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Bill Analysis

Version: As Introduced

Primary Sponsors: Reps. Skindell and Ghanbari

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SUMMARY

- Adopts the Midwest Interstate Passenger Rail Compact, of which Ohio was a party state beginning in 2002 until its withdrawal in 2013.
- As part of the Compact, provides for the appointment of Ohio members to the Midwest Interstate Passenger Rail Commission (MIPRC), and enacts provisions governing MIPRC's powers and duties, which include advocating for the funding and authorization necessary to make passenger rail improvements a reality for the Midwest Region.
- Prescribes the appointing authorities for Ohio's four members on MIPRC, consistent with the Compact.
- As part of the Compact, specifies procedures for MIPRC financing and member state default, reinstatement, termination, and withdrawal.
- Specifies severability procedures and rules of construction for purposes of the Compact.

DETAILED ANALYSIS

Midwest Interstate Passenger Rail Compact

The bill ratifies the Midwest Interstate Passenger Rail Compact, of which Ohio was a party state beginning in 2002 until its withdrawal in 2013. The Compact is a multi-state agreement that allows joint or cooperative action to do all of the following:

1. Promote development and implementation of improvements to intercity passenger rail service in the Midwest;
2. Coordinate interaction among Midwestern state elected officials and their designees on passenger rail issues;
3. Promote development and implementation of long-range plans for high speed rail passenger service in the Midwest and among other U.S. regions;

4. Work with the public and private sectors at the federal, state, and local levels to ensure coordination among the various entities having an interest in passenger rail service and to promote Midwestern interests regarding passenger rail; and
5. Support efforts of transportation agencies involved in developing and implementing passenger rail service in the Midwest.¹

Background and Compact formation and withdrawal

The Compact was formed in 2000 when the first three states codified the Compact into their respective laws. Ohio initially ratified the Compact in 2002 and appointed members to serve on the Midwest Interstate Passenger Rail Commission (MIPRC). However, Ohio repealed the Compact's ratification in 2013, and is no longer a member state.² In order for a state, such as Ohio, to withdraw from the Compact, the state must enact a statute repealing the Compact's codification. The withdrawal takes place one year after the effective date of the repeal. A withdrawing state is liable for any obligations which it may have incurred prior to the effective date of the withdrawal.³

Current MIPRC members are Illinois, Indiana, Kansas, Michigan, Minnesota, Missouri, North Dakota, and Wisconsin. In addition to Ohio, Iowa, Nebraska, and South Dakota are eligible to join the Compact via ratification. A state formally joins the Compact when its legislature codifies the Compact. Any amendments to the Compact are effective when they are enacted by the legislatures of all member states.⁴

Midwest Interstate Passenger Rail Commission (MIPRC)

Membership

Pursuant to the Compact, Ohio will appoint new members to MIPRC.⁵ MIPRC consists of four resident members (also known as "Commissioners") of each state as follows:

- The Governor or the Governor's designee, who serves during the Governor's tenure or until a successor is named;
- One member of the private sector who is appointed by the Governor and serves during the Governor's tenure or until a successor is named;
- Two legislators, one from each chamber (or two legislators from any unicameral legislature), who serve two-year terms or until successors are appointed. These

¹ R.C. 4981.36, Article I.

² See [Ohio Could Rejoin the Midwest Interstate Passenger Rail Commission](#), published February 16, 2024, available on the High Speed Rail Alliance's website: hsrail.org by conducting a keyword "Ohio MIPRC" search; R.C. 4981.36, Article VIII.

³ R.C. 4981.36, Article IX.

⁴ See miprc.org; R.C. 4981.36, Article VIII.

⁵ R.C. 4981.36, Article II.

members are appointed by the appropriate appointing authority in each legislative chamber.⁶

Under the Compact, MIPRC member appointments, terms of office, provisions for removal and suspension, and the manner of appointment to fill vacancies are determined by each member state pursuant to its laws. MIPRC members serve without compensation from MIPRC. Any member appointed to fill a vacancy serves until the end of the incomplete term. Each member state has equal voting privileges, as determined by MIPRC bylaws.⁷

Accordingly, the bill requires the Governor to appoint two members to MIPRC. It also requires the Speaker of the House of Representatives and the Senate President to each appoint one member from their respective chambers. However, those two legislative appointees cannot be from the same political party. The bill specifies that serving as a MIPRC member does not constitute holding public office or position of employment under Ohio law and does not constitute grounds for removal of public officers or employees from their offices or positions of employment.

