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S.B. 35
135th General Assembly

Fiscal Note & Local Impact Statement

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Version: As Introduced

Primary Sponsors: Sens. Hoagland and O'Brien

Local Impact Statement Procedure Required: No

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Highlights

- The bill extends and expands the existing pilot program for peace officer and trooper training reimbursements that is currently in operation and expires June 30, 2023.¹
- The bill (1) authorizes a \$40.0 million cash transfer from the General Revenue Fund in both FY 2024 and FY 2025 to the reestablished Law Enforcement Assistance Fund, and (2) appropriates that amount in each of those fiscal years to related line item 055619, Law Enforcement Assistance Program to pay reimbursements for “costs related to continuing professional training,” including mandatory training and additional training subject to an annual maximum, successfully completed by peace officers and troopers, and related expenses.
- The expanded pilot program allows local law enforcement to recover more costs associated with continuing professional training (CPT) compared to the current pilot program, specifically by allowing for the reimbursement of additional CPT that may be required by an agency beyond the maximum 24 hours that may be mandated by the Ohio Peace Office Training Commission (OPOTC), as well as “actual training costs” (i.e., salaries while in training, the cost charged for training, and amounts paid to officers to work as replacements for officers while in training).
- The bill creates the Law Enforcement Equipment Fund. The bill transfers the available balance of the Law Enforcement Assistance Fund remaining at the end of the fiscal year, or an amount jointly determined by the Director of Budget and Management and the

¹ Created in H.B. 110 of the 134th General Assembly.

Attorney General as surplus, to the credit of the newly created fund. The fund is to be used to support grants to qualifying law enforcement agencies for equipment.

- The Attorney General will be required to process substantially more documentation to support reimbursement requests; therefore, the administrative costs to both local agencies and the Attorney General will be higher than the current pilot program.

Detailed Analysis

Pilot program for funding peace officer and trooper training – extension and expansion

The bill extends and expands the existing pilot program for certain law enforcement training reimbursements that is currently in operation and expires June 30, 2023.² In order to fund what is effectively the continuation of the pilot program, the bill reestablishes in the state treasury the Law Enforcement Assistance Fund, and requires the Attorney General to use the fund to pay: (1) reimbursements for “costs related to mandatory or additional continuing professional training” successfully completed by “peace officers” and “troopers” of “appointing authorities,” (2) compensation of any Attorney General employees administering those provisions, and (3) other administrative costs the Attorney General incurs in administering those provisions.

The bill establishes criteria for making those reimbursements and specifies that the program applies on and after the bill’s effective date or July 1, 2023, whichever is later, with respect to funding for costs related to mandatory or additional continuing professional training successfully completed during or after calendar year 2023.³

Program funding

The bill requires, on June 1, 2023, and July 1, 2024, or as soon as possible thereafter, the Director of Budget and Management to transfer \$40.0 million cash from the GRF to the Law Enforcement Assistance Fund (Fund 5L50). The cash will be used to support the annual appropriation to related line item 055619, Law Enforcement Assistance Program in those same amounts in both FY 2024 and FY 2025.

Money in the Law Enforcement Assistance Fund (Fund 5L50) that is not distributed under the reimbursement program during any fiscal year, commencing in state fiscal year 2024, must be transferred at the end of that fiscal year to the Law Enforcement Equipment Fund, which is also created by the bill. The bill requires the Attorney General to use the Law Enforcement Equipment Fund to provide grants to “qualifying law enforcement agencies” for the purchase of law enforcement equipment, including, but not limited to, vehicles on state-bid contracts, leather goods, firearms, protective vests, and communications devices or materials. The amount of money to be transferred will be solely dependent on the number of reimbursements made under the program. If no moneys remain at the end of the fiscal year, no funds will be transferred to

² Created in H.B. 110 of the 134th General Assembly.

³ The LSC bill analysis provides more additional information about the pilot program under “**Pilot program for funding of peace officer and trooper training.**”

the new Law Enforcement Equipment Fund. Those local agencies receiving a grant, if any are made, would realize some savings.

The bill requires the Attorney General to adopt rules establishing application procedures, standards, and guidelines, and prescribing an application form, for grants from this fund which will result in minimal – and largely one-time – administrative costs.

