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[Click here for H.B. 33's Fiscal Note](#)

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Primary Sponsor: Rep. Edwards

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SUMMARY

This analysis is arranged by state agency in alphabetical order. Items that do not directly involve an agency are located under the agency that has regulatory authority over the item, or otherwise deals with the subject matter of the item.

Separate segments at the end address items affecting local government, revisions to the 9-1-1 emergency service law, revisions to adjudication procedures under the Administrative Procedure Act (R.C. Chapter 119), which apply across state government, and authority for state agencies to make electronic notifications and conduct meetings by electronic means.

The analysis concludes with a note on effective dates, expiration, and other administrative matters.

Within each agency and category, a summary of the items appears first (in the form of dot points) followed by a more detailed discussion.

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ACCOUNTANCY BOARD

- Requires the Accountancy Board to switch its register of licensed accountants from a printed to an electronic format, requires the electronic version to be publicly available and searchable, and modifies the information that must be included in the register.

Electronic register of public accountants

(R.C. 4701.13)

The bill modifies the format of and information the Accountancy Board must include in the register of public accountants that the Board must publish under continuing law. It requires the Board to maintain a publicly available and searchable electronic register rather than an annual printed one as currently required. The bill expands the information the Board must include in the register to include, in addition to the names as under current law, the license numbers, license types, license status, and disciplinary history of all licensed public accountants as of the date the register is accessed. The bill eliminates the requirement that each certified public accountant's or public accountant's business address be included in the register.

ADJUTANT GENERAL

- Expressly requires the Adjutant General manage the recruitment of individuals for service in the Ohio Organized Militia.
- Establishes a death benefit entitlement, currently only available to Ohio National Guard member beneficiaries, to the beneficiaries of all members of the Ohio Organized Militia.
- Clarifies the Adjutant General's authority with respect to administration of the Ohio Cyber Reserve.
- Permits judge advocates, with authorization from the Adjutant General, to provide legal assistance to certain individuals.

Ohio Organized Militia recruitment

(R.C. 5913.01)

The bill expressly requires the Adjutant General to manage the recruitment of individuals for service in the Ohio Organized Militia, which consists of the Ohio National Guard, the Ohio Naval Militia, the Ohio Military Reserve, and the Ohio Cyber Reserve.¹ Under continuing law, the Adjutant General is the commander and administrative head of the Ohio Organized Militia.

Ohio Organized Militia death benefit

(R.C. 5923.12)

The bill requires the Adjutant General to pay a death benefit of \$100,000, to the beneficiary or beneficiaries of a member of the Ohio Naval Militia, the Ohio Military Reserve, or the Ohio Cyber Reserve, who was ordered to state active duty by proclamation of the Governor, and who died while performing that duty. In order to be eligible, a beneficiary or beneficiaries must have been designated in writing on a form prescribed by the Adjutant General. Under current law, a state active duty death benefit is available to beneficiaries of Ohio National Guard members.² The bill expands the benefit to all members of the Ohio Organized Militia.

The Ohio Military Reserve and the Ohio Naval Militia are military and naval forces that the Governor, under law, is required to organize and maintain. The forces are trained to defend the state whenever the Ohio National Guard, or a part thereof, is employed out of state. It is not subject to induction into federal service.³

¹ R.C. 5923.01, not in the bill.

² R.C. 5919.33, not in the bill.

³ R.C. 5920.01, 5921.01, and 5921.12, not in the bill.

The Ohio Cyber Reserve is a civilian cyber security reserve force that the Governor is required by law to organize and maintain. It must be capable of being expanded and trained to educate and protect state, county, and local government entities, critical infrastructure, including election systems, businesses, and citizens of Ohio from cyber attacks.⁴

Ohio Cyber Reserve administration

(R.C. 5922.01)

The bill expressly authorizes the Adjutant General to provide appropriate training to current and potential members of the Ohio Cyber Reserve. Under continuing law, reserve members serve in an unpaid volunteer status while performing any drill or training. The bill clarifies that this applies to both current and potential reserve members.

The bill clarifies that the Adjutant General is authorized to establish rates of pay for members of the Ohio Cyber Reserve.

Further, the bill expressly authorizes the Adjutant General to pay from funds appropriated by the General Assembly the actual and necessary expenses incurred by the Ohio Cyber Reserve for its administration, training, or deployment. The bill specifies that expenses for administration, training, and deployment may include permanent or temporary state employees or contractual internal or external administrative staff, travel and subsistence expenses, the purchase or rental of equipment, hardware, and local operational support.

Judge advocate legal assistance

(R.C. 5913.012)

The bill authorizes the Adjutant General to authorize a judge advocate to provide legal assistance to any of the following:

- Investigative personnel of the Bureau of Criminal Identification and Investigation;
- Natural resources law enforcement staff officers;
- Forest-fire investigators;
- Natural resources officers;
- Wildlife officers;
- State highway patrol troopers;
- Special police officers;
- A person commissioned or enlisted in the Ohio Military Reserve;
- The spouse, surviving spouse, dependent parent, minor child, or ward of a person listed above.

⁴ R.C. 5922.01.

The bill authorizes the Adjutant General to specify matters upon which legal assistance may be provided. Furthermore, the Adjutant General may limit services subject to the availability of a judge advocate. Under continuing law, the Adjutant General appoints judge advocates on the recommendation of the state judge advocate. Judge advocates must be officers of the organized militia and members in good standing of the Ohio bar.⁵

⁵ R.C. 5924.06, not in the bill.

DEPARTMENT OF ADMINISTRATIVE SERVICES

Ban certain applications on state networks and devices

- Prohibits the download, installation, or use of TikTok, WeChat, or other Chinese-owned applications on state computers, networks, and devices.

DAS and state agency purchasing

- Modifies DAS and state agency purchasing preference selection criteria and makes other changes and clarifications to state procurement law.

Opening of competitive bids

- Requires DAS to open competitive sealed bids and competitive sealed proposals in the standardized system of electronic procurement rather than publicly opened in the DAS office.
- Removes the requirement that a representative of the Auditor of State be present at and certify the opening of certain bids and proposals.

Competitive sealed proposals

- Clarifies DAS authority to award a contract to multiple offerors whose competitive sealed proposals are determined to be most advantageous to the state.

State agency direct purchasing authority

- Clarifies state agency direct purchasing authority.

Electronic procurement system

- Specifies that a purchase, by DAS or a state agency through the electronic procurement system established by DAS, constitutes a competitive selection procedure.
- Removes the requirement that DAS make an annual report to the House and Senate finance committees regarding the effectiveness of electronic procurement.
- Removes an outdated provision that required DAS to implement relevant recommendations regarding electronic procurement from the “2000 Management Improvement Commission Report to the Governor.”

Requisite procurement programs

- Modifies the requisite procurement process and management.

Increased parental leave benefits

- Increases parental leave benefits for certain state employees by eliminating the 14-day unpaid waiting period and tripling the paid leave period, resulting in a total of 12 weeks of leave paid at the current rate of 70% of the employee’s base rate of pay.

Bereavement leave

- Specifies that a permanent employee paid by OBM warrant must begin bereavement leave granted under continuing law not more than five days after the death of the family member that forms the basis for the leave, or not more than five days before or after the funeral of the person whose death formed the basis for the leave.
- Allows an employee to take bereavement leave on the basis of a miscarriage or the stillbirth of a child by providing appropriate medical documentation (in the case of a miscarriage) or a fetal death certificate (in the case of a stillbirth).
- Specifies that an employee who takes bereavement leave on the basis of a stillbirth is ineligible to take parental leave or benefits granted under continuing law based on the same stillbirth.

DAS reports regarding public works

- Repeals a requirement that the DAS Director make an annual report to the Governor related to public works expenses under the Director's supervision.
- Repeals law requiring the Director make other reports, upon the Governor's request, regarding the condition and welfare of public works and related drainage, leaseholds, and water powers.

Professions Licensing System Fund

- Eliminates the Professions Licensing System Fund and deposits transaction fees from the electronic issuance of licenses to the Occupational Licensing and Regulatory Fund instead.

MARCS Steering Committee

- Modifies the membership of the Multi-Agency Radio Communications System (MARCS) Steering Committee.
- Repeals the uncodified law that originally created and modified the Committee in the 120th and 121st General Assemblies, clarifying that the most recent uncodified law governs the Committee's membership, name, purpose, and responsibilities.

Ban certain applications on state networks and devices

(R.C. 125.183)

In January 2023, Governor DeWine issued an executive order that prohibits the download and use of any social media application, channel, and platform that is owned by an

entity in China on devices and networks that are owned or leased by the state.⁶ Similarly, the bill prohibits the download, installation, and use of covered applications on state agency computers, networks, and devices. A “covered application” is defined as:

- The TikTok application, or any successor application or service developed or provided by ByteDance;
- The WeChat application and service, or any successor application or service developed or provided by Tencent Holdings; or
- Any application or service owned by an entity located in China, including QQ International (QQi), Qzone, Weibo, Xiao, HongShu, Zhihu, Meituan, Toutiao, Alipay, Xiami Music, Tiantian Music, DingTalk Ding, Douban, RenRen, Youku/Tudou, Little Red Book, and Zhihu.⁷

The bill’s prohibition is effectuated by rules adopted by the State Chief Information Officer, in accordance with the Administrative Procedure Act. The rules must require state agencies to remove any covered applications from equipment owned or leased by the state and take necessary measures to prevent the download, installation, and use of covered applications on state computers, networks, and devices. A “state agency” is defined as every organized body, office, or agency established by the state for the exercise of any function of state government. The General Assembly, any legislative agency, and the Capitol Square Review and Advisory Board are included in this definition. The definition excludes any state-supported institution of higher education, the courts, or any judicial agency.⁸

Exceptions

The bill includes an exception that allows qualified individuals to download, install, and use a covered application for law enforcement or information technology security purposes. To do so, appropriate measures must be taken to mitigate security risks.⁹

Regulatory restriction reduction requirement exemption

Rules adopted under this provision are exempt from the law requiring reductions in regulatory restrictions. State agencies like the Department of Administrative Services (DAS) must take actions to reduce regulatory restrictions in accordance with a statutory schedule. Such actions include removing two or more existing regulatory restrictions for each new

⁶ “[Executive Order 2023-03D](#),” Governor Mike DeWine, which may be accessed on the Governor’s website: governor.ohio.gov, under the “Media” tab by clicking “Executive Orders” and then searching for “2023-03D.”

⁷ R.C. 125.183(A)(1).

⁸ R.C. 125.183(A)(2) and (B).

⁹ R.C. 125.183(C).

restriction adopted (often referred to as the “two-for-one-rule”). A “regulatory restriction” is any part of an administrative rule that requires or prohibits an action.¹⁰

DAS and state agency purchasing

(R.C. 125.01, 125.09, 125.11, 153.54, 307.87, 307.90, and 3345.10; repealed R.C. 505.103 and 717.21)

The bill modifies DAS and state agency purchasing preference selection criteria for awarding a contract. Instead of generally requiring the purchaser to select the lowest responsive and responsible bid, from among the bids that offer products that have been produced or mined in the U.S. or Ohio, the bill requires that the purchaser evaluate the bids and offers according to criteria and procedures for determining if a product is mined, excavated, produced, manufactured, raised, or grown in the U.S., is a Buy Ohio product, and if the bid or offer was received from a Buy Ohio supplier or a certified veteran-friendly business. The bill specifies that the requirements must be applied where sufficient competition can be generated to ensure compliance with the requirements will be in the best interest of the state unless otherwise prohibited. In that regard, continuing law requires bidders and offerors claiming a preference to designate that information in their bid or offer.

