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# OHIO LEGISLATIVE SERVICE COMMISSION

Office of Research  
and Drafting

Legislative Budget  
Office

H.B. 311  
133<sup>rd</sup> General Assembly

## Fiscal Note & Local Impact Statement

[Click here for H.B. 311's Bill Analysis](#)

**Version:** As Introduced

**Primary Sponsor:** Rep. Greenspan

**Local Impact Statement Procedure Required:** No

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### Highlights

- Counties that establish a county inspector general (CIG) would incur new costs for payroll and benefits for the CIG and any staff that might be hired, as well as administrative expenses. These permissive costs could amount to a few hundred thousand dollars per year or more annually, depending on the number of CIG employees and how the CIG organizes.
- The bill allows counties to request a joint CIG. In doing so, counties could share the associated costs. Under the bill, allocation of costs for a joint CIG are determined by the member counties.
- Any money a CIG's office recovers through its work would be deposited into the county general fund.
- The bill creates the State Commission for County Inspector General Services consisting of the Attorney General, Auditor of State, Secretary of State, Treasurer of State, and Lieutenant Governor to participate in the process for appointing CIGs. Although the Commission could incur some costs to carry out its duties, these costs are likely to be negligible at most.

### Detailed Analysis

#### Overview

Counties that establish a county inspector general (CIG) will incur new costs to cover compensation and benefits for the CIG, the CIG's deputies and administrative staff, and to pay operational expenses of the CIG's office. These costs could be significant, depending on the role outlined for the CIG and the scope of the office. As a point of comparison, Cuyahoga County's Office of Inspector General, established under the county's home rule authority, had a budget

of \$907,650 and seven staff positions in CY 2019. Although establishing a CIG will increase costs, counties that choose to have a CIG could share these costs with other counties under a provision of the bill that allows the boards of county commissioners of two or more counties to request the establishment of a CIG jointly.

Under the bill, a CIG is an independent and autonomous entity, appointed by a state commission upon request of a county, and funded by county funds. Once established in a county or multicounty area the CIG is responsible for investigating wrongful acts or omissions by the counties' officials and employees, convention and visitors' bureaus, community improvement corporations, and other private entities that receive public funds from a public office and any person who does business with the county. The bill also allows the CIG to investigate wrongful acts and omissions of the officials and employees of any political subdivision that has contracted for the CIG's services, or any person that does business with a political subdivision that has contracted for the CIG's services.

### **County inspector general funding**

The bill requires counties to fund the CIG. It requires the CIG to submit a budget to the board of county commissioners to provide reasonable compensation, office expenses, and other operations of the office, including assistants and employees. The board must approve the budget with the assent of the State Commission for County Inspector General Services, which is created by the bill. In the case of a joint CIG serving multiple counties, the boards of county commissioners must determine a reasonable allocation of the CIG's costs among the counties. Costs paid by the county to support the CIG could be at least partially offset under a provision in the bill requiring that any money the CIG receives pursuant to court orders or settlements be deposited to the credit of the county general fund.

### **Payroll and benefits**

The bill does not establish compensation for the CIG or the CIG's staff. Instead it appears to give the CIG the ability to establish compensation rates for the CIG and staff through the budgeting and approval process discussed above. Costs to provide salaries and benefits for the CIG and the CIG's staff could be up to several hundred thousand dollars per year depending on the number of employees in the CIG's office. Under the bill, individuals must be one of the following in order to be appointed as a CIG: (1) an attorney, (2) a certified public accountant, (3) someone with at least five years' experience as a law enforcement officer, or (4) someone with at least five years' service in a comptroller or similar position for a public or private entity. According to Salary.com, the average salaries for individuals with the required qualifications in Ohio range between approximately \$50,000 to \$95,000 per year. Because the bill requires the most qualified candidate to be selected to serve as a CIG and given the CIG's latitude in establishing the compensation for the position, it is reasonable to assume that CIG salaries would likely be set at the upper end of that range and potentially exceed it. Thus the CIG salary alone would likely cost counties an amount approaching \$100,000 per year or more. According to the U.S. Department of Labor, employers incur additional costs of approximately 30% of an employee's salary to provide benefits. Given a CIG salary of about \$100,000 per year, this means that counties would incur a total of \$130,000 in payroll and benefits costs to employ the CIG.

## **Administrative costs**

In addition to payroll and benefits costs, counties establishing a CIG would incur additional costs to provide for administrative and operational expenses. These expenses could include rent for office space, office supplies, the purchase and maintenance of vehicles or the provision of mileage for employees that use personal vehicles in performance of their duties, legal fees and expenses, and other miscellaneous costs. Because the costs are dependent upon the organizational structure of a CIG office, they are difficult to estimate. However, given the breadth of the expenditures that would likely be needed, it is plausible that costs to counties would be at least tens of thousands of dollars annually and potentially hundreds of thousands of dollars per year.

## **Appointment of county inspectors general**

The bill requires the State Inspector General, upon request of a board or boards of county commissioners, to interview candidates to serve as a CIG and to recommend the three most qualified candidates to the State Commission for County Inspector General Services, which the bill creates. The Commission, which consists of the Attorney General, Auditor of State, Secretary of State, Treasurer of State, and Lieutenant Governor, must appoint the most qualified individual to serve a four-year term as the CIG for the county or counties that requested such an appointment. Given that counties could incur significant new costs to establish a CIG, it is unclear how frequently counties would request a CIG and how frequently the State Inspector General and the Commission would be obligated to perform the duties under the bill. Although in doing so, both the State Inspector General and the Commission could incur some costs; expenditures by these entities would likely be negligible at most.