

# Redbook

## LBO Analysis of Executive Budget Proposal

### Joint Legislative Ethics Committee

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February 2021

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# LBO Redbook

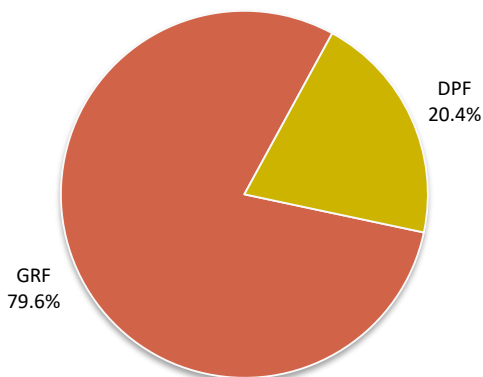
## Joint Legislative Ethics Committee

### Quick look...

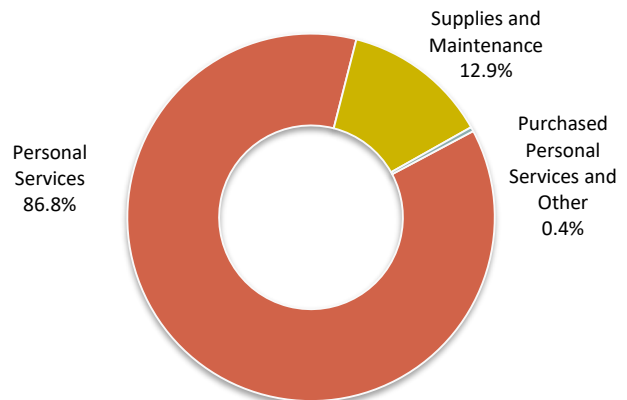
- The Joint Legislative Ethics Committee (JLEC) administers ethics laws related to members and employees of the General Assembly and lobbying laws related to legislative agents and executive agency lobbyists.
- JLEC is a 12-member joint legislative committee, with day-to-day operations handled by six full-time staff.
- Biennial recommendation of \$1.6 million: \$785,000 in each of FY 2022 and FY 2023.
  - Funding sources: GRF (80%); Dedicated Purpose Fund (DPF) Group (20%).
  - Primary expenses: personal services (87%); supplies and maintenance (13%).

Fund Group	FY 2020 Actual	FY 2021 Estimate	FY 2022 Introduced	FY 2023 Introduced
General Revenue	\$541,318	\$625,000	\$625,000	\$625,000
Dedicated Purpose	\$140,833	\$160,000	\$160,000	\$160,000
Total	\$682,151	\$785,000	\$785,000	\$785,000
% change	--	15.1%	0.0%	0.0%
<i>GRF % change</i>	--	15.5%	0.0%	0.0%

**Chart 1: JLEC Budget by Fund Group  
FY 2022-FY 2023 Biennium**



**Chart 2: JLEC Budget by Expense Category  
FY 2022-FY 2023 Biennium**



Biennial total: \$1.6 million

## Agency overview

The Joint Legislative Ethics Committee (JLEC) was created to serve the General Assembly and is charged with two primary responsibilities: (1) to administer the laws regarding ethics that relate to members and employees of the General Assembly and (2) to administer Ohio's lobbying laws governing the registration and reporting requirements of legislative agents, executive agency lobbyists, and their employers. Specific duties include the following:

- Establishing and enforcing a standard code of ethics;
- Receiving and hearing complaints alleging breaches of privilege, misconduct, or ethics violations;
- Investigating and conducting hearings with respect to any complaint;
- Recommending appropriate sanctions for violators of the ethics code;
- Acting as an advisory body on questions relating to ethics, conflicts of interest, and financial disclosure;
- Conducting training sessions regarding ethics or lobbying regulations;
- Administering the annual financial disclosure forms of legislative officials and staff;
- Administering legislative, retirement system, and executive agency lobbyist registrations and filings; and
- Administering the post-employment disclosure law.

JLEC is a 12-member legislative committee, which is assisted in its duties by the Office of the Legislative Inspector General (OLIG). The Speaker of the House of Representatives and the President of the Senate each appoint six members from their respective chambers to serve on the legislative committee, with not more than three being from the same political party. OLIG consists of the Legislative Inspector General and five other full-time staff.

## Analysis of FY 2022-FY 2023 budget proposal

R.C. 107.03(B) states that “no alterations shall be made in the [budget] requests for the legislative and judicial branches of the state filed with the director of budget and management . . . .” Therefore, the Governor has made no alterations to the budget request submitted by the agency. JLEC requested a total budget of \$785,000 for FY 2022 and FY 2023 to maintain existing service and staffing levels.

## Proposed budget by expense category

The chart above presents the executive recommended biennial appropriation of \$1.6 million (FY 2022 and FY 2023 combined) by expense category. Eighty-seven percent (\$1.4 million) of the appropriation is allocated for personal services (wages, salaries, benefits, and various other payroll-related charges), and 13% (\$202,000) for supplies and maintenance.

## Operating expenses (ALIs 028321, 028601, and 028602)

FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Estimate	FY 2022 Introduced	FY 2023 Introduced
<b>GRF ALI 028321, Legislative Ethics Committee</b>					
\$520,603	\$515,004	\$541,318	\$625,000	\$625,000	\$625,000
% change	-1.1%	5.1%	15.5%	0.0%	0.0%
<b>Fund 4G70 ALI 028601, Joint Legislative Ethics Committee</b>					
\$180,317	\$175,301	\$135,436	\$150,000	\$150,000	\$150,000
% change	-2.8%	-22.7%	10.8%	0.0%	0.0%
<b>Fund 5HNO ALI 028602, Investigations and Financial Disclosure</b>					
\$10,000	\$10,000	\$5,398	\$10,000	\$10,000	\$10,000
% change	0.0%	-46.0%	85.3%	0.0%	0.0%

JLEC's three appropriation line items together support the operating expenses of the agency, including OLIG. GRF line item 028321, Legislative Ethics Committee, provides 80% of JLEC's funding. The remaining 20% consists of money appropriated from the Joint Legislative Ethics Fund (Fund 4G70) and the Joint Legislative Ethics Committee-Investigative Fund (Fund 5HNO).

Fund 4G70 revenue sources include: (1) \$25 as-needed registration statement fee paid by legislative agents, executive agency lobbyists, retirement system lobbyists, or their employers, (2) late filing fee (\$12.50 per day, up to a maximum fee of \$100), and (3) investment earnings. Legislative agent registrations expire December 31 of every even-numbered year, and executive and retirement lobbyist registrations expire January 31 of each year. From FY 2016 through FY 2020, annual revenues credited to Fund 4G70 averaged \$178,665.

Fund 5HNO revenue sources include: (1) \$40 annual financial disclosure statement filing fee assessed members of, and candidates for, the General Assembly, and designated General Assembly and legislative agency staff (staff fee paid by employing state agency), (2) late filing fee (\$10 per day, up to a maximum fee of \$250), and (3) investment earnings. From FY 2016 through FY 2020, annual revenues credited to Fund 5HNO averaged \$17,758.