Redbook

LBO Analysis of Executive Budget Proposal

Joint Committee on Agency Rule Review

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LBO Redbook

Joint Committee on Agency Rule Review

Quick look...

- The Joint Committee on Agency Rule Review's (JCARR) primary responsibility is to review proposed new, amended, and rescinded rules from over 100 state agencies to ensure they do not exceed the rulemaking authority granted them by the General Assembly.
- > JCARR is a ten-member joint legislative committee supported by four full-time staff.
- Biennial recommendation totals \$1.2 million (\$620,000 in each fiscal year).
- > GRF line item 029321, Operating Expenses, provides 100% of JCARR's funding.

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced		
GRF ALI 029321, Operating Expenses							
\$498,458	\$403,088	\$450,249	\$670,000	\$620,000	\$620,000		
% change	-19.1%	11.7%	48.8%	-7.5%	0.0%		

Agency overview

The Joint Committee on Agency Rule Review (JCARR), created in 1977 by the General Assembly is responsible for the oversight of proposed new, amended, and rescinded rules from over 100 state agencies. JCARR is a ten-member joint legislative committee. The Speaker of the House of Representatives and the President of the Senate each appoint five members from their respective chambers to serve on the joint committee, with not more than three being from the same political party. In odd-numbered years, the chairperson is a House member of the joint committee appointed by the Speaker of the House; in even-numbered years, the chairperson is a Senate member of the joint committee appointed by the Senate.

JCARR meets and holds public hearings not less than once every three weeks throughout the year. Members are paid a per diem of \$150 for committee work on days when there is not a voting session for their chamber. In addition, members are reimbursed for necessary committeerelated travel expenses. JCARR has a staff of four full-time employees, including an executive director, a deputy director, a rule analyst, and a rule processor. The Legislative Service Commission acts as JCARR's fiscal agent.

Rulemaking state agencies are required to fully review and submit to JCARR each of their rules at least once every five years. As a part of that process, agencies are required to review each of their rules and determine whether to continue them without change, amend them, or rescind them. Upon review, JCARR can make a recommendation to invalidate all or part of the

rule if it does not meet any of a series of legislatively set standards. A partial list of those standards include the following:

- The rule exceeds the scope of the rulemaking agency's statutory authority;
- The rule conflicts with the rules of that agency or another rulemaking agency;
- The rule conflicts with the intent of the legislature;
- The rulemaking agency has failed to prepare a complete and accurate rule summary and fiscal analysis;
- If the rule has an adverse impact on business and the agency has failed to demonstrate through established methods that the regulatory intent of the rule justifies its adverse impact on business;
- The rule implements a federal law or rule in a manner that is more stringent or burdensome than the federal law or rule requires.

Analysis of FY 2026-FY 2027 budget proposal

Summary

R.C. 107.03(D) 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 JCARR. The agency requested a total budget of \$620,000 for FY 2026 and \$620,000 for FY 2027 to maintain existing service and staffing levels.

JCARR's operations are funded by a single GRF line item (029321, Operating Expenses). Related temporary law permits JCARR's Executive Director to certify to the Director of Budget and Management an amount up to the unexpended, unencumbered balance of this line item at the end of FY 2025 and FY 2026 to be reappropriated to FY 2026 and FY 2027, respectively, and appropriates those amounts.

Proposed budget by expense category

The chart below presents the executive recommended biennial appropriation of \$1.2 million (FY 2026 and FY 2027 combined) by expense category. The appropriation is allocated as follows: 87.3% (\$1.1 million) for personal services (payroll), 10.1% for supplies and maintenance (\$124,660), and with the remaining 2.7% (\$32,940) for purchased personal services. These allocations may change over the course of the biennium, but historically these percentages have remained relatively consistent from year to year.

