



Ohio Legislative Service Commission

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Fiscal Note & Local Impact Statement

Bill: H.B. 369 of the 131st G.A.

Date: February 9, 2016

Status: As Introduced

Sponsor: Reps. Koehler and Hambley

Local Impact Statement Procedure Required: No

Contents: Adopts the Compact for a Balanced Budget and declares an emergency

State Fiscal Highlights

- Potential travel and other reimbursable costs related to sending Ohio's delegate to the Convention organized by Congress to propose amendments to the U.S. Constitution.
- Potential increase in costs to help fund the Compact Commission.

Local Fiscal Highlights

- No direct fiscal effect on political subdivisions.

Detailed Fiscal Analysis

The bill adopts the Compact for a Balanced Budget and includes the complete text for a proposed Balanced Budget Amendment for the U.S. Constitution. The Compact, among other things, sets forth some of the following: that the total outlays of the U.S. government not exceed total receipts at any point in time unless the excess is financed exclusively by debt issued in strict conformity with the Balanced Budget Amendment; outstanding debt cannot exceed authorized debt, which initially must be an amount equal to 105% of the outstanding debt on the Balanced Budget Amendment's effective date (authorized debt must not be increased above the initial amount unless first approved by the legislatures of several states as provided in the Compact).

The Compact establishes the Compact Commission and specifies the Commission's powers and duties. The Commission will initially consist of three unpaid members. Each member state is allowed to appoint one member to the Commission until all positions on the Commission are filled. However, the bylaws of the Commission may expand its membership to include representatives of additional member states and to allow for modest salaries and reimbursement of expenses if adequate funding exists. The Compact Commission is funded by each member state, as determined by their respective state law, or by voluntary donations.

Additionally, the Compact specifies that each state is entitled to one delegate as its sole and exclusive representative at the organized convention to propose amendments to the U.S. Constitution and declares that each state's chief executive officer is appointed in an individual capacity as the state's representative. The delegate authority and term is described in the proposed amendment. A delegate is entitled to reimbursement of reasonable expenses for attending the convention from his or her respective member state, but no remuneration or compensation is allowed. The Compact specifies that the convention is to be held in Dallas, Texas and commence proceedings at 9 a.m. central standard time on the sixth Wednesday after the latter effective date of Article V of the Compact or the enactment date of the Congressional resolution.

Fiscal impact

There could be direct costs for travel, lodging, meals, and any other reimbursable expenses related to sending Ohio's delegate to the convention. There could also be costs to help fund the Compact Commission.