



# Ohio Legislative Service Commission

## Bill Analysis

Amber Hardesty

### **S.B. 62**

131st General Assembly  
(As Introduced)

**Sens.** Schiavoni and Cafaro, Gentile, Skindell, Yuko, Brown, Lehner

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## **BILL SUMMARY**

- Prohibits the Governor from ordering the closure, sale, or privatization of any state institutional facility other than under the bill's provisions.
- Requires the Governor to notify the General Assembly and the affected state agency of the determination that a facility should be closed, sold, or privatized.
- Upon the Governor's notice, requires a 13-member State Facilities Closure Commission to be created to make recommendations regarding the closures of state institutional facilities based upon specific criteria.
- Prohibits the Governor from closing, selling, or privatizing any state institutional facility unless done in accordance with the Commission's recommendation.
- Permits the Governor to disregard the Commission's recommendation if the Governor determines that a significant change in circumstances makes it unworkable and the Governor calls for a new Commission.

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## **CONTENT AND OPERATION**

### **Closure, sale, or privatization of state facility**

The bill prohibits the Governor from ordering the closure, sale, or privatization of any state institutional facility other than under the bill's provisions. "State institutional facility" means any institution or other facility in operation after December 31, 2014, for the housing of any person that is under the control of the Department of Rehabilitation and Correction, the Department of Youth Services, the Department of Developmental Disabilities, the Department of Mental Health and Addiction Services, or any other state agency. The bill states that this prohibition overrides other law to the

contrary regarding the closure, sale, or privatization of a state institutional facility, whatever that may be.<sup>1</sup>

If the Governor determines that one or more state institutional facilities should be closed, sold, or privatized, the Governor must do the following: (1) determine which state agency's institutional facility or facilities the Governor believes should be closed, sold, or privatized (i.e., "target state agency"), (2) notify the General Assembly and that agency of the determination and the rationale for that determination, and (3) specify the number of the agency's facilities that the Governor believes should be closed, sold, or privatized. If the rationale for the closure, sale, or privatization is expenditure reductions or budget cuts, the notice also must specify the anticipated savings to be obtained.<sup>2</sup>

### **State Facilities Closure Commission**

Upon the Governor's notice, a State Facilities Closure Commission must be created. A separate Commission must be created for each target state agency. The Commission must determine which, if any, state institutional facility or facilities under the target state agency's control should be closed, sold, or privatized. In making this determination, the Commission must consider, at a minimum, the following factors:

- (1) Whether there is a need to reduce the number of facilities;
- (2) The availability of alternate facilities;
- (3) The cost effectiveness of the facilities;
- (4) The geographic factors associated with each facility and its proximity to other similar facilities;
- (5) The opportunities for, and barriers to, transitioning staff of the facilities to other appropriate employment;
- (6) The utilization and maximization of resources;
- (7) Continuity of the staff and ability to serve the facility population;
- (8) Continuing costs following closure, sale, or privatization of a facility;
- (9) The impact of the closure, sale, or privatization on the local economy; and

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<sup>1</sup> R.C. 107.31(A) and (B); Section 2.

<sup>2</sup> R.C. 107.31(A) and (C)(1).



(10) Alternatives and opportunities for consolidation with other facilities and for collaboration with other state agencies and political subdivisions.

The Commission must meet as often as necessary to make its determination, and may take testimony and consider all relevant information. Within 30 days after the Governor's notice, the Commission must prepare and provide a report containing its recommendations to the General Assembly, the Governor, and the target state agency. If the Commission recommends closure, sale, or privatization for expenditure reductions or budget cuts, the anticipated savings in the Commission's recommendation must be approximately the same as the anticipated savings in the Governor's notice. If the recommendation identifies more than one facility, it must list them in order of the Commission's preference for closure, sale, or privatization. Upon providing the report, the Commission ceases to exist.

Appointments to a commission must be made within seven days after the Governor's notice, and the Commission must meet as soon as possible after the appointments. Each Commission consists of 13 members as follows: (1) three members of the House of Representatives, with two members of the House majority political party appointed by the Speaker of the House and one member of the House minority political party appointed by the House Minority Leader, (2) three members of the Senate, with two members of the Senate majority political party appointed by the Senate President and one member of the Senate minority political party appointed by the Senate Minority Leader, (3) the Director of Budget and Management or the Director's designee, (4) the director or other agency head of the target state agency or the director's or agency head's designee, (5) four members with experience in the work of the target agency, with one being appointed by the Speaker of the House, one being appointed by the House Minority Leader, one being appointed by the Senate President, and one being appointed by the Senate Minority Leader, (6) one representative of the employees' association representing the largest number of employees of the target state agency, as certified by the director or other agency head of the target state agency, appointed by the president of that association.

The Commission members serve without compensation. At the Commission's first meeting, the members must organize and appoint a chairperson and vice-chairperson.<sup>3</sup>

Upon receipt of the Commission's report, the Governor may close, sell, or privatize state institutional facilities that are identified in the Commission's recommendation. The bill prohibits the Governor from closing, selling, or privatizing

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<sup>3</sup> R.C. 107.31(C)(2) and (D).

any state institutional facility that is not identified in the recommendation, and from closing, selling, or privatizing multiple institutions in any order other than as specified by the Commission. The Governor may disregard the Commission's recommendation if the Governor determines that a significant change in circumstances makes the recommendation unworkable and the Governor calls for a new Commission. If the Governor calls for a new Commission, the new Commission must be created in the same manner as described above, and the Commission and Governor must follow the same procedures as described above.<sup>4</sup>

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## HISTORY

ACTION	DATE
Introduced	02-18-15

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<sup>4</sup> R.C. 107.31(C)(3).

