joint Legislative Ethics Committee

Quick look...

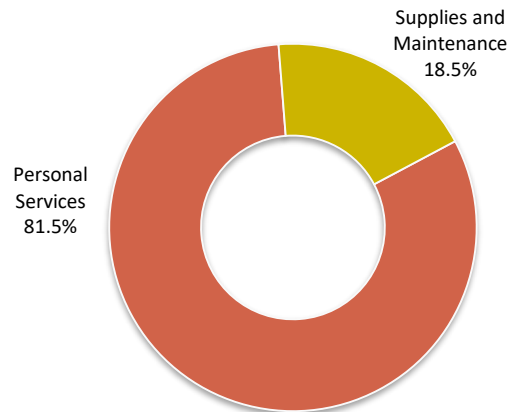
- The Joint Legislative Ethics Committee (JLEC) administers ethics laws related to members and employees of the General Assembly and lobbying laws related to legislative agents and executive agency lobbyists.
- JLEC is a 12-member joint legislative committee, with day-to-day operations handled by six full-time staff.
- Biennial recommendation of \$1.6 million: \$785,000 in each of FY 2024 and FY 2025.
 - Sources of the budget: GRF (79.6%); Dedicated Purpose Fund (DPF) group (20.4%).
 - Primary budget expenses: personal services (81.5%); supplies and maintenance (18.5%).

Fund Group	FY 2022 Actual	FY 2023 Estimate	FY 2024 Introduced	FY 2025 Introduced
General Revenue	\$621,757	\$625,000	\$625,000	\$625,000
Dedicated Purpose	\$157,217	\$160,000	\$160,000	\$160,000
Total	\$778,974	\$785,000	\$785,000	\$785,000
% change	--	0.8%	0.0%	0.0%
GRF % change	--	0.5%	0.0%	0.0%

**Chart 1: JLEC Budget by Fund Group
FY 2024-FY 2025 Biennium**



**Chart 2: JLEC Budget by Expense Category
FY 2024-FY 2025 Biennium**



Biennial total:
\$1.6 million

Agency overview

The Joint Legislative Ethics Committee (JLEC) was created to serve the General Assembly and is charged with two primary responsibilities: (1) to administer the laws regarding ethics that relate to members and employees of the General Assembly and (2) to administer Ohio’s lobbying laws governing the registration and reporting requirements of legislative agents, executive agency lobbyists, and their employers. Specific duties include the following:

- Establishing and enforcing a standard code of ethics;
- Receiving and hearing complaints alleging breaches of privilege, misconduct, or ethics violations;
- Investigating and conducting hearings with respect to any complaint;
- Recommending appropriate sanctions for violators of the ethics code;
- Acting as an advisory body on questions relating to ethics, conflicts of interest, and financial disclosure;
- Conducting training sessions regarding ethics or lobbying regulations;
- Administering the annual financial disclosure forms of legislative officials and staff;
- Administering legislative, retirement system, and executive agency lobbyist registrations and filings; and
- Administering the post-employment disclosure law.

JLEC is a 12-member legislative committee, which is assisted in its duties by the Office of the Legislative Inspector General (OLIG). The Speaker of the House of Representatives and the President of the Senate each appoint six members from their respective chambers to serve on the legislative committee, with not more than three being from the same political party. OLIG consists of the Legislative Inspector General and five other full-time staff.

Analysis of FY 2024-FY 2025 budget proposal

R.C. 107.03(D) 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 JLEC. The agency requested a total budget of \$785,000 for each of FY 2024 and FY 2025 to maintain existing service and staffing levels. This is the same level of annual funding provided by H.B. 110 of the 134th General Assembly for FY 2022 and FY 2023.

Proposed budget by expense category

Chart 2 shown in the preceding “Quick look” section presents the executive recommended biennial appropriation of \$1.6 million (FY 2024 and FY 2025 combined) by expense category. Approximately 81.5% (\$1.3 million) of the appropriation is allocated for personal services (payroll), with the remaining 18.5% (\$290,000) for supplies and maintenance. These allocations may change over the course of the biennium, but historically, these percentages have remained relatively consistent from year to year.

Operating expenses (ALIs 028321, 028601, and 028602)

FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 Estimate	FY 2024 Introduced	FY 2025 Introduced
GRF ALI 028321, Legislative Ethics Committee					
\$541,318	\$541,770	\$621,757	\$625,000	\$625,000	\$625,000
% change	0.1%	14.8%	0.5%	0.0%	0.0%
Fund 4G70 ALI 028601, Joint Legislative Ethics Committee					
\$135,436	\$150,376	\$147,217	\$150,000	\$150,000	\$150,000
% change	11.0%	-2.1%	1.9%	0.0%	0.0%
Fund 5HNO ALI 028602, Investigations and Financial Disclosure					
\$5,398	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
% change	85.3%	0.0%	0.0%	0.0%	0.0%

JLEC's three appropriation line items together support the operating expenses of the agency, including OLIG. As indicated in the preceding "**Quick look**" section, the GRF provides 80% of the funding for JLEC. This funding is appropriated to line item 028321, Legislative Ethics Committee. The remaining percent consists of money appropriated from two dedicated purpose funds that are supported by fee revenue: the Joint Legislative Ethics Fund (Fund 4G70) and the Joint Legislative Ethics Committee-Investigative Fund (Fund 5HNO).

Fund 4G70 revenue sources include: (1) \$25 registration statement fee paid by legislative agents, executive agency lobbyists, retirement system lobbyists, or their employers, (2) late filing fee (\$12.50 per day, up to a maximum fee of \$100), and (3) investment earnings. Legislative agent registrations expire December 31 of every even-numbered year, and executive and retirement lobbyist registrations expire January 31 of each year. From FY 2018 through FY 2022, annual revenues credited to Fund 4G70 averaged \$184,834.

Fund 5HNO revenue sources include: (1) \$40 annual financial disclosure statement filing fee assessed members of, and candidates for, the General Assembly, and designated General Assembly and legislative agency staff (staff fee paid by employing state agency), (2) late filing fee (\$10 per day, up to a maximum fee of \$250), and (3) investment earnings. From FY 2018 through FY 2022, annual revenues credited to Fund 5HNO averaged \$16,426.