The bill requires the DAS Director to adopt rules to establish criteria for applying a purchasing preference to bids received from certified veteran-friendly business enterprises. It also codifies the classification of “Buy Ohio” products, eligible for preference in state purchasing, to include products from a state bordering Ohio. Currently, this classification is included in DAS rules.¹¹

The bill eliminates the following provisions of current state purchasing law:

- A requirement that “insurance” is a type of supply expressly subject to certain state purchasing laws. Under continuing law, DAS generally must purchase any policy of insurance covering offices or employees of a state agency for which the annual premium is more than \$1,000.¹²
- A provision that DAS may require each bidder or offeror to provide sufficient information about the energy efficiency or energy usage of the bidder’s or offeror’s product, supply, or service.
- A requirement, regarding contracts for certain meat and poultry products, that DAS only accept bids from vendors under inspection of the U.S. Department of Agriculture or who are licensed by the Ohio Department of Agriculture. Under current federal law, all meat sold commercially must be inspected for safety.

¹⁰ R.C. 122.183(D); R.C. 121.95, in the bill but not changed by this provision; R.C. 122.951 to 122.953, not in the bill.

¹¹ Ohio Administrative Code (O.A.C.) 123:5-1-01 and 123:5-1-06.

¹² R.C. 125.02(G), not in the bill.

- A requirement that DAS award certain contracts to qualified nonprofit agencies under the Office of Procurement from Community Rehabilitation Programs. Continuing law requires state agencies to purchase supplies or services that are on the procurement list maintained by that Office.
- A requirement that the DAS Director publish a model act for use by political subdivisions in establishing a system of preferences for purchasing Buy Ohio products, and eliminates the authority for a board of county commissioners, a board of township trustees, or the legislative authority of a municipality to adopt the model system of preferences.

Opening of competitive bids

(R.C. 125.10)

The bill requires DAS to open competitive sealed bids and competitive sealed proposals in the standardized system of electronic procurement rather than publicly opened in the DAS office. Continuing law requires that a sealed copy of each competitive sealed bid or competitive sealed proposal be filed with DAS before the time specified in the notice for opening of the bids or proposals. The bill removes the requirement in current law that a representative of the Auditor of State be present at and certify the opening of all such bids and proposals.

Competitive sealed proposals

(R.C. 125.071)

Under continuing law, the DAS Director may make purchases by competitive sealed proposal whenever the Director determines that using competitive sealed bidding is not possible or not advantageous to the state. The bill clarifies DAS authority to award a contract to multiple offerors whose proposals are determined to be the most advantageous to the state. Continuing law requires the contract file to contain the basis on which the award is made.

State agency direct purchasing authority

(R.C. 125.01, 125.05, and 127.16)

The bill clarifies that a state agency's direct purchasing authority under existing law, which authorizes the agency to make a purchase without competitive selection, requires the agency to use a selection process that complies with all applicable laws, rules, or regulations of DAS.

Electronic procurement system

(R.C. 125.01, 125.035, 125.05, and 125.073)

The bill specifies that a purchase, by DAS or a state agency through the electronic procurement system established by DAS, constitutes a competitive selection procedure. Under continuing law, competitive selection also includes purchases under the procedures outlined in procurement law for competitive sealed bidding, competitive sealed proposals, and reverse auctions.

The bill specifically authorizes a state agency that has been granted a release and permit from DAS to make the purchase by utilizing the electronic procurement system.

The bill removes the requirement, originally implemented in July 2004, that DAS make an annual report to the finance committees in each house of the General Assembly on the effectiveness of electronic procurement, as part of DAS's statutory requirement to "actively promote and accelerate the use of electronic procurement."

The bill also removes an outdated law that requires DAS to implement recommendations concerning electronic procurement from the "2000 Management Improvement Commission Report to the Governor."

Requisite procurement programs

(R.C. 125.035, 125.041, and 125.05)

The bill modifies the requirements for DAS to manage the review and determination process for purchase requests as it relates to requisite procurement programs. The bill requires the representative of the first and second requisite procurement programs to review a request to determine whether the request can be fulfilled based on the products and services the program can provide. When the representative has made its determination, and within five days of receipt of a request, the representative must either direct the agency to use it or provide the agency with a waiver.

Under current law, upon receipt of a purchase request, DAS must determine whether the request can be fulfilled through the first requisite procurement program and either direct the agency to make the purchase through that program or determine whether the purchase can be fulfilled through a second requisite procurement program. In determining that a purchase is subject to a second requisite procurement program, DAS must identify potentially applicable programs and notify them of the requested purchase. The notified programs must respond within two business days. If the second requisite procurement program can provide the requested purchase, the DAS must direct the requesting agency to use that program. If DAS has not received notification from a second requisite procurement program within two business days and has made the determination that the purchase is not subject to a second requisite procurement program, DAS must provide a waiver to the requesting agency.

Under continuing law, the following are first requisite procurement programs that must be given preference in that order: (1) Ohio Penal Industries and (2) Community Rehabilitation Programs. The following are second requisite procurement programs: (1) Business Enterprise Program, (2) Office of Information Technology, (3) Office of State Printing and Mail Services, (4) Ohio Pharmacy Services, (5) Ohio Facilities Construction Commission, and (6) any other program within, or administered by, a state agency that, by law, requires purchases to be made by, or with the approval of, the state agency.

Increased parental leave benefits

(R.C. 124.136)

The bill increases parental leave benefits for certain state employees. Current law provides six weeks of parental leave for those employees, including a 14-day unpaid waiting period followed by four consecutive weeks of leave paid at 70% of the employee's base rate of pay. The bill eliminates the unpaid waiting period and triples the current four-week paid leave period. Thus, the bill increases the benefits to a total of 12 weeks of parental leave paid at the current 70% rate.

Continuing law provides that parental leave benefits may be granted to eligible state employees who satisfy either of the following criteria:

- They are the parent of a newly born or stillborn child and are listed as such on the birth certificate or fetal death certificate;
- They are the legal guardian of a newly adopted child who resides in their household, and they have not elected to receive the \$5,000 lump sum for adoption expenses in lieu of the parental leave benefits.

To be eligible for parental leave benefits under continuing law, a state employee must fall into a category described below:

- A full- or part-time employee paid in accordance with the exempt salary schedule (generally, those who are subject to the state job classification plan but are exempt from collective bargaining);¹³
- Unclassified employees of the Office of the Secretary of State, Auditor of State, Treasurer of State, or Attorney General who are exempt from collective bargaining;
- Legislative employees and employees of the Legislative Service Commission, the Supreme Court, and the Office of the Governor;
- Employees of the Bureau of Workers' Compensation whose compensation is established by the Administrator of Workers' Compensation; and
- Employees who hold a position for which the authority to determine compensation is given by law to an individual entity other than the DAS Director.

The bill retains current law that allows employees to use balances of other forms of paid leave to supplement benefits during the parental leave period, thus enabling them to attain 100% of their base rate.

Under continuing law, the paid parental leave must be taken within one year of the birth, stillbirth, or placement for adoption of a child.

¹³ R.C. 124.152, not in the bill.

Bereavement leave

(R.C. 124.387)

Under continuing law, each full-time permanent and part-time permanent employee paid by warrant of the OBM Director is entitled to three days of paid bereavement leave due to the death of an immediate family member. The bill requires an employee to begin the leave during one of the following time periods:

- Not more than five days after the death of the family member that forms the basis for the leave;
- Not more than five days before or five days after the funeral of the person whose death formed the basis for the leave.

The bill also allows an employee entitled to bereavement leave to use the leave on the basis of a miscarriage or the stillbirth of a child. The employee must produce appropriate medical documentation (in the case of a miscarriage) or a fetal death certificate (in the case of a stillbirth). If an employee who is eligible for parental leave (which includes leave for a stillbirth) takes bereavement leave on the basis of a stillbirth, under the bill the employee is ineligible for parental leave based on the same stillbirth.

DAS reports regarding public works

(Repealed R.C. 123.14)

The bill repeals a requirement that the DAS Director make an annual report to the Governor “containing a statement of the expenses of the public works under the director’s supervision during the preceding year, setting forth an account of moneys expended on each of the public works during the year, and such other information and records as the director deems proper.” The report also must contain “a statement of the moneys received from all sources and an estimate of the appropriations necessary to maintain the public works and keep them in repair,” as well as “a list of all persons regularly employed, together with the salary, compensation, or allowance paid each.”

This information generally may now be found at checkbook.ohio.gov (see R.C. 113.71, not in the bill).

The bill repeals additional law requiring the DAS Director to make “such other reports as are proper, touching on the general condition and welfare of the public works and the drainage, leaseholds, and water powers incident thereto” when the DAS Director deems it necessary, or when called upon by the Governor.

Professions Licensing System Fund

(R.C. 125.18)

The bill eliminates the Professions Licensing System Fund, which currently receives transaction fees from the electronic issuance of a license or registration. Instead, those fees are to be deposited into the existing Occupational Licensing and Regulatory Fund.

MARCS Steering Committee

(Section 610.10)

The bill modifies the membership of the Multi-Agency Radio Communications System (MARCS) Steering Committee. Specifically, it authorizes either the Directors of DAS, DPS, DNR, ODOT, DRC, and OBM, or their designees, to serve as members. Current law authorizes only the Director's designees to serve, rather than the Directors themselves (with the exception of the State Fire Marshal).

Additionally, the bill adds the following members, with the Governor appointing the first four:

1. A representative of the Ohio Chapter of the Association of Public Safety Communications Officials;
2. A representative of the Buckeye State Sheriff's Association;
3. A representative of the Ohio Chiefs of Police Association;
4. A representative of the Ohio Fire Chiefs Association;
5. Two members of the House (one majority party, one minority party), appointed by the Speaker; and
6. Two members of the Senate (one majority party, one minority party), appointed by the Senate President.

Finally, the bill repeals the uncodified sections that originally created and modified the Committee in the 120th and 121st General Assemblies (1993-1996).¹⁴ Doing so the bill clarifies that the most recent uncodified law that continues the Committee's existence governs its membership, name (it was once renamed a "Council"), purpose, responsibilities, and use of funding.

¹⁴ Section 21 of H.B. 790 of the 120th General Assembly, as amended by Section 11 of H.B. 670 of the 121st General Assembly.

DEPARTMENT OF AGING

Board of Executives of Long-Term Services and Supports

- Expands eligibility for the consumer member of the Board of Executives of a Long-Term Services and Supports (BELTSS) to include the representative of a consumer in a long-term services and supports setting.
- Adds an exception to the prohibition that complaints made to BELTSS are confidential and not subject to discovery in any civil action, permitting BELTSS to use the information in administrative hearings and admission in court pursuant to the Rules of Evidence.

Nursing home quality initiative projects

- Requires the Department to provide infection prevention and control services as a quality initiative improvement project.

Performance-based PASSPORT reimbursement

- Authorizes the Department to design a payment method for PASSPORT administrative agency operation that includes a pay-for-performance incentive component.

HHA and PCA training

- Prohibits the Department from requiring more than eight hours of pre-service training and six hours of annual in-service training for home health aides (HHAs) and personal care aides (PCAs) providing services under the PASSPORT Program.
- Permits a registered nurse, licensed practical nurse, or nurse aide to supervise an HHA or PCA providing services under the PASSPORT Program.

Long-term Care Ombudsman representative training

- Reduces training requirements for nonvolunteer representatives of the Office of the State Long-term Care Ombudsman.

Ohio Advisory Council for the Aging

- Specifies a new purpose for the Ohio Advisory Council for the Aging – to advise the Department as directed by the Governor and on the objectives of the federal Older Americans Act.
- Eliminates obsolete provisions regarding the date by which certain members must have been first appointed.

