



Ohio Legislative Service Commission

Resolution Analysis

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Sub. S.J.R. 1*

131st General Assembly
(As Reported by S. Finance)

Sens. Faber, Widener, Patton, Oelslager, Obhof, Williams, Seitz, LaRose, Bacon, Beagle, Hottinger

RESOLUTION SUMMARY

- Creates the Public Office Compensation Commission consisting of nine voting members.
- Requires the Commission, in each even-numbered year, to review the compensation of elected public offices in the state.
- Requires the Commission to create a proposed compensation plan and a report, and to present the plan and report at not less than three public hearings to receive public input.
- Requires the Commission to issue a final compensation plan and a report not later than December 31 of each even-numbered year.
- Allows the General Assembly to reject one or more of the final compensation amounts.
- Provides that the final compensation plan issued by the Commission takes effect July 1 of the following odd-numbered year except insofar as compensation amounts have been rejected by the General Assembly.
- Requires the Commission to create its *initial* final compensation plan not later than February 29, 2016, and provides that the compensation amounts therein take effect July 1, 2016, unless rejected by the General Assembly.

* This analysis was prepared before the report of the Senate Finance Committee appeared in the Senate Journal. Note that the list of co-sponsors and the legislative history may be incomplete.

- Specifies that the creation and operation of the Commission does not affect the compensation of nonjudicial elected public offices in municipal corporations and charter counties having home rule.
- Removes the prohibition against General Assembly members receiving "allowances or perquisites" in addition to a fixed compensation.
- Limits the prohibition against General Assembly members receiving in-term increases in compensation to apply only when the General Assembly has, during a member's term, rejected all or any portion of the Commission's final compensation plan.
- Removes the prohibition against compensation of judges of courts of record being diminished during a term of office and the prohibition against judges receiving "fees or perquisites."
- Eliminates the prohibition against a member of the General Assembly, during the member's term or for one year thereafter, from being appointed to a public office the compensation of which was increased during the member's term.
- Eliminates the prohibition against executive officers' compensation being increased or decreased during the period for which the officer was elected.

CONTENT AND OPERATION

The joint resolution proposes an amendment to the Ohio Constitution that establishes a Public Office Compensation Commission to review and set the compensation of elected public offices, subject to rejection by the General Assembly. The proposal is to be submitted to the electors at the general election to be held on November 3, 2015.

Duties of the Public Office Compensation Commission

The Public Office Compensation Commission is required to meet each even-numbered year to review the current compensation of each elected public office in the state.¹ Currently, the General Assembly establishes, by law, the compensation of all officers,² of all executive officers,³ and of justices of the Supreme Court and judges of the

¹ Ohio Const., art. II, sec. 20a(B)(1).

² Ohio Const., art. II, sec. 20.

³ Ohio Const., art. III, sec. 19.



courts of appeals, courts of common pleas, and divisions thereof, and of all courts of record established by law.⁴ Under the proposal, the Commission, instead of the General Assembly, is to establish the compensation of all elected public offices.⁵ When reviewing the current compensation of elected public offices, the Commission must consider factors provided by law, including the amount of compensation paid to similarly skilled individuals in the private sector, the amount of compensation paid to individuals in comparable elected public offices in other states, and the current financial condition of and within Ohio.⁶

After completing its review, the Commission must prepare, by vote of at least five of its members, a proposed compensation plan that sets forth the compensation amounts for each elected public office in the state, and must prepare a report of the proposed compensation plan. The Commission must present the proposed compensation plan and the report at not less than three public hearings in the state to obtain public input regarding the plan. After conducting the public hearings, the Commission must issue, by vote of at least five of its members, a final compensation plan. The Commission must prepare a report of the final compensation plan not later than the last day of December in each even-numbered year. When a proposed or final compensation plan increases or decreases the compensation amount of an elected public office by more than the lesser of 3% or the percentage increase, if any, in the consumer price index,⁷ the Commission must include specific factors that support the increase or decrease in its accompanying report.⁸

Effective date of final compensation plan; rejection of compensation amounts by General Assembly

The compensation amounts set forth in the final compensation plan for each elected public office take effect on the first day of July of the following odd-numbered year unless, before that day, the General Assembly, by a three-fifths vote of the members elected to each house, adopts a concurrent resolution rejecting one or more of the compensation amounts. In that event, only those compensation amounts not rejected by the General Assembly take effect on that date. If the General Assembly rejects a final compensation plan or portion thereof, a member of the General Assembly

⁴ Ohio Const., art. IV, sec. 6(B).

⁵ Ohio Const., art. II, sec. 20a(B)(1).

⁶ Ohio Const., art. II, sec. 20a(B)(1).

⁷ Measured over the 12-month period that ends on the 30th day of September of the immediately preceding year, rounded to the nearest $\frac{1}{10}$ of 1%.

