

Executive

COMCD18 Division of Marijuana Control and transfer of Medical Marijuana Control Program

R.C. 121.08, 121.04, 3796.02, 3796.03, 3796.032, 3796.04 (repealed), 3796.05, 3796.06, 3796.061, 3796.08, 3796.10, 3796.11, 3796.12, 3796.13, 3796.14, 3796.15, 3796.16, 3796.17, 3796.19, 3796.20, 3796.22, 3796.23, 3796.27, 3796.30, 4776.01; Section 525.20; Conforming changes in R.C. 109.572, 1321.37, 1321.53, 1321.64, 4735.143, 4763.05, 4764.06, 4764.07, 4768.03, 4768.06

Creates the Division of Marijuana Control (DMC) within COM and requires PRX and COM to transfer the Medical Marijuana Control Program (MMCP) to DMC no later than December 31, 2023.

Establishes a Superintendent of Marijuana Control to oversee DMC.

Specifies that licenses and registrations issued by COM and PRX remain in effect for the remainder of their term and that forms of medical marijuana approved by PRX remain approved unless that approval is later revoked by DMC.

Specifies that COM and PRX rules related to MMCP remain in effect until repealed or amended by DMC, but requires DMC to review and propose revisions to existing rules on retail dispensaries no later than March 1, 2024.

Allows DMC to investigate alleged violations of the Medical Marijuana Law, including by subpoenaing documents and witnesses.

Requires PRX to grant DMC access to the Ohio Automated Rx Reporting System as needed to ensure compliance with the Medical Marijuana Law.

Makes conforming changes throughout the Revised Code.

Fiscal effect: Increases costs for COM for overseeing PRX's portion of MMCP, and simultaneously reduces costs for PRX. The executive provides funding for these purpose under Fund 5SY0 ALI 800650, Medical Marijuana Control Program.

COMCD13 Person exercising control over a bank – criminal records check

R.C. 1121.23

Replaces the requirement that the Superintendent of Financial Institutions obtain a criminal records check in relation to a person who controls a bank, or has a substantial interest in or participates in the management of a bank, with a requirement that the Superintendent request a criminal records check of a person who exercises "control" of a bank.

Defines "control" as the power to vote, directly or indirectly, at least 25% of the voting shares or interests or the power to elect or appoint a majority of executive officers or directors. Rebuttably presumes a person to exercise control when the person holds the power to vote, directly or indirectly, at least 10% of the voting shares or interests.

Fiscal effect: None.

COMCD12 Period of limitation for securities offenses

R.C. 1707.28

Extends the period of limitation (time after the commission of the offense to the commencement of prosecutions and actions by COM's Division of Securities or the COM Director) for securities offenses to six years from five years.

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Requires that, if the period of limitation has expired and an element of the offense is fraud or breach of a fiduciary duty, the prosecution commence within one year after the discovery of the offense by the aggrieved person or the aggrieved person's legal representative.

Specifies that an offense is committed when every element of the offense occurs. Provides that the period of limitation does not run during any time when the physical evidence remains undiscovered.

Fiscal effect: None apparent.

COMCD17 Division of Real Estate and Professional Licensing - consolidation of funds

R.C. 3705.17, 4735.03, 4735.06, 4735.09, 4735.13, 4735.15, 4735.211, 4763.15, 4763.16, 4764.18, 4767.03, 4767.10, 4768.14, 4768.15, 4781.17, 4781.54

Creates the Cemetery Registration Fund (Fund 4H90) in the state treasury and requires burial permit fees to be deposited into the fund, instead of to the Division generally, to be used for the same purpose.

Eliminates the Cemetery Grant Fund (Fund 5SE0), redirects deposits to Fund 4H90, and eliminates a restriction on the total value of grants permitted to be issued in a single fiscal year.

Eliminates the Real Estate Education and Research Fund (Fund 5470), Manufactured Homes Regulatory Fund (Fund 5SU0), Home Inspectors Fund (Fund 5VC0), and Real Estate Appraiser Operating Fund (fund 6A40), and redirects deposits going to these funds to the existing Division of Real Estate Operating Fund (Fund 5490).

Expands the purposes for which Fund 5490 may be used to include the purposes for which the eliminated funds (Fund 5470, Fund 5SU0, Fund 5VC0, and Fund 6A40) may be used. Allows, instead of requires, the Ohio Real Estate Commission to use Fund 5490 (instead of Fund 5470) for education and research.