Golden Buckeye Card program

- Expands the formats possible for the Golden Buckeye Card to include physical or electronic cards, as well as endorsements on cards for one or more programs.

Board of Executives of Long-Term Services and Supports

Membership

(R.C. 4751.02)

Regarding the Board of Executives of Long-Term Services and Supports (BELTSS), the bill expands eligibility criteria for one member of the 11-member board. Continuing law requires one member to be a consumer of services offered in a long-term services and supports setting. Under the bill, a person who represents such a consumer is also eligible for the consumer-member role.

Confidentiality of complaints

(R.C. 4751.30)

Ohio law prohibits complaints made to BELTSS from being subject to discovery in any civil action. The bill deems such complaints as confidential, but establishes an exception to the confidentiality – it permits the complaints to be used by BELTSS in administrative hearings. Any entity that receives a complaint pursuant to an administrative hearing must maintain the complaint's confidentiality in the same manner as BELTSS. The bill also permits confidential complaints to be admitted in a judicial proceeding, but only in accordance with the Rules of Evidence of the court, and requires the court to take precautionary measures to ensure the confidentiality of any identifying information in the records.

Nursing home quality initiative projects

(R.C. 173.60)

Regarding the nursing home quality initiative program to promote person-centered care in nursing homes, the bill requires the Department to include infection prevention and control efforts as a component of the program. The bill requires the quality initiative program component to include facility technical assistance including services, programs, and content expertise, subject to the availability of funds. The infection prevention and control component must be included in a list of quality improvement projects that may be used by nursing homes to meet nursing home inspection and licensure requirements.

Performance-based PASSPORT reimbursement

(Section 209.20)

In order to improve health outcomes among populations served by PASSPORT administrative agencies, the bill authorizes the Department to design a payment method for PASSPORT administrative agency operation that includes a pay-for-performance incentive component earned by a PASSPORT administrative agency when defined consumer and policy outcomes are achieved.

If the Department opts to implement the payment method, it must do so through rules adopted in accordance with the Administrative Procedure Act (R.C. Chapter 119). Before filing a proposed rule with a pay-for-performance incentive component with the Joint Committee on

Agency Rule Review, the Department must submit a report to the Joint Medicaid Oversight Committee outlining the payment method.

HHA and PCA training

(R.C. 173.525)

The bill prohibits the Department from requiring home health aides (HHAs) and personal care aides (PCAs) providing services under the PASSPORT Program to receive more than eight hours of pre-service training and six hours of annual in-service training. The Department determines what training is acceptable. The bill also permits a registered nurse, licensed practical nurse, or nurse aide to supervise an HHA or PCA.

Under federal regulations, HHAs providing services through Medicare or Medicaid will continue to be required to receive 75 hours of pre-service training and 12 hours of annual in-service training. Additionally, federal regulations require that an HHA providing Medicare or Medicaid services be supervised by a registered nurse or other appropriate professional (such as a physical therapist, speech-language pathologist, or occupational therapist).¹⁵

Long-term Care Ombudsman representative training

(R.C. 173.21)

The bill reduces the number of specified training hours required for a nonvolunteer representative of the Office of the State Long-term Care Ombudsman. The reduction is accomplished as follows:

- Reducing hours of basic instruction required before the representative can handle cases without supervision, from 40 to 36;
- Eliminating a requirement that an additional 60 hours of instruction must be completed within the first 15 months of employment;
- Eliminating an internship of 20 hours that includes instruction and observation of basic nursing care and long-term care procedures;
- Eliminating observation of either a Department certification survey of a nursing facility or a licensing inspection of a residential facility by the Ohio Department of Mental Health and Addiction Services.

Instead, the bill gives the Department of Aging the option to create rules regarding additional training, which may include an internship, in-service training, or continuing education. Under existing law, continuing education must be established by the Department.

The bill also eliminates law providing a training exemption for persons serving as an ombudsman for at least six months prior to June 11, 1990.

¹⁵ 42 Code of Federal Regulations (C.F.R.) 484.80.

Ohio Advisory Council for the Aging

(R.C. 173.03)

The bill revises the law governing the Ohio Advisory Council for the Aging in two ways. First, it specifies that the Council's purpose is to advise the Department on the objectives of the Older Americans Act of 1965 and as directed by the Governor, rather than requiring the Council, as under current law, to carry out its role as defined under the Older Americans Act. Second, it eliminates obsolete provisions regarding the deadline for the Governor to appoint the first members.

Golden Buckeye Card program

(R.C. 173.06)

Regarding the Golden Buckeye Card program, the bill authorizes new formats beyond the current physical card. The Department may provide Golden Buckeye cards as physical or electronic cards, and the cards can be an endorsement on a card that includes one or more programs. Related to this change, the bill eliminates a requirement that a card must contain the card holder's signature.

DEPARTMENT OF AGRICULTURE

Amusement ride reinspections

- Adds to the reasons why an amusement ride owner must pay a reinspection fee by requiring the owner to pay the fee if rules adopted by the Director of Agriculture require reinspections for the ride's safe operation.
- Allows the Department of Agriculture to charge a fee for a supplemental reinspection of a temporary amusement ride when the inspection is required by rules governing a ride's safe operation.

Agricultural commodity handlers

- Revises several of the circumstances under which claims may be reimbursed at 100% from the Agricultural Commodity Depositors Fund when an agricultural commodity handler fails to pay an agricultural commodity depositor.
- If a commodity depositor's loss involves circumstances other than when 100% payment for the loss is required, decreases the fund's liability to 75% of the loss, rather than 100% of the first \$10,000 of losses and 80% of the remaining dollar value of losses under current law.

Auctioneer continuing education exemption

- States that the continuing education requirements for licensed auctioneers established under current law do not apply to a licensed auctioneer who:
 - Was licensed as an apprentice auctioneer under law repealed by H.B. 321 of the 134th General Assembly on September 13, 2022; and
 - Completed the apprenticeship prior to that date.

Legume inoculators

- Eliminates the legume inoculator's annual license (\$5 fee), which authorizes a person to apply legume inoculants to seed for sale.

Amusement ride reinspections

(R.C. 993.04)

The bill adds to the list of reasons why an amusement ride owner must pay a reinspection fee by requiring the owner to pay the fee if rules adopted by the Director of Agriculture require reinspections for the safe operation of the ride. Under current law, the Director may require an amusement ride owner to pay a reinspection fee only if:

1. The reinspection was conducted at the owner's request;
2. The reinspection is required because of an accident; or

3. The reinspection is required because it is unsafe and in violation of the law governing safe operations of rides.

Also under current law, the Director is not authorized to charge a fee for a reinspection when the reinspection is conducted in accordance with rules governing the safe operation of the ride. These reinspections are required based on the size, complexity, nature of the ride, and the number of days the ride is in operation during the year. Reinspection fees range from \$5 to \$1,200 depending on the ride being inspecting.

The bill also allows the Department of Agriculture to charge a fee for a supplemental reinspection of a temporary amusement ride when the inspection is required by rules governing the safe operation of a ride.

Agricultural commodity handlers

(R.C. 926.18)

Background

The law governing agricultural commodities provides for the licensure and regulation of agricultural commodity handlers (commonly known as grain elevators) in Ohio. All licensed handlers must remit fees established by the Director on each bushel of an agricultural commodity deposited with the handler. The Director must deposit these fees in the Agricultural Commodities Fund. The fund is used to pay claims made by agricultural commodity depositors when the handler, for a variety of reasons, is unable to pay the depositor for the deposited commodity. Under current law, an agricultural commodity is corn, soybeans, or wheat, and the Director may add additional commodities by rule.¹⁶

Claims

The bill revises several of the circumstances under which claims must be paid from the fund to a depositor who has not received payment from an agricultural commodity handler. Current law establishes circumstances under which a depositor receives 100% of the depositor's loss from the fund. Losses incurred outside of those circumstances are paid at 100% of the first \$10,000 of loss and 80% of the remaining dollar value of that loss.

The bill first revises the circumstances under which a depositor is paid 100% of the depositor's loss by doing the following:

1. If the commodity handler's license is suspended and the handler failed to pay for the commodities by the date on which the suspension occurred, increasing the number of days by which the commodities had to be priced prior to the suspension from 30 days to 45 days;

¹⁶ R.C. 926.01, 926.16, and 926.17, not in the bill. According to the Department of Agriculture, licensed agricultural commodity handlers must meet certain net worth requirements that are verified by financial statements annually submitted to the Department. Licensed agricultural commodity handlers also must have insurance coverage equal to full-market value on grain in their facilities to protect all or part of their losses in case of fire or other disasters. See R.C. Chapter 926.

2. If the commodity handler's license is suspended and there is a deferred payment agreement between the depositor and the commodity handler, doing all of the following:

a. Increasing the number of days by which the commodities had to be priced prior to the suspension from 90 days to 365 days;

b. Increasing the number of days by which payment for the commodity must be made pursuant to the deferred payment agreement from 90 days to 365 days following the date of delivery; and

c. Requiring that the deferred payment agreement between the handler and depositor be signed.

3. Adding a new circumstance that requires payment of 100% of the depositor's loss when the commodities were delivered and marketed under a delayed price agreement up to two years prior to the commodity handler's license suspension. The delivery date as marked on the receipt tickets are used to determine the two-year period. The bill stipulates that the fund has no liability if the delayed price agreement was entered into more than two years prior to the commodity handler's license suspension.

The bill retains two additional circumstances in which a depositor is required to receive 100% of the depositor's loss from the fund. The first circumstance is when the commodities deposited by the depositor were stored under a bailment agreement. The second circumstance is when payment for the commodities was tendered, but the payment was subsequently denied (e.g., a check written on an account with insufficient funds).

If a commodity depositor's loss involves circumstances other than those when 100% payment for the loss is required, the bill decreases the fund's liability to 75% of the loss, rather than 100% of the first \$10,000 of the loss and 80% of the remaining dollar value of that loss as provided in current law.

Auctioneer continuing education exemption

(R.C. 4707.101)

H.B. 321 of the 134th General Assembly revised many provisions of the law governing auctions and auctioneers. That act took effect on September 13, 2022. The revisions included eliminating the apprentice auctioneer license. H.B. 321 also requires licensed auctioneers and auction firm managers of licensed auction firms to complete eight hours of continuing education every two years. The continuing education must be completed in specified areas of instruction, including an overview of the law governing auctions and auctioneering and contract law.

The bill states that the above continuing education requirements for licensed auctioneers do not apply to a licensed auctioneer who:

1. Was licensed as an apprentice auctioneer under law repealed by H.B. 321 on September 13, 2022; and

2. Completed the apprenticeship prior to that date.

Legume inoculators

(R.C. 907.27 and 907.32; repealed R.C. 907.30)

The bill eliminates the legume inoculator's annual license, which authorizes a person to apply legume inoculants to seed for sale. Current law requires an applicant for a license to include specified information with an application (along with a \$5 application fee), including the brand name of the legume inoculant to be used.

AIR QUALITY DEVELOPMENT AUTHORITY

- Authorizes the Ohio Air Quality Development Authority to enter into an arrangement with a municipality, township, or special improvement district to fund commercial or industrial energy or energy efficiency projects (often referred to as a PACE or “property assessed clean energy” project).
- Authorizes the municipality, township, or special improvement district to impose and remit to AIR special assessments on property benefitting from the PACE.