⁸ Ohio Const., art. II, sec. 20a(B)(1).



who, at the time the plan was voted on, voted or would have been entitled to vote on it, is not entitled to an increase in compensation for the duration of the member's term of office.⁹

In-term decrease in judges' compensation

The compensation amount established in the compensation plan for a judicial office may be decreased during the officer's existing term *only if* both of the following conditions are met:

(1) The General Assembly passes a bill by a three-fifths vote of the members elected to each house that declares a state of fiscal emergency requiring an in-term decrease in compensation *and* decreases the compensation amount for every elected public office by the same percentage.

(2) The Governor signs the bill.¹⁰

Initial actions of the Commission

The Commission must meet in 2015 to review the current compensation of each public office. The proposed and final compensation plans and the accompanying reports must be issued not later than February 29, 2016. The compensation amounts in the initial final compensation plan are to take effect July 1, 2016, unless rejected by the General Assembly as described above. Only those compensation amounts not rejected by the General Assembly take effect on that date. If the General Assembly rejects the initial final compensation plan, or a portion thereof, a member of the General Assembly who, at the time the plan was voted on, voted or would have been entitled to vote on it, is not entitled to an increase in compensation for the duration of the member's term of office.¹¹

Membership of the Commission

The Commission is to consist of nine members appointed as follows: two by the Governor, two by the President of the Senate, two by the Speaker of the House of Representatives, one by the legislative leader of the largest political party in the Senate of which the President is not a member, one by the legislative leader of the largest political party in the House of Representatives of which the Speaker is not a member, and one by the Chief Justice of the Supreme Court. The following individuals are not

⁹ Ohio Const., art. II, sec. 20a(B)(2).

¹⁰ Ohio Const., art. II, sec. 20a(B)(3).

¹¹ Schedule I.



eligible to be appointed as a member of the Commission: (1) an officer or employee of the state or a political subdivision of the state, or a family member, as defined by statute, of an officer or employee of the state or a political subdivision of the state, (2) an individual who was a candidate for election to public office in the state within 12 months before appointment, or (3) an individual who engages during at least a portion of the individual's time to actively advocate legislation on behalf of another.

Members serve two-year terms and may not serve more than four consecutive terms. The Commission is to select its chairperson by a majority vote. Members do not receive compensation, but must be reimbursed for actual and necessary expenses incurred in the performance of Commission duties. Vacancies on the Commission are to be filled in the manner prescribed for the original appointment. A member may be removed from the Commission only by that member's designated appointing authority and only if it is found that the member is inefficient or derelict in the discharge of the member's duties.¹²

Initial appointments

The term of an initial appointment to the Commission is to begin upon appointment and end December 31, 2017. If, by November 13, 2015, one or more appointments have not been made, a majority of the Commission members who have been appointed are to appoint, not later than November 15, 2015, a sufficient number of individuals so that the Commission consists of nine members. The Commission must give prompt notice of the appointments to the Governor, President and minority leader of the Senate, Speaker and minority leader of the House, and Chief Justice of the Supreme Court.¹³

Compensation of charter county or municipal elected officer unaffected

The proposal specifies that the creation and operation of the Commission does not affect the compensation of a county officer elected under a county charter or the compensation of an officer of a municipality elected under the power of local self-government as exercised by a municipality under the Home Rule Amendment to the Ohio Constitution.¹⁴

¹² Ohio Const., art II, sec. 20a(A).

¹³ Schedule II.

¹⁴ Ohio Const., art. II, sec. 20a(C); Ohio Const., art. X, secs. 3 and 4 (county home rule); Ohio Const., art. XVIII, secs. 3 and 7 (municipal home rule).



Implementation by the General Assembly

The proposal provides that it may otherwise be implemented in the manner and to the extent provided by the General Assembly by law.¹⁵

Miscellaneous

The Constitution currently prohibits the compensation of a judge of a court of record from being diminished in term. The proposal removes this prohibition. The proposal also removes the Constitutional prohibition against judges receiving "fees or perquisites."¹⁶

The Constitution also prohibits the compensation of members of the General Assembly from being changed in term. The proposal removes this prohibition as well.¹⁷ But, as described above, it does specify that if the General Assembly rejects all or a portion of the Commission's final compensation plan, a member who, at the time the plan was voted on, voted or would have been entitled to vote on it, is not entitled to an increase in compensation during the member's term of office.¹⁸

The proposal eliminates the Constitutional prohibition against a member of the General Assembly being appointed to a public office, during the member's term or for one year thereafter, if the compensation of the office was increased during the member's term.¹⁹

Lastly, the proposal eliminates the prohibition against certain executive officers, during the period for which the officers were elected, from receiving an increase or decrease in compensation.²⁰

¹⁵ Ohio Const., art. II, sec. 20a(D).

¹⁶ Ohio Const., art. IV, sec. 6.

¹⁷ Ohio Const., art. II, sec. 31.

¹⁸ Ohio Const., art. II, sec. 20a(B)(2).

¹⁹ Ohio Const., art. II, sec. 4.

²⁰ Ohio Const., art. III, sec. 19.



HISTORY

ACTION

DATE

Introduced
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02-02-15

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