Fiscal effect: Improved administrative efficiency and flexibility by consolidating cash in the four eliminated funds into Fund 5490.

COMCD7 Underground Storage Tank Revolving Loan Program

R.C. 3737.02, 3737.88, 3737.882, Repealed: 3737.883

Eliminates the Underground Storage Tank Revolving Loan Program used by the State Fire Marshal to issue loans to political subdivisions for the costs of removing underground storage tank systems containing petroleum and hazardous substances. Repeals the law establishing the Underground Storage Tank Revolving Loan Fund (Fund 5PA0).

Fiscal effect: None. No loans were made under Fund 5PA0.

COMCD16 Local building department grant program

R.C. 3781.10, 3781.102

Requires COM's Board of Building Standards to establish a grant program for local building departments to increase recruitment, training, and retention of qualified personnel. Specifies that money for the grant program is to come from the Industrial Compliance Operating Fund (Fund 5560).

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COMCD8 Micro-distillery surety bond

R.C. 4303.041

Requires an A-3a liquor permit holder (micro-distillery) to execute a surety bond, in an amount established by COM's Division of Liquor Control, that is conditioned on the faithful performance of the permit holder's duties.

Fiscal effect: None.

COMCD9 Duplicate liquor permits

R.C. 4303.30

Expands to all liquor permittees, rather than only certain permittees under current law, permission to obtain a required duplicate permit, allowing the permittee to serve alcohol for on-premises consumption from an additional bar at the permit premises beyond the two bars authorized by the original permit.

Revises the duplicate permit fee to the higher of \$100 or 20% of the fee payable for the original permit issued for the premises, rather than the specific fee amounts prescribed in current law based on the type of permit.

Fiscal effect: Uncertain. The bill increases and decreases some duplicate permit fees for current liquor permit holders as well as expands the number of liquor permit holders eligible to apply for a duplicate permit. Duplicate permit fees are deposited into the Undivided Liquor Permit Fund (Fund 7066) or the State Liquor Regulatory Fund (Fund 5LP0).

COMCD14 Confidentiality between Commerce divisions and law enforcement

R.C. 4735.05

Makes explicit that the Division of Real Estate may share otherwise confidential investigatory information about its licensees with the Division of Financial Institutions, Division of Securities, Division of Industrial Compliance, and any law enforcement agency.

Fiscal effect: None.

COMCD4 Real estate broker civil penalty

R.C. 4735.052

Requires the Superintendent of Real Estate and Professional Licensing, if a real estate broker fails to pay a civil penalty that has been assessed for certain unlicensed or unregistered activity, to forward identifying information relating to the broker to the Attorney General.

Fiscal effect: None.

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COMCD5 Real estate broker licensure

R.C. 4735.07

Modifies the prerequisites to take the real estate broker's exam as follows: (1) removes the requirement that the applicant worked an average of 30 hours per week during at least two of the five years preceding the application, and (2) requires that the applicant worked as a licensed real estate salesperson or broker for at least two of the five years preceding the application instead of any two years.

Fiscal effect: None.

COMCD6 Collection of service fees from Real Estate Recovery Fund

R.C. 4735.12

Authorizes instead of requires the Superintendent of Real Estate's collection of a service fee from the Real Estate Recovery Fund (Fund 5480) to defray the cost of administering Fund 5480.

Fiscal effect: May decrease the cash balance of Fund 5480.

COMCD15 Disciplinary actions by the Division of Real Estate and Professional Licensing

R.C. 4735.18

Requires a licensed real estate broker or salesperson to hold escrow funds, security deposits, and certain property management fees in special or trust accounts at a state or federally chartered institution located in Ohio (not just a depository in Ohio). Permits disciplinary action against a license holder for having been judged incompetent in any capacity (not just for the purpose of holding a real estate license).

Fiscal effect: None.

COMCD1 Meetings of the Home Inspector Board

R.C. 4764.04

Requires the Home Inspector Board to annually select a chair and a vice-chair by majority vote and meet at least once quarterly. Specifies that a quorum is constituted by a majority of the members of the Board, and that a quorum is necessary for the Board to conduct its business.

Fiscal effect: None.

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COMCD11 Authority of the Home Inspector Board

R.C. 4764.05

Allows the Ohio Home Inspector Board to adopt any rules necessary to further the Ohio Home Inspector Law, in addition to the rule topics specified in the Revised Code.