Property assessed clean energy project financing

(R.C. 503.59, 727.01, 1710.06, 3706.01, 3706.051, 3706.12; Section 803.20)

The bill authorizes the Ohio Air Quality Development Authority (AIR) to enter into an agreement with a local partner, either a municipal corporation, township, or special improvement district (SID), to fund a privately owned commercial or industrial “special energy improvement” that reduces air pollution, i.e., a solar, geothermal, or customer-generated energy facility or energy efficiency improvement. Pursuant to this agreement, AIR will issue bonds and remit the proceeds to either the local partner or the private owner. The local partner will levy a special assessment against the project property, and remit the proceeds of that assessment to AIR to service the project bonds. This type of financing arrangement is commonly referred to as a PACE, or “property assessed clean energy,” project.

Under continuing law and pursuant to its existing bonding authority, AIR may use its bond proceeds to fund commercial and industrial special energy improvement projects directly. AIR may also enter into agreements with local governments to fund such projects owned by the local government. The bill authorizes two separate PACE funding models. One to be used when the local partner is a SID or municipality that is a SID member acting in furtherance of the SID’s objectives, the other to be used when the local partner is a township or municipality operating independently and not through a SID.

SID PACE model

Under continuing law, SIDs and both municipalities and townships that are SID members acting in accordance with SID objectives may impose special assessments on property to fund special energy improvement projects, provided the projects are approved by every property owner to be assessed. (A SID is a district formed by one or more municipalities and townships for the purpose of levying special assessments to provide certain services or develop certain improvements within the district.)

Under the bill, a SID, or a member municipality or township, may enter into an agreement with AIR whereby AIR remits bond proceeds to the SID, municipality, or township, which then remits those funds to a private property owner to fund special energy improvement projects. It also allows AIR to remit those funds directly to the private property owner. In turn, the SID, municipality, or township imposes a special assessment on the benefitted property and assigns and remits the assessment proceeds to AIR, which uses them to service project bonds.

This bill prohibits this model from being construed to apply to any AIR bonds or SID special assessments issued or levied before the bill's 90-day effective date.

Municipal and township PACE model

While SIDs and municipalities that SID members have existing authority to levy special assessments to fund special energy improvement projects, municipalities acting outside of a SID and townships do not have that authority.

The bill grants specific authority for these municipalities and townships to levy special assessments to fund special energy improvement projects. However, they may only be levied if the property owner proposing the project petitions for them and the municipality or township enters into an agreement with AIR. Pursuant to this agreement, AIR will remit bond proceeds to the property owner to fund the project, and the municipality or township will pledge and remit the special assessments to AIR to service those bonds. (In contrast, the bond proceeds in the SID model are remitted to the local partner, and not the property owner.)

The bill also requires a municipal corporation or township that is part of a SID that develops and implements plans for special energy improvement projects to notify the SID of both of the following:

1. The agreement between AIR and the municipal corporation or township; and
2. The air quality facility that is to be funded with property assessments.

ARCHITECTS BOARD

- Amends the structure of the Architects Board to include a public member and reduces the required years of architect licensure experience required for service on the Board.

Architects Board membership

(R.C. 4703.01; Section 747.10)

The bill amends the structure of the Architects Board to include a public member and reduces the required years of architect licensure experience required for service on the Board. The bill specifies that the Board must be composed of four architects and one member of the general public who is not an architect. The bill also reduces from ten to five the number of years of active architect practice required for service on the Board. Under current law, the Board is composed of five architects who have been in active practice in Ohio for at least ten years.

Current Board members may continue to hold office until their terms expire, unless removed under law. The bill requires the Governor to appoint an individual who is a member of the general public upon the next vacancy on the Board.

ATTORNEY GENERAL

Crime victim property retrieval fees

- Prohibits a law enforcement agency from charging a victim a property retrieval fee if the property was taken during an investigation.

Sexual assault examination kits access and information

- Permits a victim to request information on the status of the victim's sexual assault examination kit from the appropriate official with custody of the kit and have that information delivered in a format specified by the victim.
- Defines "victim" as a person from whom a sexual assault examination kit was collected.
- Requires that notice of the destruction or disposal of a kit must be delivered to a victim who has requested notice not later than 60 days before the date of the intended destruction or disposal of a kit.
- Permits a victim to request that the victim's sexual assault examination kit or its probative contents be preserved beyond the intended destruction or disposal date for up to 30 years.
- Requires government evidence-retention entities to submit annual reports to the Attorney General regarding sexual assault examination kit inventory.
- Requires the Attorney General to compile the annual reports from government evidence-retention entities into a summary report to be made public and reported to the Governor, Speaker of the House, and Senate President.

Reimbursement for continuing professional training

- Requires that every appointing authority must require each appointed peace officer and trooper to complete a minimum of 24 hours of continuing professional training each year.
- Requires that a minimum of 24 hours of continuing professional training must be reimbursed each year, and that a maximum of 40 hours of continuing professional training may be reimbursed each year.

Crime victim property retrieval fees

(R.C. 2930.11)

The bill prohibits a law enforcement agency responsible for investigating a crime from requiring a victim to pay any charge as a condition of retrieving any property of the victim that was taken in the course of the investigation.

Sexual assault examination kits access and information

(R.C. 109.42, 109.68, 2933.82, and 2933.821)

Under the bill, a victim, defined as a person from whom a sexual assault examination kit was collected, may request the following information from the appropriate official with custody of the kit:

- Information regarding the testing date and results of the kit;
- Whether a DNA profile was obtained from the kit;
- Whether a match was found to that DNA profile in state or federal databases;
- The estimated destruction date of the kit.

The victim may designate the delivery method for this information to be in writing, by email, or by telephone. The appropriate official must notify the victim in the manner of the victim's choosing when there is any change in the status of the case, including if the case has been closed or reopened. A victim may also request notice of the destruction or disposal date of the kit. If a victim requests notice of the destruction or disposal of a kit, that notice must be delivered not later than 60 days before the date of the intended destruction or disposal.

Under the bill, a victim may request that the kit or its probative contents be preserved beyond the intended destruction or disposal date for a period of up to 30 years. Additionally, in providing any of the information that may be requested by the victim as listed above, the appropriate official with custody of the kit must provide the victim with information about the victim's right to apply for an award of reparations pursuant to existing law.

Within 180 days after the bill's effective date, and annually thereafter, all governmental evidence-retention entities that receive, maintain, store, or preserve sexual assault evidence kits must submit a report to the Attorney General containing the following information:

- The total number of all tested and untested sexual assault examination kits in their possession, and for each untested kit whether the sexual assault was reported to law enforcement or whether the victim chose not to file a report with law enforcement.
- If the entity is a medical facility, the date each untested sexual assault examination kit was reported to law enforcement, if applicable, and the date the kit was delivered to the medical facility.
- If the entity is a law enforcement agency, the date each untested sexual assault examination kit was received from a medical facility, the date it was submitted to a crime laboratory, or for any kit not submitted to a crime laboratory, the reason the kit was not submitted.
- If an untested sexual assault examination kit belongs to another jurisdiction, the date that jurisdiction was notified and the date the kit was retrieved by that jurisdiction, if applicable.
- If the entity is a crime laboratory:

- The date each sexual assault examination kit was received from law enforcement and from which agency the kit was received;
- The date the kit was tested, if applicable;
- The date the kit test results were entered into the combined DNA index system (CODIS) or other relevant state or local DNA databases, if applicable, or if a DNA profile has not been created, the reason it was not created;
- For untested kits, the reason the kit has not been tested;
- The total number of kits in possession of the entity for more than 30 days;
- The total number of kits destroyed and the reason for the destruction.

The Attorney General must compile the data from all of the reports into a summary report, including a list of all governmental evidence-retention entities that failed to participate in the report's preparation. The annual summary report must be made public on the Attorney General's website, and submitted to the Governor, the Speaker of the House, and the Senate President.

Reimbursement for continuing professional training

(R.C. 109.803)

The bill requires that every appointing authority must require each appointed peace officer and trooper to complete 24 hours of continuing professional training each year. Twenty-four hours is intended to be a minimum requirement, and appointing authorities are encouraged to exceed the minimum. A minimum of 24 hours of continuing professional training must be reimbursed each year and a maximum of 40 hours of continuing professional training may be reimbursed each calendar year.

Under current law, every appointing authority must require each appointed peace officer and trooper to complete up to 24 hours of continuing professional training each year as directed by the Ohio Peace Officer Training Commission. The Commission must set the required minimum number of hours based on available funding for reimbursement. If no funding for reimbursement is available, no continuing professional training will be required.

AUDITOR OF STATE

LEAP Fund replaced by Auditor's Innovation Fund

- Replaces the Leverage for Efficiency, Accountability, and Performance (LEAP) Fund with the Auditor's Innovation Fund.
- Authorizes the Auditor's Innovation Fund to be used for innovative audit, accounting, or local government assistance services that improve the quality or increase the range of services offered to local governments and school districts.
- Removes law describing the uses of the LEAP funds, including (1) making loans to certain state and local entities for performance audits and (2) paying the costs of performance audits and feasibility studies.

Auditor feasibility study

- Permits the Auditor of State to conduct a feasibility study requested by a state agency or local public office at the Auditor's discretion, rather than as LEAP funds are allowed and available.

Cause of action by Auditor of State

- Specifies that, when there is a cause of action set forth from a report of the Auditor, the amount payable from that action is a final and certified claim, under the continuing law regarding collecting amounts due to the state, upon submission to the Attorney General.
- Specifies that the amount payable may be satisfied under a continuing law process, which allows a person's tax refund to be applied to a debt to the state or a political subdivision of the state.

School district fiscal distress performance audits

- Removes the Office of Budget and Management from the performance audit consultation process for school districts under fiscal caution, in a state of fiscal watch, or in fiscal emergency.
- Removes the requirement that the Auditor prioritize performance audits of school districts in fiscal distress.

Auditor's Innovation Fund

(R.C. 117.47, with conforming changes in R.C. 117.46; repealed R.C. 117.471 and 117.472)

The bill eliminates the Leverage for Efficiency, Accountability, and Performance (LEAP) Fund, and creates the Auditor's Innovation Fund.

The bill permits the Auditor of State to use the Auditor's Innovation Fund for "innovative audit, accounting, or local government assistance services that improve the quality or increase

the range of services offered to local governments and school districts.” The fund consists of money appropriated to it.

The bill repeals law permitting loans to be made with LEAP funds. Under current law, the Auditor of State must use LEAP funds to make loans to state agencies, local public offices, and state institutions of higher education for conducting performance audits if the Auditor approves their applications. The amount loaned is charged by the Auditor for a performance audit. In addition, LEAP funds are used for conducting feasibility studies requested by state agencies or local public offices. Under current law, 50% of the money in the LEAP Fund must be used for loans and paying the costs of performance audits, and 50% for feasibility studies.

The bill repeals law containing the terms and conditions of LEAP Fund loans to entities that receive them, and provisions describing the consequences of defaulting on those loans.

Under current law, the LEAP Fund consists of appropriated money, plus repayments of principal and interest made on LEAP Fund loans.

Auditor feasibility study

(R.C. 117.473)

The bill permits the Auditor to conduct a feasibility study at the Auditor’s discretion, rather than require the Auditor to conduct feasibility studies as LEAP funds are allowed and available.

Continuing law permits a state agency or local public office to request that the Auditor conduct a feasibility study to determine if greater efficiency or cost savings could be realized by the state agency or local public office by sharing services or facilities with other state agencies or local public offices.

Under current law, the Auditor must conduct the requested feasibility studies as funds are allowed and available from the LEAP Fund, no more than 50% of which may be used to conduct these feasibility studies.

