

## Ohio Legislative Service Commission

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Office of Research and Drafting Legislative Budget Office



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Version: As Reported by House Commerce and Labor

Primary Sponsors: Reps. Kelly and Lipps

Local Impact Statement Procedure Required: No

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## Highlights

- The Bureau of Wage and Hour Administration within the Department of Commerce may incur a minimal administrative cost to issue written notices to employers who do not provide their employees with a statement of earnings and deductions as required under the bill. Any costs to the Bureau would be paid from the Industrial Compliance Operating Fund (Fund 5560).
- Most public employers already provide a statement of earnings and deductions to their employees. For those that may not, the bill could result in some additional payroll processing costs.

## **Detailed Analysis**

The state and most political subdivisions currently comply with the requirements of the bill by providing their employees with a statement or access to a statement of earnings and deductions for each pay period. In an informal survey the Ohio Municipal League sent to its members in 2018, based on questions from LBO, almost all of the 40 responding municipalities reported that they provide earning and deduction statements to their employees. However, if there are political subdivisions that do not provide such earnings and deductions statements currently, then they could incur some administrative cost to produce the required information, either in written or electronic form. Please consult the LSC bill analysis for the list of specific information that must appear on these statements.

The Bureau of Wage and Hour Administration within the Division of Industrial Compliance of the Department of Commerce would be responsible for overseeing compliance with the bill, and could incur some minimal amount of additional administrative expense as a result. Specifically, the bill permits an employee who does not receive a statement within ten days of requesting one to report the violation to the Department. The Department may subsequently issue a written notice if an employer is found to have violated the bill's requirements. Any costs for tracking complaints and issuing notices to employers would be paid from the Industrial Compliance Operating Fund (Fund 5560).