Ohio Legislative Service Commission

Genevieve Davison

Fiscal Note & Local Impact Statement

Bill: S.B. 62 of the 131st G.A.

Date: March 23, 2015

Status: As Introduced

Sponsor: Sens. Schiavoni and Cafaro

Local Impact Statement Procedure Required: No

Contents: Establishes provisions regarding the possible closing, sale, or privatization of state institutional facilities

State Fiscal Highlights

- Minimal, one-time administrative costs associated with the creation of State Facilities Closure Commissions and subsequent performance of Commission duties.

Local Fiscal Highlights

- No direct fiscal effect on political subdivisions.

Detailed Fiscal Analysis

This bill prohibits the Governor from ordering the closure, sale, or privatization of any state institutional facility operated by 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, other than under this bill's provisions. In the event that the Governor determines that one or more state institutional facilities should be closed, sold, or privatized, the bill requires the Governor to notify the General Assembly and the agency responsible for the facility (i.e., the target agency) of the determination and the rationale for the determination. No later than seven days after the Governor announces the determination, a 13-member State Facilities Closure Commission must be appointed. The State Facilities Closure Commission then has 30 days from the Governor's announcement to present a report to the General Assembly, the Governor, and the target agency with the Commission's recommendations regarding the closure, sale, or privatization of the facility or facilities. The Governor may disregard the Commission's recommendations only if the Governor determines that a significant change in circumstances makes them unworkable and the Governor calls for a new Commission.

The creation of State Facilities Closure Commissions would likely lead to one-time increases in state expenditures associated with Commission members performing their duties and state employees at target agencies providing staff assistance. While Commission members are not compensated, it is possible that they would be eligible for reimbursement for expenses incurred during the performance of their Commission duties. It is likely that these minimal state and agency administrative costs would be absorbed within existing state and agency resources.

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