Cause of action by Auditor of State

(R.C. 117.34)

The bill specifies that, when there is a cause of action set forth from a report of the Auditor, the amount payable from that action is a final and certified claim, under the continuing law¹⁷ regarding collecting amounts due to the state, upon submission to the Attorney General. Under continuing law, if an amount owed to the state is not paid within 45 days after payment is due, the officer responsible for collecting it must certify the amount due to the Attorney General, who must give immediate notice to the party indebted of the nature and amount of the indebtedness. The Attorney General and the officer must agree on the time a payment is due, which may be an appropriate time determined by them based on statutory requirements

¹⁷ See R.C. 113.02, not in the bill.

or ordinary business processes. The law requires the AG to follow this process on behalf of state agencies, and also on behalf of state institutions of higher education and of political subdivisions.

Additionally, the bill specifies that the amount payable may be satisfied under a continuing law process,¹⁸ which allows a person's tax refund to be applied to a debt to the state or a political subdivision of the state.

School district fiscal distress performance audits

(R.C. 3316.042)

The bill removes the Office of Budget and Management from the performance audit consultation process for school districts under fiscal caution, in a state of fiscal watch, or in fiscal emergency. However, the Auditor must continue to consult with the Department of Education in conducting performance audits. The bill also removes the requirement that the Auditor prioritize performance audits of school districts that are in fiscal distress.

Under law unchanged by the bill, the Auditor has discretion to conduct performance audits of school districts under a fiscal caution, in a state of fiscal watch, in a state of fiscal emergency, or in fiscal distress. These audits consist of the review of any programs or areas of operation in which the Auditor believes that greater operational efficiencies or enhanced program results can be achieved, but do not include review or evaluation of the school district's academic performance. The costs of performance audits are paid by the Auditor with funds appropriated from the General Assembly.

¹⁸ See R.C. 5747.12, not in the bill.

OFFICE OF BUDGET AND MANAGEMENT

OBM reporting requirements

- Eliminates various reporting requirements for agencies to submit information to OBM and removes OBM as a recipient of certain reports.

Routine support services for boards and commissions

- Eliminates the Central Service Agency within the Department of Administrative Services, which provides routine support services to various boards and commissions, and transfers its duties to OBM.

Budget Stabilization Fund

- Requires that investment earnings of the Budget Stabilization Fund be credited to the GRF rather than the Budget Stabilization Fund.

Annual comprehensive financial reports

- Changes the name of a report the OBM Director and the Ohio Turnpike and Infrastructure Commission must each issue from a “comprehensive annual financial report” to an “annual comprehensive financial report.”

OBM reporting requirements

(R.C. 126.30, 131.02, 153.17, 3333.021, 3333.12, 3333.122, 5123.0412, 5727.28, 5727.42, and 5727.91; repealed R.C. 131.38)

The bill eliminates the following reporting requirements for agencies to submit certain information to OBM:

- Interest charges paid related to an agency’s purchase or lease of goods or services;
- Unpaid amounts due to the state that an agency is unable to collect;
- Information on segregated custodial funds maintained by an agency;
- Notification, by the owner of a public work, of execution of a takeover contract for the takeover of a defaulted public works contract;
- Refunds of certain higher education grants provided by the Department of Higher Education; and
- Tax refunds to certain entities.

The bill also removes OBM from a list of recipients to which the Chancellor of Higher Education must send a fiscal analysis prior to the implementation of any action or adoption of a rule with an expected fiscal effect. Finally, it removes OBM as a recipient for a Department of Development Disabilities’ report on use of the Department of Developmental Disabilities Administration and Oversight Fund.

Routine support services for boards and commissions

(R.C. 126.25 and 126.42; Sections 516.10 and 525.10)

The bill eliminates the Central Service Agency currently located within DAS. The Agency provides routine support services to various boards and commissions. Those services will be provided by OBM instead. The bill adds “human resources and personnel services” as a routine support service and removes language specifying that initiating or denying personnel or fiscal actions is not considered routine support services.

Budget Stabilization Fund

(R.C. 131.43)

The bill requires that investment earnings of the Budget Stabilization Fund (BSF) be credited to the GRF. Current law requires that the BSF’s investment earnings be credited to the BSF itself.

Annual comprehensive financial reports

(R.C. 126.21, 126.46, and 5537.17)

The bill changes the name of the state report the OBM Director must issue from a “comprehensive annual financial report” to an “annual comprehensive financial report.” Under continuing law, this financial report of the state must cover all funds handled by OBM, including basic financial statements and required supplementary information prepared in accordance with generally accepted accounting principles, as well as any other information required by the Director. The bill also makes a conforming change in the State Audit Committee Law; continuing law requires the Committee to review and comment on OBM’s report preparation process regarding the renamed report.

The bill also changes the name of a report the Ohio Turnpike and Infrastructure Commission must issue from a “comprehensive annual financial report” to an “annual comprehensive financial report.” Under current law, the report must outline the complete operating and financial statement covering the Commission’s operations and funding of any turnpike projects and infrastructure projects for each year.

CASINO CONTROL COMMISSION

Sports gaming involuntary exclusion list

- Allows the Ohio Casino Control Commission (OCCC) to prohibit a person from participating in sports gaming in Ohio if the person has threatened violence or harm against a person who is involved in a sporting event, where that threat was related to sports gaming with respect to that sporting event.

Type C sports gaming license and liquor permits

- Allows a brewery, winery, or distillery that operates a bar or restaurant on-site (A-1-A liquor permit holder) or a micro-brewery (A-1c permit holder) to apply for a type C sports gaming host license.

Number of sports gaming facilities in a county

- Increases, from five to seven, the maximum number of sports gaming facilities that may be located in a county with a population of 800,000 or more, as determined by the 2010 federal census (Cuyahoga, Franklin, and Hamilton counties).

Child and spousal support withheld from winnings

- Requires a casino operator or sports gaming proprietor to transmit withheld child and spousal support to the Department of Job and Family Services by electronic means.

Study Commission on the Future of Gaming in Ohio

- Expands the membership and duties of the Joint Committee on Sports Gaming and renames it the Study Commission on the Future of Gaming in Ohio.
- Requires the Study Commission to examine the status of the statewide lottery, sports gaming, casino gaming, and horse racing in Ohio and the future of those industries and to make recommendations to the General Assembly on those subjects.
- Requires the Study Commission to submit a report of its findings and recommendations to the General Assembly by June 30, 2024.
- Specifies that the Study Commission ceases to exist after it submits its report, extending the Joint Committee's current expiration date of March 23, 2024.

Sports gaming involuntary exclusion list

(R.C. 3772.01 and 3772.031; Section 737.20)

The bill allows the Ohio Casino Control Commission (OCCC) to prohibit a person from participating in sports gaming in Ohio if the person has threatened violence or harm against a person who is involved in a sporting event, where that threat was related to sports gaming with respect to that sporting event. The bill states separately, in uncodified law, that this provision

applies to any threat, attempted threat, or illegal activity that impacts the integrity of sports gaming, regardless of whether it occurs before, during, or after a sporting event.

For purposes of the provision described above, a person is considered to be involved in a sporting event if the person is an athlete, participant, coach, referee, team owner, or sports governing body with respect to the sporting event; any agent or employee of such a person; or any agent or employee of an athlete, participant, or referee union with respect to the sporting event. This is the same as the list of persons who, under continuing law, may not participate in sports gaming because of their involvement in sporting events.¹⁹

Under continuing law, OCCG may add a person to its sports gaming involuntary exclusion list for a number of reasons, including past gaming law violations, a reputation for dishonest gaming activities, or posing a threat to the safety of a sports gaming facility's patrons or employees. A person who is added to the involuntary exclusion list is entitled to notice and an opportunity for a hearing before being excluded.

Type C sports gaming license and liquor permits

(R.C. 3775.01 and 3775.07)

The bill allows a brewery, winery, or distillery that operates a bar or restaurant on-site (A-1-A liquor permit holder) or a micro-brewery (A-1c permit holder) to apply for a type C sports gaming host license. Current law allows D-1, D-2, and D-5 permit holders (bar or restaurant that serves beer or intoxicating liquor for on-premises consumption) to apply to OCCG for a type C sports gaming host license. A type C licensee may offer lottery sports gaming through a type C sports gaming proprietor using self-service or clerk-operated sports gaming terminals located at the liquor permit premises.

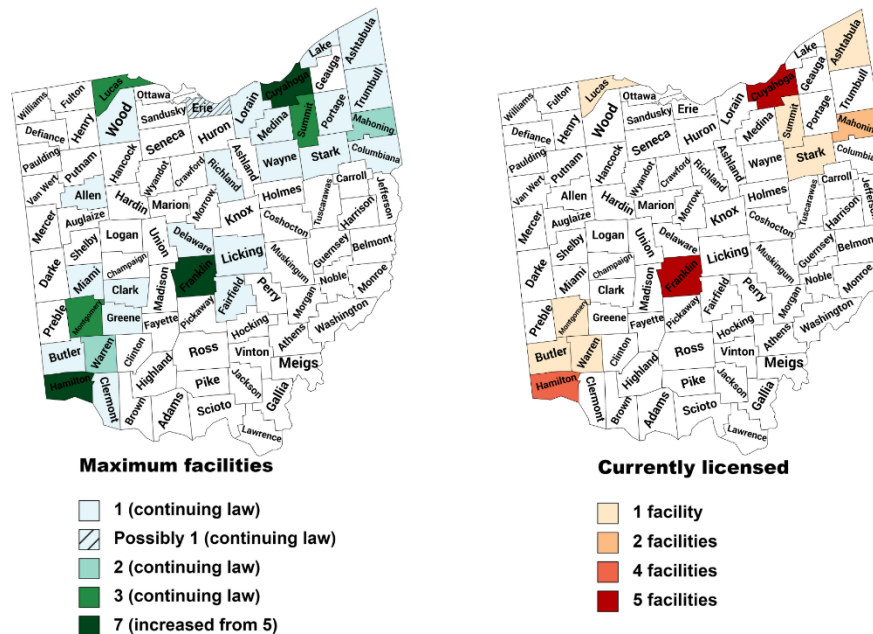
Number of sports gaming facilities in a county

(R.C. 3775.04)

The bill increases, from five to seven, the maximum number of sports gaming facilities that may be located in a county with a population of 800,000 or more, as determined by the 2010 federal census (Cuyahoga, Franklin, and Hamilton counties). Currently, five facilities are licensed in Cuyahoga and Franklin counties and four are licensed in Hamilton County.

¹⁹ R.C. 3775.13(F), not in the bill.

However, the bill retains the overall limit of 40 sports gaming facilities in Ohio at any given time. Under continuing law, OCCC cannot grant the maximum number of licenses to operate sports gaming facilities in every county because doing so would mean issuing more than 40 licenses. So far, OCCC has issued 23 licenses.²⁰



Casino and sports gaming winnings

(R.C. 3123.90)

The bill modifies the law concerning withholding of past due child and spousal support from casino and sports gaming winnings, by requiring a casino operator or sports gaming proprietor to transmit the money to the Department of Job and Family Services by electronic means.

Study Commission on the Future of Gaming in Ohio

(Sections 610.90 and 610.91 (amending Section 5 of H.B. 29 of the 134th General Assembly))

The bill expands the membership and duties of the Joint Committee on Sports Gaming created under H.B. 29 of the 134th General Assembly, which legalized sports gaming, and renames it the Study Commission on the Future of Gaming in Ohio. Currently, no members have been appointed to the Joint Committee under H.B. 29.

Under the bill, the membership of the Study Commission is increased from six to 11 members:

²⁰ Ohio Casino Control Commission, [List of Sports Gaming Proprietor, Services Provider, and Supplier Applicants and Certified Independent Sports Gaming Testing Labs and Integrity Monitors \(PDF\)](#) (April 19, 2023), available at casinocontrol.ohio.gov under “Sports Gaming,” “Sports Gaming Licensing.”