Each appointing authority may remove a member for misfeasance, malfeasance, or willful neglect of duty. While members serve without compensation, they may be reimbursed for the reasonable expenses incurred by them in the discharge of their MIPRC duties.⁸

Officers

The Compact requires MIPRC to annually elect a Chairperson, Vice-Chairperson (who must be from a different state than the Chairperson), and others as approved in the MIPRC bylaws. Officers perform functions and exercise the powers as are specified in the bylaws.⁹

Meetings

Under the Compact, MIPRC must meet at least once in each calendar year and at any other time determined by MIPRC. MIPRC business must be conducted in accordance with the procedures and voting rights specified in the bylaws.¹⁰

Duties and powers

The Compact specifies that MIPRC's duties (requirements) and powers (authorizations) are as follows:¹¹

⁶ R.C. 4981.36, Article III. For a list of MIPRC's current membership, see: [MIPRC Roster](#), available on MIPRC's website: miprc.org, and then clicking on "About" and then "Roster."

⁷ R.C. 4981.36, Article III.

⁸ R.C. 4981.361.

⁹ R.C. 4981.36, Article V.

¹⁰ R.C. 4981.36, Article VI.

¹¹ R.C. 4981.36, Article IV.

Duties

- Advocate for the funding and authorization necessary to make passenger rail improvements a reality for the Midwest Region;
- Identify and seek to develop ways that states can form partnerships, including with rail industry and labor, to implement improved passenger rail in the region;
- Seek development of a long-term, interstate plan for high speed rail passenger service implementation;
- Cooperate with other agencies, regions, and entities to ensure that the Midwest is adequately represented and integrated into national plans for passenger rail development;
- Adopt bylaws governing the activities and procedures of MIPRC and addressing, among other subjects: the powers and duties of officers, the voting rights of MIPRC members, voting procedures, MIPRC business, and any other purposes necessary to fulfill its duties;
- Expend funds as required to carry out MIPRC's powers and duties; and
- Report on MIPRC activities to the legislatures and Governor of the member states on an annual basis.

Additional Powers

- Provide multistate advocacy necessary to implement passenger rail systems or plans, as approved by MIPRC;
- Work with local elected officials, economic development planning organizations, and similar entities to raise the visibility of passenger rail service benefits and needs;
- Educate other state officials, federal agencies, other elected officials and the public on the advantages of passenger rail as an integral part of an intermodal transportation system in the region;
- Work with federal agency officials and members of Congress to ensure the funding and authorization necessary to develop a long-term, interstate plan for high speed rail passenger service implementation;
- Make recommendations to members states;
- If requested by each state participating in a particular project and under the terms of a formal agreement approved by the participating states and MIPRC, implement or provide oversight for specific rail projects;
- Establish an office and hire staff as necessary;
- Contract for or provide services;
- Assess dues, in accordance with the terms of the Compact;

- Conduct research; and
- Establish committees.

MIPRC financing

The Compact specifies that member states must appropriate money to MIPRC necessary to finance its general operations in carrying forth its duties, responsibilities, and powers. Each member state must contribute an equal portion for MIPRC's operation, but the Compact does not require a member state to participate in financing a rail project unless provided by that state's law.

MIPRC may accept donations, gifts, grants, appropriated money, equipment, supplies, materials, and services, for any of its purposes and functions, from any of the following:

- The federal government;
- Any member state, including any member state department, agency, or municipality; and
- An institution, person, firm, or corporation.

All expenses incurred by MIPRC in executing its duties must be paid by MIPRC out of the funds available to it. However, MIPRC cannot issue any debt instrument. MIPRC must submit to the officer designated by the laws of each member state, periodically as required by the laws of each member state, a budget of its actual past and estimated future expenditures.¹²

Other Compact terms

Default, termination, and reinstatement

The Compact specifies that if any member state defaults in the performance of any of its obligations, assumed or imposed, all rights, privileges, and benefits conferred by the Compact or agreements pursuant to it are suspended from the effective date of the default as fixed by MIPRC. MIPRC must stipulate the conditions and maximum time for compliance under which the defaulting state may resume its regular status.

If the member state does not remedy their default under the stipulations and within the time period set forth by MIPRC, an affirmative vote of a majority of the other MIPRC members may terminate the defaulting state's participation in the Compact and Commission. However, the defaulting state may be reinstated if MIPRC votes to do so and the state performs all acts and obligations as stipulated by MIPRC.¹³

¹² R.C. 4981.36, Article VII.

¹³ R.C. 4981.36, Article IX.

Construction and severability

The Compact is severable and if any phrase, clause, sentence, or provision of it is declared to be contrary to any member state's constitution or the U.S. Constitution, or if a court finds a provision to be invalid, the validity of the remainder of the Compact and the applicability is not affected. If the Compact is held contrary to a member state's constitution, the Compact remains in full force and effect as to the remaining states and in full force and effect as to the state affected as to all severable matters. The provisions of the Compact are to be liberally construed to effectuate its purposes.¹⁴

HISTORY

Action	Date
Introduced	04-10-24

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¹⁴ R.C. 4981.36, Article X.