

Chairwoman Roegner, Vice-Chair Becker, Ranking Member Leland, and members of the Federalism and Interstate Relations committee, I thank you for allowing me to offer sponsor testimony on House Bill 580, regarding deconstructing the administrative state.

In Federalist No. 45, James Madison envisioned a country where “The powers delegated . . . to the federal government are few and defined . . . [and would] be exercise[d] principally on external objects, as war, peace , negotiation, and foreign commerce . . . The powers reserved to the several states will extend to all the objects, which, in the ordinary course of affairs, concern the lives, liberties, and properties of the people; and the internal order, improvement, and prosperity of the state.” Unfortunately over the course of the our country’s 200-plus years of existence the size, scope, and influence of the federal government have and continue to grow to the point of our living in an administrative state that seems autonomous and beyond the reach of any real oversight.

According to the Competitive Enterprise Institute, a Washington-based think tank, no one truly knows how many federal agencies there are: and according to Senator Chuck Grassley, Chairman of the United States Senate Judiciary Committee, in 2015 there were an estimated 400 plus federal agencies<sup>1</sup>, and an untold number were added in the final years of the Obama administration. While such entities are the direct concern of the U.S. Congress, we must concern ourselves with how these numerous agencies and departments interact with our state agencies. The most common way they interact is financially.

Currently, state agencies may apply for money to any federal agency without restriction. The purpose of this bill is to add a layer of oversight to the process. Under this bill, the governor’s office would be tasked with reviewing applications for federal grants. The bill will require the governor’s approval of any grant application that exceeds one million dollars. It will also give the option for the governor to review any grant application under one million dollars, effectively allowing all grant applications to be reviewed. This process is outlined in the bill, and works administratively through the Office of Budget and Management, including cost-benefit analyses, an explanation of the grant’s purposes and effects, any impacts on state and local governments, and any changes to state law or administrative codes that may be required. Once this process is completed, the grant will be submitted to the governor for consideration.

Federal money coming into the state needs to be vetted because often there are strings attached to the money. We may have to alter the Ohio Revised Code in order to come into federal compliance, or the agency may have to write new rules and adopt new practices absent any input from elected officials. These rules, with which they must comply, are not written by Congress, but by bureaucrats in Washington. There is no oversight from elected officials in this process. In other words, the people are not being governed by elected officials, but rather are treated as subjects of the administrative state.

It is our duty as state legislators to fight back against federal government overreach and intrusion into the affairs of our state government.. It is our duty to ensure the safety and well-being of our institutions and each Ohioan. The current status quo is unacceptable; we must act to rein the administrative state--that is the sole purpose of HB580.

Chairwoman Roegner, Vice-Chair Becker, Ranking Member Leland, and members of the Federalism and Interstate Relations committee, I thank you for your time, and ask for your favorable consideration of House Bill 580. I’m pleased at this point to entertain any questions you may have.

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<sup>1</sup> <https://www.judiciary.senate.gov/imo/media/doc/06-10-15%20Grassley%20Statement.pdf>