- Three members of the House appointed by the Speaker;
- One member of the House appointed by the House Minority Leader;
- Three members of the Senate appointed by the Senate President;
- One member of the Senate appointed by the Senate Minority Leader;
- The chairperson of the State Lottery Commission or the chairperson's designee;
- The OCCC chairperson or the chairperson's designee;
- The chairperson of the State Racing Commission or the chairperson's designee.

Existing law specifies that the Joint Committee consists of three members of the House appointed by the Speaker and three members of the Senate appointed by the Senate President, with not more than two members appointed from each chamber being members of the same political party. Under continuing law, the Speaker and the Senate President must designate co-chairpersons of the Study Commission.

The bill requires the Study Commission to do the following:

- Examine the current status of the Ohio Lottery and the future of the lottery industry and make recommendations to the General Assembly concerning the Ohio Lottery;
- Examine the implementation of sports gaming under H.B. 29 and the future of the sports gaming industry and make recommendations to the General Assembly concerning sports gaming in Ohio (H.B. 29 requires the Joint Committee to monitor the implementation of sports gaming and report its recommendations, if any, to the General Assembly);
- Examine the current status of casino gaming in Ohio and the future of the casino gaming industry and make recommendations to the General Assembly concerning casino gaming in Ohio;
- Examine the current status of horse racing in Ohio and the future of the horse racing industry and make recommendations to the General Assembly concerning horse racing in Ohio.

Under continuing law, any expense incurred in furtherance of the Study Commission's objectives must be paid from, or out of, the Casino Control Commission Fund or other appropriation provided by law. Members of the Study Commission serve without compensation, but are reimbursed for actual and necessary expenses incurred in the performance of their official duties.

The bill requires the Study Commission to submit a report of its findings and recommendations to the General Assembly by June 30, 2024. After it submits its report, the Study Commission ceases to exist. Current law specifies that the Joint Committee ceases to exist on March 23, 2024.

DEPARTMENT OF CHILDREN AND YOUTH

Creation of the Department

- Creates the Department of Children and Youth to serve as the state's primary children's services agency and establishes the position of Director of Children and Youth.
- Requires the Department to facilitate and coordinate the delivery of children's services in Ohio.
- Requires the Directors of Children and Youth, ODJFS, Education, ODH, Developmental Disabilities, ODM, OhioMHAS, and Development to develop a plan to transfer children's services duties, functions, programs, and staff resources to the new department by January 1, 2025.
- Transfers various programs and duties from ODJFS, Education, ODH, Developmental Disabilities, and OhioMHAS to the Department of Children and Youth on January 1, 2025, and makes conforming changes throughout the Revised Code.

Residential infant care center services

- Beginning in FY 2024, requires the Department, in coordination with ODM, to establish a bundle of funding for nonmedical maternal and child health programmatic services provided by residential infant care centers to infants born substance-exposed and their families.
- Not later than June 30, 2025, requires the Department and ODM to establish a permanent reimbursement model for services provided by residential infant care centers.

Department of Children and Youth

(R.C. 5180.01 and 5180.02 (primary), 121.02, 121.03, 121.35, 121.37, 121.40, 3109.15, 3109.16, 3109.17, 3109.179, 5101.34, 5101.341, and 5101.342; Sections 130.10 to 130.16 and 423.10 to 423.140)

The bill creates the Department of Children and Youth to serve as the state's primary children's services agency and establishes the position of Director of Children and Youth as a member of the Governor's cabinet. Under the bill, the Department must facilitate and coordinate the delivery of children's services in Ohio, including services provided by government programs that focus on the following:

- Adoption, child welfare, and foster care services;
- Early identification and intervention regarding behavioral health, including early intervention services, early childhood mental health initiatives, multi-system youth services, and family support services administered through the Ohio Family Children First Cabinet Council, Ohio Commission on Fatherhood, and Children's Trust Fund Board;

- Early learning and education, including child care and preschool licensing, early learning assessments, Head Start, preschool special education, publicly funded child care, and the Step Up to Quality program;
- Maternal and child physical health, including infant vitality, home visiting, maternal and child health, maternal and infant support, and Medicaid-funded child health services.

Administering the Department

The bill requires the Director of Children and Youth, the Department's chief executive and appointing authority, to administer the Department and implement the delivery of children's services, including by doing the following:

- Adopting rules in accordance with state law;
- Approving and entering into contracts, agreements, and other business arrangements on the Department's behalf;
- Making appointments to the Department and approving actions related to departmental employees and officers, including their hiring, promotion, termination, discipline, and investigation;
- Directing the performance of employees and officers;
- Applying for grants and allocating any funds awarded;
- Any other action as necessary to implement the bill's provisions.

As part of administering the Department and implementing the delivery of children's services, the bill grants the Director the authority to organize the Department for its efficient operation, including by creating divisions or offices within it. The Director also may establish procedures for the Department's governance and performance, employee and officer conduct, and the custody, preservation, and use of departmental books, documents, papers, property, and records. The bill requires the Director or Director's designee to fulfill any duty or perform any action that, by law, is imposed on or required of the Department.

The bill also requires each state and local agency involved in the delivery of children's services to comply with any directive issued by the Director and to collaborate with the Department.

Children's Trust Fund Board, Ohio Commission on Fatherhood, and Ohio Family and Cabinet First Cabinet Council

The bill maintains the Children's Trust Fund Board and Ohio Commission on Fatherhood, but transfers them to the Department rather than ODJFS as under current law. The bill also includes the Director of Children and Youth in the membership of the Ohio Family and Children First Cabinet Council. These changes take effect 90 days after the bill's effective date.

Transitional language related to transfer to Department of Children and Youth

The bill addresses the transfer of duties, functions, and programs to the Department as well as other issues relating to its creation, including by doing the following:

- Requiring the Directors of Children and Youth, ODJFS, Education, ODH, Developmental Disabilities, ODM, OhioMHAS, and Development or their designees to identify duties, functions, programs, and staff resources related to children's services within their departments;
- Requiring the Directors to develop a detailed organizational plan to implement the transfer of the identified duties, functions, programs, and resources to the new department by January 1, 2025, and enter into a memorandum of understanding regarding the transfer;
- Specifying that any business commenced but not completed by January 1, 2025, within the other departments that is slated to be transferred to the new department is to be completed by the Department of Children and Youth or its Director in the same manner, and with the same effect, as if completed by the other departments;
- Transferring all employees and staff resources identified by the Directors on January 1, 2025, or an earlier date chosen by the Directors and specifying that they retain their same positions and benefits;
- Authorizing the Directors to jointly or separately enter into contracts for staff training and development to facilitate the transfer;
- Specifying that no validation, cure, right, privilege, remedy, obligation, or liability is lost or impaired by reason of the transfer but is to be administered by the Department of Children and Youth;
- Specifying that no action or proceeding pending on the date of the transfer is affected by the transfer and is to be prosecuted or defended in the name of the Department or Director;
- Specifying that all rules, orders, and determinations relating to children's services programs made or undertaken before the transfer continue in effect as rules, orders, and determinations of the new Department until modified or rescinded by it;
- Transferring to the new Department all records, documents, files, equipment, assets, and other materials of the transferred programs and staff resources;
- Requiring the OBM Director to make budget and accounting changes to implement the transfer of duties, programs, and functions.

Collective bargaining

The bill specifies that the creation of the new Department and transfer of programs, duties, and employees are not appropriate subjects for public employees' collective bargaining.

Authority regarding employees

The bill authorizes the Director of Children and Youth to establish, change, and abolish positions for the Department and to assign, reassign, classify, reclassify, transfer, reduce, promote, or demote employees who are not subject to state law governing public employees' collective bargaining.

This authority includes assigning or reassigning an exempt employee to a bargaining unit classification if the Director determines that the bargaining unit classification is the proper classification for that employee. If an employee in the E-1 pay range is to be assigned, reassigned, classified, reclassified, transferred, reduced, or demoted to a position in a lower classification, the Director, or in the case of a position transferred outside of the Department, the Director of Administrative Services, must assign the employee to the appropriate classification and place the employee in Step X. The employee is not to receive any increase in compensation until the maximum rate of pay for that classification exceeds the employee's compensation.

Actions of the Director of Children and Youth taken under this authority are not subject to appeal to the State Personnel Review Board.

Retirement incentive plan

The bill authorizes the Directors included in the transition workgroup described above, with the approval of OBM, to establish a retirement incentive plan for employees of the departments who are members of the Ohio Public Employees Retirement System and whose job duties will be transferred to the new Department of Children and Youth. Any such plan must remain in effect until December 31, 2024.

Renumbering administrative rules

On and after January 1, 2025, if necessary to ensure the integrity of the numbering of the Administrative Code, the Legislative Service Commission Director must renumber the rules related to children's services programs transferred to the Department of Children and Youth to reflect the transfer.

Conforming amendments

In Sections 130.12 to 130.16, the bill makes extensive conforming changes throughout the Revised Code to reflect the transfer of the following children's services programs to the Department of Children and Youth effective January 1, 2025:

- Adoption;
- Child care;
- Child welfare, including foster care;
- Early childhood education (note that the Department of Education retains authority over preschool teachers and staff, but the Department of Children and Youth will license preschool programs);

- Early intervention services under Part C of the federal Individuals with Disabilities Education Act;²¹
- Help Me Grow and home visiting;
- Maternal and infant vitality, including the Commission on Infant Mortality, shaken baby syndrome education, and safe sleep screening and education;
- Preschool special education.

It also adds the Director of Children and Youth to various boards and commissions involving children's services, such as the Child Care Advisory Council, the Commission on Infant Mortality, and the Ohio Home Visiting Consortium.

Delegation of legislative authority

There are a number of Ohio programs and duties impacting children and youth that are not expressly transferred to the new Department by the bill. Examples include child support and paternity establishment, the Youth and Family Ombudsman's office, the Children's Health Insurance Program, the Program for Medically Handicapped Children, child fatality and fetal-infant mortality review boards, and the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC), among others.

With regard to the workgroup of directors described above and the organizational plan and memorandum of understanding to transfer children's services programs to the new Department, it is unclear to what extent that plan could assign other children's services programs and duties not included in this bill to the new Department without amending the Revised Code. Under the Ohio Constitution, legislative authority is vested in the General Assembly.²²

Residential infant care center services

(Section 423.20)

Beginning in FY 2024, the bill requires the Department of Children and Youth, in coordination with ODM, to establish a bundle of funding for nonmedical maternal and child health programmatic services provided by residential infant care centers to infants born substance-exposed and their families. Additionally, not later than June 30, 2025, the Department and ODM are required to establish a permanent reimbursement model for services provided by residential infant care centers. The permanent model must include reimbursement for nonmedical services described above and medical services provided in accordance with

²¹ 20 United States Code (U.S.C.) 1431 *et seq.* and regulations implementing that part in 34 Code of Federal Regulations (C.F.R.) part 303.

²² Ohio Constitution Article II, Sections 1 and 26.

ODM's coverage of infants with neonatal abstinence syndrome receiving services at a residential pediatric recovery center, as established by the bill.²³

²³ R.C. 5163.06(H).

DEPARTMENT OF COMMERCE

Medical Marijuana

- Creates the Division of Marijuana Control (DMC) within the Department of Commerce (COM) and requires the State Board of Pharmacy (PRX) and COM to transfer the Medical Marijuana Control Program 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 the Medical Marijuana Control Program remain in effect until repealed or amended by DMC, but requires DMC to review and propose revisions to existing rules on retail dispensaries by March 1, 2024.
- Allows DMC to investigate alleged violations of the Medical Marijuana Law, including by subpoenaing documents and witnesses.
- Requires PRX to allow DMC to access the Ohio Automated Rx Reporting System (OARRS) as needed to ensure compliance with the Medical Marijuana Law.
- Makes conforming changes throughout the Revised Code.