Authorizes the Board to request the Superintendent of Real Estate and Professional Licensing to initiate investigations of possible violations of the Home Inspector Law.

Eliminates the Board's authority to hear appeals from orders of the Superintendent regarding claims against the Home Inspector Recovery Fund (Fund 5VD0), which is used to provide compensation for people who obtain judgments against a home inspector for violating the Home Inspector Law when the home inspector fails to pay the judgment.

Fiscal effect: None.

COMCD2 Continuing education for home inspectors

R.C. 4764.08

Requires a licensed home inspector to complete 42 continuing education hours every three years, rather than 14 hours annually as under current law.

Fiscal effect: None.

COMCD3 Special assessments for Home Inspection Recovery Fund

R.C. 4764.21

Requires the Ohio Home Inspector Board to impose a special assessment of up to \$5 per person applying for or renewing a license to perform home inspections when the available balance in the Home Inspection Recovery Fund (Fund 5VD0), as of the preceding July 1, is less than \$1,000,000 instead of \$250,000 as under current law. Prohibits any special assessment if the balance in Fund 5VD0 is at least \$1,000,000 instead of exceeding \$1,000,000.

Eliminates a current law provision that allows a special assessment of up to \$3 per person when Fund 5VD0 balance is greater than \$500,000 but less than \$1,000,000.

Fiscal effect: Increases revenue deposited into Fund 5VD0.

COMCD10 Manufactured homes inspection authority

R.C. 4781.04

Requires COM's Division of Industrial Compliance to adopt rules requiring the Division, local building departments, or certified private third parties to conduct inspections relating to the installation of manufactured housing anywhere in Ohio, not just in manufactured home parks.

Fiscal effect: Uncertain.

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COMCD19 Unclaimed Funds-Claims**Section: 243.20**

Requires Fund 5430 ALI 800625, Unclaimed Funds-Claims, to be used to pay claims under the Unclaimed Funds Law. Appropriates additional amounts requested by the COM Director and approved by the OBM Director.

COMCD20 Division of Real Estate and Professional Licensing**Section: 243.20**

Requires Fund 4B20 ALI 800631, Real Estate Appraisal Recovery, to be used to pay settlements, judgements, and court orders for violations of real estate appraiser laws. Appropriates additional amounts requested by the COM Director and approved by the OBM Director.

Requires Fund 5480 ALI 800611, Real Estate Recovery, to be used to pay settlements, judgments, and court orders under real estate broker law and, as above, appropriates additional amounts for this purpose if necessary.

Requires Fund 5VD0 ALI 800653, Real Estate Home Inspector Recovery, to be used to pay settlements, judgements, and court orders under home inspector law and, as above, appropriates additional amounts for this purpose if necessary.

COMCD21 Real Estate Salesperson License Grants**Section: 243.20**

Allows the Superintendent of the Division of Real Estate and Professional Licensing to provide grants, not exceeding \$2,000, to applicants for salesperson licenses to defray the costs of satisfying related educational requirements.

Specifies that the total amount of grants cannot exceed \$25,000 in any one fiscal year under the Division of Real Estate Operating Fund (Fund 5490).

COMCD22 Fire Department Grants**Section: 243.20**

(1) Requires that Fund 5460 ALI 800639, Fire Department Grants, be used to make grants to volunteer fire departments, fire departments that serve one or more small municipalities or small townships, joint fire districts comprised of fire departments that primarily serve small municipalities or small townships, local units of government responsible for such fire departments, and local units of government responsible for the provision of fire protection services for small municipalities or small townships.

(2) Requires the grants to be used to purchase firefighting or rescue equipment or gear or similar items, to provide full or partial reimbursement for the documented costs of firefighter training, or, at the discretion of the State Fire Marshal, to cover fire department costs for providing fire protection services in the grant recipient's jurisdiction.

(3) Earmarks up to \$1,300,000 in each fiscal year to pay for the State Fire Marshal's costs of providing certain firefighter training classes at no cost to selected students, and allows the State Fire Marshal to establish the qualification and selection process for such classes.

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(4) Earmarks up to \$4,000,000 in each fiscal year for Multi-Agency Radio Communication System (MARCS) grants. Establishes the criteria for the awarding of these grants, including authority for the State Fire Marshal to give a preference to grants that will enhance emergency communication networks in the geographic region that includes and is adjacent to the applicant's jurisdiction. Limits the awards to be up to \$50,000 annually per recipient.

