



THE OHIO GENERAL ASSEMBLY

JOINT LEGISLATIVE ETHICS COMMITTEE

OFFICE OF THE LEGISLATIVE INSPECTOR GENERAL

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BUDGET TESTIMONY

HOUSE FINANCE

State Government and Agency Review Sub-Committee

Joint Legislative Ethics Committee

February 28, 2017

Committee

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Executive Director

Chairman Faber, Ranking Member Patterson and members of the Committee, my name is Tony Bledsoe. I am the Executive Director of the Joint Legislative Ethics Committee and the Office of the Legislative Inspector General. The Office of the Legislative Inspector General ("OLIG") is a six-person office accountable to the Joint Legislative Ethics Committee ("JLEC"). The OLIG is responsible for the implementation of Ohio Revised Code Chapter 102—the state's ethics laws as it pertains to state legislative officials and employees, including: Members and employees of, and candidates for, the Ohio General Assembly. Additionally, the OLIG is responsible for the regulation of state-level lobbying activity.

When considering the topic of ethics in government, the focus is too often on alleged and proven ethics violations. This limited focus risks a distorted view of the ethics of public officials. In regards to the Ohio General Assembly, its overall ethical culture is more accurately reflected by: the votes not participated in, the outside employment opportunities not pursued, the letters not

written, the gifts not accepted, and the many other ethical decisions its members and staff consciously make on a daily basis.

Although we work with law enforcement, and particularly the public corruption task force, we are not a law enforcement agency. At the direction of bipartisan leadership, the OLIG serves as an advisory office; continuing its focus on the prevention of ethics violations. Legislators and legislative staff have come to rely upon prompt answers from the OLIG as they consider various courses of actions. This willingness to seek guidance is a reflection of the proactive approach the Ohio General Assembly takes to ethics compliance.

We not only provide legal advice on various ethics issues; we also distribute and review financial disclosure statements for the General Assembly. All financial disclosure statements are made available for public viewing at our website. We continue to provide

personalized answers to filers on their filing questions. By working with candidates and legislators before they file, we increase the accuracy and completeness of the information provided to the public.

As part of its ethics compliance program, the OLIG conducts multiple training sessions. All legislative employees attend either bi-annual or annual ethics trainings. Caucus specific training is conducted for all Members at the beginning of a General Assembly. Newly elected Members attend an ethics session at New Member Orientation, and monthly sessions are held for new employees.

The majority of OLIG resources are dedicated to regulating the lobbying activity of over 1,500 lobbyists and 1,700 lobbying clients at the state level. The OLIG is responsible for lobbying compliance relative to attempts to influence legislation, executive agency decisions, and the investment decisions of the five state retirement

systems. We are also responsible for maintaining a database of the names of individuals banned from lobbying in Ohio.

To provide you with a statistical overview of our work, I can report that in calendar year 2016 we conducted forty-four training sessions; answered over 3,000 substantive ethics and lobbying questions; issued twelve general guidance memorandum; twenty-four informal legal opinions and one formal advisory opinion. We also completed reviews of three allegations pertaining to violations of the ethics laws. The OLIG reviewed and processed over 38,000 filings including: lobbying registrations, lobbying activity and expenditure reports, post-employment disclosure statements as well as financial disclosure statements.

The OLIG strives to provide increased services without seeking increased general revenue funds or staff. When created in 1994, the OLIG had six employees. This number remains the same today. As has been the case in my budget testimony since the 126th General

Assembly, I am here today to ask for flat general revenue funding for Fiscal Years 18 and 19. I also request that our annual spending authority from our lobbying fee account remain at \$150,000 annually. We will make every effort to utilize less than the spending authority. In our budget request for fiscal years 2018 and 2019, we respectfully request General Revenue Funds of \$550,000 annually and spending authority of up to \$150,000 annually from our 4G7 account of lobbying fees.

Additionally, I have submitted to the House a request relative to the JLEC investigative fund. Under current law, all financial disclosure filing fees are deposited to the credit of this fund. The fund may only be used for investigative purposes. Because there is not an appropriation for these funds, JLEC must seek Controlling Board approval to expend funds from this account. As you know, JLEC investigations are confidential, which makes a Controlling Board request problematic. In addition, the financial disclosure filing fees are not available for purposes of furthering the filing

process. JLEC is implementing an online filing system. However, we are not activating the online payment option because the credit card transaction fee cannot be deducted from the \$40 filing fee. To do so would be to expend funds from the filing fees for a non-investigative purpose.

To address this, I am requesting that the joint legislative ethics committee investigative fund become the JLEC Investigative Financial Disclosure Fund. As part of this request we are seeking spending authority of up to \$10,000 annually from the corresponding dedicated purpose fund (JLEC Fund 5HNO) for fiscal years '18 and '19.

Thank you for the opportunity to testify and answer your questions.