Attorney General training program expenses

Reimbursement payments

As stated above, the bill appropriates \$40.0 million in each fiscal year from Fund 5L50, supported by annual GRF cash transfers, to expand the reimbursement program for continuing professional training. Reimbursements are to be paid on a quarterly basis, in accordance with the procedures stipulated by the bill.

Reimbursements may be requested for both costs related to mandatory continuing professional training and costs related to additional continuing professional training. The bill specifies that the total number of hours of successfully completed training for which reimbursement may be provided, for mandatory training plus any additional training, may not exceed 40 hours in any calendar year. The bill defines “additional continuing professional training” as continuing professional training of peace officers and troopers that is in addition to the mandatory continuing professional training of the officers and troopers, and that is expressly preapproved by the Ohio Peace Officer Training Commission (OPOTC) or that is in a category of training expressly preapproved by OPOTC.

Unlike the current pilot program, the bill allows reimbursements more broadly for “costs related to continuing professional training,” rather than only salaries of the officers and troopers while receiving training. Those costs may include: (1) the salaries of peace officers and troopers earned while they are receiving training and while they are on duty in their official capacity, as based on their hourly wages, (2) the actual cost charged for training by the entity providing the training, and (3) any amount paid to officers and troopers who work as replacements for the officers and troopers receiving training and that is overtime pay for those officers and troopers while working as replacements.

Estimate of salary-related reimbursement costs

Funding to fully reimburse the salaries of peace officers and troopers earned for 24 hours of training, the maximum amount of hours that may be directed by the Attorney General’s Ohio Peace Officer Training Commission, is estimated at \$33.7 million. This number is calculated based on salary data from the Attorney General for reimbursements provided in 2021 under the current pilot program.⁴ The estimated amount of funding increases to \$56.2 million to fully reimburse 40 hours of training. These estimates are limited to the salaries of individuals earned in training and overtime paid to substituting for those receiving training.

It is unknown how many officers from how many agencies will complete more than the required minimum 24 hours of training and request reimbursement. Most midsize and larger agencies complete more than 24 hours of training each year. Because of this, the Attorney

⁴ The estimate does not factor in likely salary rate increases since 2021.

General expects the cost for salary reimbursements to be toward the higher end of the range of estimated costs. That said, larger agencies are less likely to request reimbursement for backfill as many have a set training schedule and are able to arrange work duties in order to avoid overtime pay to substitute officers who backfill positions during training. The actual direct costs of the training is also reimbursable under the bill. However, as that was not permitted under the pilot program or any prior reimbursement programs, the Attorney General is unable to estimate those costs.

Administrative costs

The new program requires substantially more documentation to support reimbursement requests for local agencies than previously, which increases the administrative costs for OPOTC to review and audit for compliance. According to the Attorney General, the current infrastructure for reimbursement and staff are not sufficient to support the additional demand.

The bill includes a temporary law provision that allows the Attorney General to use a portion of the appropriation for compensation of any employees required to administer the reimbursement program and other related administrative costs.⁵ It does not include a limit to the amount of funding that may be used for such costs.

With respect to the temporary law, it largely mirrors the purposes of the Law Enforcement Assistance Fund that are specified in the bill. Presumably, the reimbursement level would be determined by the Attorney General if there is not a sufficient cash balance in the fund to support all of the program's costs. Assuming the Attorney General prioritizes salary reimbursements, other operating lines may be required to be utilized to pay for administrative costs of the program.

Law enforcement agencies

The new reimbursement program allows law enforcement agencies to recover more costs associated with continuing professional training compared to the current pilot program, specifically by allowing for the reimbursement of additional continuing professional training that may be required by an agency beyond the maximum 24 hours that may be mandated by OPOTC, as well as "actual training costs" (i.e., salaries while in training, the cost charged for training, and amounts paid to officers to work as replacements for officers while in training). The current pilot program only covers up to 50% of the total cost of the salaries of the officers or troopers during mandated continuing professional training. However, it is uncertain whether or not the appropriated funding will be sufficient to cover all applications for reimbursement of "actual costs."

⁵ Section 6.