(5) Limits grant awards for firefighter or rescue equipment or gear or fire department costs of providing fire protection services to \$15,000 per fiscal year, or up to \$25,000 per fiscal year if an eligible entity serves a jurisdiction in which the Governor declared a natural disaster during the preceding or current fiscal year in which the grant was awarded, and up to \$15,000 per fiscal year for full or partial reimbursement of the documented costs of firefighter training, which could be in addition to any grant funds awarded for equipment or fire protection services. Requires the State Fire Marshal to determine the total amounts to be allocated for each eligible purpose.

(6) Requires the State Fire Marshal to administer the grant program in accordance with rules adopted as part of the State Fire Code, which may further define eligible entities and establish criteria for the awarding and expenditure of grant funds.

(7) Permits any appropriations in excess of the amount allocated for the grants to be used to administer the grant program.

COMCD23 Division of Marijuana Control**Section: 243.20**

Requires that Fund 5SY0 ALI 800650, Medical Marijuana Control Program, be used to support the operation of the Division of Marijuana Control, including expenditures related to the transfer of the Medical Marijuana Control program from PRX to COM.

Specifies that if additional amounts are available and they are necessary to transfer the program, then the COM Director may certify to the OBM Director the amount of additional appropriation necessary for that purpose. Appropriates the additional amount.

COMCD24 Cash transfers to Division of Real Estate Operating Fund**Section: 243.30**

Allows the OBM Director, upon the request of the COM Director and subject to Controlling Board approval, to transfer cash from the Real Estate Recovery Fund (Fund 5480) to the Division of Real Estate Operating Fund (Fund 5490) when the Fund 5480 cash balance exceeds \$250,000, provided that the minimum remaining amount in Fund 5480 is at least \$250,000.

Allows the OBM Director, upon the request of the COM Director and subject to Controlling Board approval, to transfer cash from the Real Estate Appraiser Recovery Fund (Fund 4B20) to Fund 5490 when the Fund 4B20 cash balance exceeds \$200,000, provided that the minimum remaining amount in Fund 4B20 is at least \$200,000.

COMCD25 Cash transfers to Small Government Fire Department Services Revolving Loan Fund**Section: 243.30**

Allows the OBM Director, upon the request of the COM Director and with Controlling Board approval, to transfer up to \$600,000 cash from the State Fire Marshal Fund (Fund 5460) to the Small Government Fire Department Services Revolving Loan Fund (Fund 5F10).

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COMCD26 Cash transfers to Division of Securities Investor Education and Enforcement Expense Fund**Section: 243.30**

Allows the OBM Director, upon the request of the COM Director, to transfer up to \$5,000,000 cash in FY 2024 from the Division of Securities Fund (Fund 5500) to the Division of Securities Investor Education and Enforcement Expense Fund (Fund 5GK0).

Allows the OBM Director, upon the request of the COM Director, to transfer up to five percent of the fees and charges received in Fund 5500 to Fund 5GK0 in FY 2025.

Earmarks up to \$1,000,000 in each fiscal year from Fund 5GK0 ALI 800609, Securities Investor Education/Enforcement, to be used for grants for the purpose of securities investor education.

COMCD27 Cash transfers to Ohio Investor Recovery Fund**Section: 243.30**

Allows the OBM Director, upon the request of the COM Director and with Controlling Board approval, to transfer up to \$2,500,000 cash in each fiscal year from the Division of Securities Fund (Fund 5500) to the Ohio Investor Recovery Fund (Fund 5XK0).

Earmarks up to \$2,500,000 in each fiscal year from Fund 5XK0 ALI 800657, Ohio Investor Recovery, to provide restitution assistance to victims who (1) are identified in a final administrative order issued by the Division of Securities or a final court order as a purchaser damaged by a sale or contract for sale made violating the Ohio Securities Law, and (2) have not received the full amount of any restitution ordered in a final order before the application for restitution assistance is due.

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OBMCD41 Cash transfers and abolishment of funds

Section: 516.10

For purposes of abolishing various funds that are no longer needed, authorizes the OBM Director to carry out necessary accounting procedures, including transferring the remaining cash balances from the funds that are to be abolished, canceling existing encumbrances, and reestablishing those encumbrances against appropriate funds.