Division of Financial Institutions

- 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 managing 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.

State Fire Marshal

- Eliminates the Underground Storage Tank Revolving Loan Program under which the State Fire Marshal may issue loans to political subdivisions to assist with costs in removing underground storage tank systems that store petroleum and hazardous substances.
- Repeals the law establishing the Underground Storage Tank Revolving Loan Fund, which is used for purposes of the program.

Division of Industrial Compliance

Manufactured homes

- Expands the scope of manufactured home installation inspections by requiring the Division of Industrial Compliance, local building departments, or certified private entities to conduct the inspections anywhere in Ohio, not just in manufactured home parks.

Board of Building Standards

- Requires the 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.

Real property

Ohio fire and building codes

- Requires the State Fire Marshall to exclude an exterior patio that has a means of egress on at least three sides, or within 50 feet of an open side, and that is compliant with the Americans with Disabilities Act, in establishing occupant load for a building.
- Requires the Director of Commerce, the State Fire Marshal, the Board of Building Standards, and a representative of local building departments to develop guidelines for the enforcement of the Ohio Building Code and Fire Code in a coordinated manner.
- Allows a retail establishment to obtain a temporary fire permit lasting 14 days in the event the local fire code official is unavailable to conduct an inspection or issue a permit for longer than five business days.
- Allows a retail establishment to obtain a temporary building permit lasting 14 days in the event the state or local building official is unavailable to conduct an inspection or issue a permit for longer than five business days.

Right-to-list home sale agreements

- Prohibits “right-to-list” home sale agreements that purport to run with the land, bind future owners, or create a lien, encumbrance, or other security interest in residential real estate.
- Specifies that right-to-list home sale agreements entered into, modified, or extended after the bill’s 90-day effective date are void and unenforceable.
- Requires county recorders to refuse to record right-to-list home sale agreements.
- Stipulates that a person, other than the property owner, who seeks to enter a right-to-list home sale agreement commits an unfair and deceptive practice under the Consumer Sales Practices Act (CSPA).

Landlord agent disclosure

- Requires a landlord that designates an agent for the purpose of providing services to tenants under a rental agreement for residential property to disclose the name and address of the agent within 30 days of appointment and within 30 days of any subsequent change to the agent's name or address.

Self-service storage facilities

- Establishes that if a rental agreement limits the value of property that may be stored in a self-service storage facility, that limit is the maximum value of the stored property.
- Prohibits a rental agreement from limiting the value of stored property to less than \$1,000.

Division of Liquor Control

B-1 liquor permit holders and craft beer exhibitions

- Allows the distributor of a beer manufacturer (B-1 permit holder) to supply the manufacturer's beer for a craft beer exhibition authorized by an F-11 liquor permit.

D-10 liquor permit

- Creates the D-10 liquor permit, which allows the owner or operator of a restaurant to sell beer, wine, or mixed beverages on a boat that is owned or operated by the permit holder and that is operated on a navigable body of water adjacent to the restaurant.
- Requires the owner or operator of the restaurant to hold a D class permit for the restaurant in order to qualify for the D-10 permit.
- Exempts from the Open Container Law a person who consumes beer, wine, or mixed beverages on a boat owned or operated by a D-10 permit holder.

Liquor permit premises: outdoor sales area

- Codifies and makes permanent a law that is set to expire December 31, 2023, that allows a qualified liquor permit holder to expand the area in which it may sell alcoholic beverages to the following areas (under certain circumstances):
 - In any area of the permit holder's property that is outdoors and where sales are not currently authorized, including the permit holder's parking area;
 - In any outdoor area of public property that is immediately adjacent to the permit holder's premises and that is owned by a municipal corporation or township, with the public property owner's permission;
 - In any outdoor area of private property that is immediately adjacent to the permit holder's premises, with the private property owner's permission.

Duplicate liquor permits

- Does both of the following regarding duplicate liquor permits issued by the Division of Liquor Control:

- Requires all liquor permit holders that may serve alcohol for on-premises consumption, rather than only certain permit holders as in current law, to obtain a duplicate permit in order to serve alcohol from an additional bar at the permit premises beyond the two bars authorized by the original permit; and
- Requires the duplicate permit fee for each added bar to be the higher of \$100 or 20% of the fee payable for the original permit issued for the premises, rather than specific fee amounts depending on the type of permit issued as in current law.

Micro-distillery surety bond

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

Liquor permit cancellations

- Repeals the law that requires the Liquor Control Commission to cancel liquor permits for certain reasons, including the permit holder's death or bankruptcy.

Division of Real Estate and Professional Licensing

Real estate brokers

- Modifies the prerequisites to take the real estate broker's examination by:
 - Requiring that an applicant have worked as a licensed real estate broker or salesperson for at least two of the five years preceding the application; and
 - Removing the requirement that the applicant have worked as a licensed real estate broker or salesperson for an average of 30 hours per week.
- Requires the Superintendent of Real Estate and Professional Licensing to forward any identifying information to the Attorney General if a person fails to pay a civil penalty for certain unlicensed or unregistered activity.

Disciplinary actions

- Limits to state or federally chartered institutions where a person holding a real estate broker or salespersons license must, for the purpose of receiving escrow funds and security deposits, or for the purpose of depositing and maintaining funds in the course of real property management on the behalf of others, maintain a special or trust bank account.
- Permits the Superintendent to take disciplinary action against a license holder for having been judged incompetent in any capacity, as opposed to simply for the purpose of holding a real estate license.

Administration of funds

- Creates the Cemetery Registration Fund and requires burial permit fees to be deposited into the new fund, instead of to the Division generally, but with the same purpose.

- Eliminates the Cemetery Grant Fund and redirects deposits to the Cemetery Registration Fund 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, Manufactured Homes Regulatory Fund, Home Inspectors Fund, and Real Estate Appraiser Operating Fund, and redirects deposits going to these funds under existing law to the existing Division of Real Estate Operating Fund.
- Expands the purposes for which the Real Estate Operating Fund may be used to include the purposes for which the eliminated funds may be used.
- Allows instead of requires, as in current law, the Ohio Real Estate Commission to use operating funds (instead of the Real Estate Education and Research Fund) for education and research.
- Allows the Superintendent to collect a service fee from the Real Estate Recovery Fund to defray the cost of administering the fund, rather than requiring the Superintendent to collect the service fee.

Confidentiality of investigatory information

- Expands the Division of Real Estate and Professional Licensing's ability to share investigatory information with the Division of Securities, Division of Industrial Compliance, and any law enforcement agency.
- Makes a technical correction.

Home Inspector Board

- Requires the Ohio Home Inspector Board annually to elect a chair and vice chair from among its membership by majority vote.
- Requires the Board to meet at least once quarterly.
- Specifies that a quorum consists of a majority of the members of the Board and requires a quorum in order for the Board to conduct its business.
- Allows the Board to adopt any rules necessary to further the 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.
- Requires, rather than allows, the Board to impose a special assessment, not to exceed \$5 per year, on each person applying for a license to perform home inspections (or renewal of such a license) whenever the balance of the Home Inspection Recovery Fund is less than \$1 million.
- Eliminates the Board's authority to hear appeals from orders of the Superintendent regarding claims against the Home Inspector Recovery Fund.

Home inspectors

- Modifies the deadline by which a licensed home inspector must complete continuing education hours by requiring 42 hours to be completed every three years, rather than 14 hours annually during each three-year period the home inspector's license is valid as under current law.

Division of Securities

Securities registration

- Requires all securities registered under the federal Securities Act of 1933 to be registered in Ohio by coordination.
- Specifies that the registration procedures, evaluation standards, and general oversight provisions for a registration by description or registration by qualification do not apply to a registration by coordination.
- Requires business development companies (BDCs) to file a notice with the Division of Securities before conducting business in Ohio, and permits a BDC, after filing the notice, to sell an indefinite amount of securities in Ohio.

Securities Law – period of limitation

- Requires that prosecutions and acts by the Division of Securities or the Director of Commerce for a violation of Securities Law commence within six years after the commission of the alleged violation.
- Provides that, if the period of limitation has expired and an element of the offense is fraud or breach of fiduciary duty, prosecution commences 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 *corpus delicti* (physical element of a crime) remains undiscovered.

Medical Marijuana

(R.C. 121.04, 121.08, 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, 3796.32, and 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, and 4768.06)

Transfer to Division of Marijuana Control (DMC)

The bill consolidates oversight of the Medical Marijuana Control Program within the Division of Marijuana Control (DMC), which the bill creates within the Department of

Commerce (COM). To oversee DMC, the bill establishes a Superintendent of Marijuana Control who reports to the Director of Commerce. Currently, oversight of the Medical Marijuana Control Program is split between COM and the State Board of Pharmacy (PRX), with COM being responsible for licensing and oversight of cultivators, processors, and testing laboratories and PRX being responsible for licensing and oversight of medical marijuana patients, caregivers, and dispensaries. Accordingly, the bill transfers all assets, liabilities, and obligations of COM and PRX related to medical marijuana to DMC.

The bill requires the transfer to be complete no later than December 31, 2023. Until then, PRX and COM retain their respective marijuana licensing and oversight responsibilities. Persons seeking registration as a medical marijuana patient or caregiver must apply to PRX until the 180th day following the effective date of the bill's changes. After that date, such applications must be submitted to DMC. Consequently, it appears that PRX will continue to receive applications for patient and caregiver registrations for a least three months after the Medical Marijuana Control Program is fully transferred to DMC. Presumably, PRX would send those applications to DMC for processing.

The bill specifies that medical marijuana licenses and registrations issued by PRX and COM remain in effect for the remainder of their term. If a license or registration expires before the program transfer is complete, the original issuer (PRX or COM) may renew it under the law as it existed before the bill's effective date. Forms of medical marijuana previously approved by PRX remain approved unless DMC later revokes the approval.

Rules

DMC is required to adopt rules, standards, and procedures for the Medical Marijuana Control Program. The topics of those rules closely mirror those mandated for COM and PRX under current law. COM and PRX rules continue in effect unless they are repealed or amended by DMC. However, the bill requires DMC to review and propose revisions to the PRX rules concerning medical marijuana retail dispensaries no later than March 1, 2024.

Investigations

The bill allows DMC to initiate and conduct an investigation, and subpoena witnesses and documents, whenever there appears to be a violation of the Medical Marijuana Law, or when DMC otherwise believes it to be in the best interest of medical marijuana patients or the general public. A person that fails to comply with a DMC order or subpoena may be held in contempt by a court of common pleas of appropriate jurisdiction.

Drug database usage

The bill requires PRX to grant DMC access to the Ohio Automated Rx Reporting System (OARRS) as needed to ensure compliance with the Medical Marijuana Law. OARRS is a drug database used by PRX to prevent the misuse of controlled substances and other dangerous drugs.

Division of Financial Institutions

Criminal records checks

(R.C. 1121.23)

The bill replaces the requirement that the Superintendent of Financial Institutions obtain a criminal records check in relation to a person who directly or indirectly 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. The bill defines “control” as the power to vote, directly or indirectly, at least 25% of outstanding voting shares or voting interests of a licensee or person in control of a licensee, or the power to elect or appoint a majority of executive officers or directors.

The bill creates a presumption that a person exercises control when that person holds the power to vote, directly or indirectly, at least 10% of outstanding voting shares or voting interests of a licensee or a person in control of a licensee. However, this presumption can be rebutted by establishing that the person is a passive investor by a preponderance of the evidence. To determine the percentage of a person controlled by any person, that person’s interest is aggregated with any other immediate family member. This includes a spouse, parents, children, siblings, in-laws, and any other person who shares their home.

