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# OHIO LEGISLATIVE SERVICE COMMISSION

Office of Research  
and Drafting

Legislative Budget  
Office

H.B. 695  
136<sup>th</sup> General Assembly

## Fiscal Note & Local Impact Statement

[Click here for H.B. 695's Bill Analysis](#)

**Version:** As Introduced

**Primary Sponsors:** Reps. Bird and Stewart

**Local Impact Statement Procedure Required:** No

Terry Steele, Senior Budget Analyst, and other LBO staff

### Highlights

- The bill prohibits county commissioners, township trustees, village mayors, and members of a village legislative authority from entering into nondisclosure agreements. The bill creates a civil fine of up to \$1,000 for violations of this prohibition. As the bill does not contain any special crediting provisions, fine revenue, if collected, would be deposited in the GRF.
- The Attorney General may experience an increase in workload to bring an action to collect the fine. Any additional workload and related costs for the Attorney General to enforce the prohibition, as well as for the courts to adjudicate such cases, are likely to be absorbed utilizing existing resources.

### Detailed Analysis

The bill prohibits county commissioners, township trustees, village mayors, and members of a village legislative authority from entering into nondisclosure agreements (NDAs). Any individual who violates this prohibition is subject to a civil fine of up to \$1,000, enforced by the Attorney General (AGO). Enforcement costs will be funded through a mix of operating funds from both GRF and non-GRF sources and will depend on the number of violations requiring action by the Attorney General. While the bill does not specify where these fines would be credited, the revenue would likely be deposited into the GRF.

The bill further specifies that any nondisclosure agreement entered into, amended, extended, or renewed after the bill's effective date is void and unenforceable. It is unclear how many civil cases would arise as a result of these prohibitions, but any such cases are expected to be absorbed into existing caseloads. These NDAs would appear to largely apply to economic

development and business contracts between businesses and local officials. However, it is possible there are other potential NDAs that may be impacted by this prohibition.