Lists the funds to be abolished, including funds used by: COM, DAS, DEV, OhioMHAS, ODPS, BEMC, OFCC, INS, ODJFS, OPD, and Ohio EPA.

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GOVCD3 Electronic notification, meeting, and data storage law changes

R.C. 127.15, 173.03, 753.19, 1121.38, 1509.06, 1513.071, 1513.08, 1513.16, 1565.12, 1571.05, 1571.08, 1571.10, 1571.14, 1571.15, 1571.16, 1707.02, 1707.04, 1707.042, 1707.091, 1707.11, 1707.43, 1733.16, 2941.401, 3111.23, 3301.05, 3302.04, 3310.521, 3313.41, 3313.818, 3314.21, 3319.081, 3319.11, 3319.16, 3319.291, 3319.311, 3321.13, 3321.21, 3704.03, 3734.02, 3734.021, 3734.575, 3746.09, 3752.11, 3772.031, 3772.04, 3772.11, 3772.12, 3772.13, 3772.131, 3781.08, 3781.11, 3781.25, 3781.29, 3781.342, 3904.08, 4121.19, 4123.512, 4123.52, 4125.03, 4141.09, 4141.47, 4167.10, 4301.17, 4301.30, 4303.24, 4507.081, 4508.021, 4509.101, 4510.03, 4510.41, 4735.13, 4735.14, 5107.161, 5120.14, 5165.193, 5165.86, 5166.303, 5168.08, 5168.22, 5168.23, 5525.01, 5703.37, 5709.83, 5736.041, 5751.40, 1509.031, 3745.019, Repealed: R.C. 5123.195

Implements a 2020 initiative of the Common Sense Initiative to make changes throughout the Revised Code to partly reflect the advancements in technology related to notifications, meetings, data storage, and certain other government functions. (For more detailed analysis of these changes, please see the Electronic Notification and Meetings section (pages 311-338) of the LSC Bill Analysis for H.B. 33.)

Makes specific changes, including removal of obsolete provisions, to facilitate the use of electronic communications, including websites, in the daily operations for the following entities: CAC, COM, DODD, ODE, Ohio EPA, INS, ODJFS, ODPS, PUCO, TAX, ODOT, and ODWIS.

Modifies the type of communication media through which a required notice of events or services may be made by generally adding the option of electronic, including email, delivery or mail delivery by a commercial/common carrier and removing the outdated telegraph method for the following entities: CEB, CAC, COM, ODE, Ohio EPA, ODJFS, ODM, ODNR, PUCO, DRC, ODWIS, and municipalities.

Permits meeting via electronic means, instead of in-person meetings, on specified matters provided that the meetings still allow for interactive public attendance for the following entities: Ohio Advisory Council for the Aging, Internet- or computer-based community schools, school districts or other public schools, ODPS-Register of Motor Vehicles, counties, townships, and municipalities.

Permits or requires the establishment of electronic means of submission for such services as licensure, approvals, and other by the following entities: ODNR’s Division of Oil and Gas Resources Management, school districts, ODE, solid waste management districts, and courts of record.

Modifies or removes references related to creating or retaining stenographic records of certain proceedings for the following entities: COM, ODNR, ODE, school districts, Ohio EPA, and ODWIS.

Fiscal effect: TAX has estimated savings of approximately \$3.4 million per year for the agency. Ohio EPA has estimated annual savings of over \$750,000. Other affected state agencies will also likely realize some administrative cost savings as will affected local governments.

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LCOCD1 **Liquor Permit Cancellations**

R.C. **4301.26**

Repeals the law that requires the Liquor Control Commission to cancel liquor permits for certain reasons (except as provided in the rules of the Division of Liquor Control relative to transfers of a permit).

Fiscal effect: None apparent.

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PRXCD2 OARRS access

R.C. 3796.32

Requires PRX to allow COM’s Division of Marijuana Control, which is created by the bill, to access the Ohio Automated Rx Reporting System (OARRS) as needed to ensure compliance with the Medical Marijuana Control Program Law.

Fiscal effect: Minimal cost.

PRXCD1 Cash transfer from the Medical Marijuana Control Program Fund to the Drug Database Fund

Section: 367.10

Permits the COM Director, upon request of the PRX Director, to certify an amount needed for the operation of PRX’s drug database in each fiscal year. Permits the transfer of that amount from the Medical Marijuana Control Program Fund (Fund 5YS0), used by COM, to the Drug Database Fund (Fund 5SG0), used by PRX.