



**Budget Testimony of the Ohio Civil Rights Commission
Senate Finance – General Government & Agency Review Subcommittee
Fiscal Years 2018-2019
Leonard Hubert, Chair
May 23, 2017**

The Ohio Civil Rights Commission (OCRC) was created over a half century ago to administer Ohio's strong public policy against discrimination and protect the right of every citizen to be free from unlawful discriminatory practices where they work, live, and spend their leisure time. The agency has accomplished its statutory mandate by providing free, pro-active education and training initiatives to promote voluntary compliance with the law while also receiving, investigating, and when necessary, litigating charges of unlawful discriminatory practices in the areas of employment, housing, public accommodations, credit, and disability in higher education.

The OCRC is governed by five bipartisan, diverse, governor-appointed Commissioners who understand our state's business and regulatory climate and the importance of economic opportunity in Ohio's future. OCRC Commissioners collectively serve to meet the needs of the general public, community groups, and business interests in a fair and impartial manner.

Our civil rights laws have without peradventure made our state a better place to live and do business for all citizens. However, there is still an important need for continued civil rights vigilance in our state. The OCRC secured \$2,301,076 in monetary relief for aggrieved persons during FY 2015 and \$3,229,689 for aggrieved persons in FY 2016. Some of the people assisted by the OCRC have heart wrenching experiences which reveal the dark side of prejudice and

discrimination ranging from boorish indignities to outright criminal conduct. The agency provides high quality, privately-funded public events such as an annual hall of fame and an art, essay and multimedia contest for students which celebrates the contributions of Ohio citizens and inspires Ohio youth to live up to our highest aspirations. The OCRC also routinely provides free proactive training and outreach to businesses and private and public organizations upon request to enhance voluntary compliance. The OCRC still has a vital role to play in administering Ohio's strong public policy against discrimination.

The OCRC's administrative investigative process is informal and more cost effective for all parties compared to privately filed court actions where a formal and more costly adversarial process begins upon the filing of a civil complaint in court. The average total processing time for OCRC case investigations is 138 days. This benefits both charge filers and the business community by providing less costly resolution of cases. We provide free voluntary Alternative Dispute Resolution services to parties as a viable alternative to resolving disputes in lieu of further government involvement and greater transaction costs to parties. The OCRC reached mutually agreed settlements in over 79% of cases it mediated over the past few years with an average total processing time of 33.5 days. The agency provides relief for victims of discrimination while providing all parties with an impartial, lower cost alternative to resolving disputes that otherwise would require private, time-consuming, and more costly civil court lawsuits.

Executive GRF Recommendation

The GRF executive recommendation for the OCRC was \$5,116,000 for FY 2018 and \$5,684,556 for FY 2019 which represented a 10% decrease in GRF in the amount of \$568,456 in FY 2018 compared to the agency's FY 2017 funding level, and an 11% increase in GRF in the

amount of \$568,456 in FY 2019 compared to FY 2018. The GRF funding level in FY 2019 would have taken the agency back to its FY 2017 GRF funding level.

House GRF Recommendation

The House amended the executive GRF recommendation by cutting an additional 1.5% in GRF amounting to \$162,009. In summary, this means the House GRF recommendation for the OCRC is \$5,039,359 in FY 2018 (additional \$76,741 reduction) and \$5,599,288 in FY 2019 (additional \$85,268 reduction). When merged, the executive and House GRF cuts to the OCRC will amount to a total GRF loss of \$730,465 over the biennium.

The decrease in the agency's GRF in FY 2018 will be managed and offset by spending down a reserve of federal funds in the same amount. The additional 1.5% loss of GRF in FY 2018 & FY 2019 due to the House's recommendation will somehow be absorbed through continued cost reduction practices. This approach, when combined with the agency's federal funds from HUD and the EEOC, will allow the OCRC to maintain its present level of services and avoid any lay-offs or job abolishment. The agency will continue to be frugal with its resources and to diligently strive to refine, improve, streamline and redesign its work processes and investigative procedures to hopefully secure greater process efficiencies and cost reductions while meeting its projected annual caseload of 3,368 cases.

Potential Impact of House Bill No. 2

While the agency does not anticipate any lay-offs or job abolishment caused by the additional House budget cut, it is nonetheless very apprehensive and concerned about the effect of the cut on its workload due to imminent legislation. The agency anticipates that, with the passage

of House Bill No. 2 which is now pending a vote on the House floor, the employment law provisions of the Ohio Civil Rights Act will soon be amended and substantially altered by the General Assembly to require every grievant to administratively exhaust and first file their charge of discrimination with the OCRC who would then issue Notices of the Right to Sue. This will increase the workload of the agency. While the agency did not request or anticipate an increase in its budget due to the passage of House Bill No. 2, it likewise did not anticipate a cut in its budget upon the bill's enactment.

During the present biennium (FYs 2016-2017), the OCRC implemented cost saving measures by reducing its office space in its Akron regional office saving 26% or \$35,030 in annual rent. The agency also had the good fortune of being provided with 88 free 3.5 year old computers by DAS that were about to be sold as salvage at public auction. This generosity of DAS allowed the agency to replace its extremely obsolete, 10 year old, cannibalized computers with newer, though still obsolete, computers and save spending \$50,000 to replace the old computers.

In conclusion, the agency will continue to strive to find innovative ways of doing more with less. It will continue to provide very popular and free Alternative Dispute Resolution services to parties as a viable alternative to resolving disputes in lieu of further governmental involvement and greater transaction costs to parties. It will continue to provide meaningful and effective relief for victims of discrimination while providing all parties with an impartial, lower cost alternative to resolving disputes that otherwise would require private, time-consuming and more costly civil court lawsuits. The agency will also continue to offer collaborative education and outreach services free of charge to businesses and community groups that emphasize pro-active preventive measures to eliminate discrimination and conflict.