The bill also provides definitions for several terms that are not defined for purposes of this provision.

“**Director**” means an individual elected to serve as the director of a for-profit corporation or a nonprofit corporation.

“**Executive officer**” means president, treasurer, secretary, any individual at or above the senior vice-president level or its functional equivalent, any individual at the vice-president level or its functional equivalent if the organization does not have senior vice-presidents, and “manager” as that term is defined in the Ohio Revised Limited Liability Company Act (LLC Law) (a person designated by the LLC or its members with the authority to manage all or part of the activities or affairs of the LLC on its behalf, regardless of their title).

“**Incorporator**” has the same meaning as in Ohio’s General Corporation Law: a person who signed the original articles of incorporation.

“**Organizer**” has the same meaning as in the LLC Law: a person executing the initial articles of organization.²⁴

Because continuing law requires the Superintendent to request a criminal records check for someone to serve as an organizer, incorporator, director, or executive officer, the bills adds these definitions to clarify precisely who that includes in this context.

²⁴ R.C. 1701.01, 1701.55, 1702.26, and 1706.01, not in the bill.

State Fire Marshal

Underground Storage Tank Revolving Loan Program

(R.C. 3737.02, 3737.88, and 3737.882; repealed R.C. 3737.883)

The bill eliminates the Underground Storage Tank Revolving Loan Program and the accompanying Underground Storage Tank Revolving Loan Fund. Under the program, a political subdivision may apply for a loan from the State Fire Marshal to assist with the costs of removing underground storage tank systems that store petroleum and hazardous substances. The loans are for sites where a responsible party is unknown or unable to financially pay for the removal of the storage tank. The State Fire Marshal must adopt rules to administer and operate the program, including establishing qualifying criteria for loan recipients. The fund is used to make underground storage tank revolving loans. The fund currently has no cash balance.

Division of Industrial Compliance

Manufactured homes

(R.C. 4781.04)

The bill expands the scope of inspections relating to the installation of manufactured housing by requiring the Division of Industrial Compliance to adopt rules requiring the Division, local building departments, or certified private third parties to conduct such inspections anywhere in Ohio.

Current law requires the Division, local building departments, or certified private third party entities to conduct these inspections for manufactured housing located in manufactured home parks. Under current law, manufactured homes that are installed on any tract of land that is subdivided, even if those lots are sold for the purpose of installing a manufactured home, are beyond the scope of installation inspections. Similarly, manufactured homes installed on their own individual tracts of land are beyond the scope of these inspections.

Board of Building Standards

Grant program

(R.C. 3781.10 and 3781.102)

The bill requires the Board of Building Standards to establish a grant program for local building departments to increase recruitment, training, and retention of qualified personnel. Currently, the Board:

- Formulates, adopts, and amends relevant building standard law;
- Certifies municipal, county, and township building departments to exercise authority, approve plans, and conduct inspections; and
- Conducts hearings.

The bill specifies that the money for the grant program is to come from the Industrial Compliance Operating Fund. The Industrial Compliance Operating Fund receives a variety of fees collected by the Division of Industrial Compliance and is maintained by COM.²⁵

Real property

Ohio fire and building codes

Exterior patios

(R.C. 3737.83; Sections 110.20 and 110.21)

Continuing law requires that structures adhere to occupant load limits and other safety requirements in the Ohio Fire Code and the Ohio Building Code. Occupant load refers to the number of people permitted in a building at one time based on the building's floor space and function – the number of people for which the means of egress is designed.²⁶ The bill requires the State Fire Marshal to establish in the state Fire Code that the occupant load does not include an exterior patio that has a means of egress on at least three sides, or within 50 feet of an open side, and in which each means of egress is compliant with standards established by the Americans with Disabilities Act. To be compliant, each means of egress must provide a continuous and unobstructed way of travel to an area of refuge, a horizontal exit, or a public way.²⁷

Rules required by this provision of the bill are exempt from continuing law requirements concerning reductions in regulatory restrictions. State agencies are required to take actions to reduce regulatory restrictions in accordance with a statutory schedule. Such actions include removing two or more existing regulatory restrictions for each new restriction adopted (often referred to as the “two-for-one-rule”). A “regulatory restriction” is any part of an administrative rule that requires or prohibits an action.²⁸

Coordinated enforcement

(R.C. 3737.062)

The bill requires the Director of Commerce, in collaboration with the State Fire Marshal, the Board of Building Standards, and representatives of local building departments, to develop guidelines for the enforcement of the Ohio Building Code and state Fire Code in a coordinated manner, including the interaction of exemptions from one code with the requirements of the other code.

²⁵ R.C. 121.084.

²⁶ O.A.C. 1301:7-7-10 and 4101:1-10-01, not in the bill.

²⁷ International Building Code § 1007.1 (2003).

²⁸ R.C. 122.183(D); R.C. 121.95, unchanged by this provision; R.C. 122.951 to 121.953, not in the bill.

Temporary fire and building permits

(R.C. 3737.833 and 3781.032)

Under current law, permits provided under the Ohio Fire Code must be granted by the State Fire Marshal or local fire code official, usually the fire chief for municipalities and townships that have fire departments. Similarly, the Ohio Building Code requires permits to be granted by the relevant building official from a department or agency of the state, or a political subdivision, which has jurisdiction to enforce state and local building codes. Building officials are responsible for administering and enforcing both the Ohio Building Code and any local building regulations adopted in accordance with the state law.²⁹

If the local fire code official or state or local building official is unable to conduct an inspection or issue a permit required by the state fire or building codes for more than five business days, the bill allows the owner, operator, or developer of a retail establishment to obtain a temporary fire or building permit from *any* fire or building code official authorized to conduct that inspection or issue that permit elsewhere in Ohio. In the event that a retail establishment does receive a temporary permit, that permit will last for only 14 days, after which time the establishment must obtain the permit in question from the local fire code or building official.

The bill defines a “retail establishment” as a place of business open to the general public for the sale of goods or services, including establishments currently under construction and not yet open to the public.

Right-to-list home sale agreements

(R.C. 317.13, 4735.01, 4735.18, and 5301.94)

The bill prohibits “right-to-list” home sale agreements, where the owner of residential real estate agrees to provide another person the exclusive right to list the real estate for sale at a future date, in exchange for monetary consideration, or something else of value. The prohibition applies to agreements entered into, modified, or extended after the bill’s 90-day effective date that meet one or both of the following criteria:

- The agreement states that it runs with the land, or otherwise purports to bind future owners of the residential real estate;
- The agreement purports to be a lien, encumbrance, or other real property security interest.

For example, a “right-to-list” agreement might give a real estate agent the exclusive right to list a particular property for the duration of the agreement, no matter who the owner of the property is or how many times the property changes hands.

²⁹ O.A.C. 1301:7-7-01, Sections 105.1.1, 104.1, and 104.2, not in the bill; O.A.C. 4101:1-1-01, Sections 105.1, 104.1, and 104.2, not in the bill; R.C. 3781.01, not in the bill.

Under the bill, right-to-list agreements are void and unenforceable. Furthermore, county recorders must refuse to record such an agreement. However, the bill clarifies that county recorders do not have a duty to evaluate every document presented to determine whether or not the document is a right-to-list agreement.

Persons other than the property owner that seek to enter a right-to-list agreement commit an unfair and deceptive practice under the Consumer Sales Practices Act (CSPA). Such persons would be subject to a lawsuit brought by either the Attorney General or the property owner.³⁰ Furthermore, real estate agents or brokers who are found to have entered into a right-to-list agreement would be subject to the following sanctions:

- Revocation of license;
- Suspension of license;
- A fine of no more than \$2,500;
- A public reprimand;
- Additional continuing education.³¹

Landlord agent disclosure

(R.C. 5321.18)

The bill explicitly authorizes a landlord to designate an agent for any purpose related to the provision of tenant services under a residential rental agreement. Such authority is implied throughout the Landlord Tenant Law, but not directly stated. Additionally, the bill requires a landlord that designates such an agent to disclose the agent's name and address to tenants within 30 days of the appointment, or any change to the agent's address or identity (e.g., if the landlord designates a new agent). Notice provided in the rental agreement, as described below, is sufficient to meet the bill's disclosure requirement. A landlord may also provide notice through other "reasonable" means such as posting the information in the leasing office or another conspicuous location on the residential property.

In effect, the bill creates an additional notice requirement when a residential landlord appoints an agent after commencement of a rental agreement and whenever there is a change to an agent's name or address.

Under continuing law, every rental agreement for residential property must contain the name and address of the owner and the name and address of the owner's agent, if any. If the owner or the owner's agent is a corporation, partnership, limited partnership, association, trust, or other entity, the agreement must include the address of the agent's principal place of business in the county in which the residential property is located. If the entity has no place of business in the county, the agreement must include the business's principal place of business in

³⁰ R.C. 1345.07 and 1345.09, not in the bill.

³¹ R.C. 4735.051, not in the bill.

Ohio, and the name of the person in charge. If the address is not included in the rental agreement, the landlord waives written notice, otherwise required by law, before the tenant pursues remedies such as paying rent to a municipal or county court to hold in escrow, applying for a court order for the landlord to remedy a breach in the rental agreement, or terminating the rental agreement altogether.³²

Self-service storage facilities

(R.C. 5322.06)

The bill specifies that if a rental agreement between an owner and occupant of a self-service storage space contains a provision that limits the value of personal property stored in the storage space, that limit is the maximum value of the stored property. In other words, the value recovered in an insurance claim or civil action against the owner or operator of the facility for loss of or damage to property stored inside that storage space cannot exceed the maximum value stated in the rental agreement. However, a rental agreement may not limit the value of property stored in a storage space to less than \$1,000.

The provision of the rental agreement that contains this maximum limit must be printed in bold type or underlined. The limit stated in the rental agreement may be increased with the written permission of the owner of the storage space.

Division of Liquor Control

B-1 liquor permit holders and craft beer exhibitions

(R.C. 4303.2011)

The bill allows the distributor of a brewery (B-1 permit holder) to supply the brewery's beer for a craft beer exhibition authorized by an F-11 liquor permit. Current law allows an F-11 permit holder to sell at an exhibition beer that it has purchased from breweries (A-1 and A-1c permit holders) that are participating in the exhibition.

D-10 liquor permit

(R.C. 4301.62 and 4303.187)

The bill allows the Division of Liquor Control to issue a D-10 liquor permit to the owner or operator of a restaurant that meets all of the following:

1. The owner or operator holds a D class liquor permit (allows bars or restaurants to sell alcoholic beverages for on-premises consumption) for the restaurant;
2. The restaurant is located on, or immediately adjacent to, the shoreline of a navigable body of water;
3. The restaurant offers to its patrons boat rides on a boat that is owned or operated by the owner or operator of the restaurant and that is operated on the navigable body of water.

³² See R.C. 5321.07 and 5321.08, neither in the bill.

A D-10 permit holder may sell beer, wine, or mixed beverages as follows:

1. For consumption on the boat that is owned or operated by the permit holder and that is operated on the navigable body of water that the permit holder's restaurant is located on or immediately adjacent to; and

2. During the same hours as a D-5 permit holder is authorized under the liquor control laws or the rules of the Liquor Control Commission.

The bill establishes a \$100 permit fee for the D-10 permit. Finally, the bill exempts from the Open Container Law a person who consumes beer, wine, or mixed beverages on a boat owned or operated by a D-10 permit holder.

Liquor permit premises: outdoor sales area

(R.C. 4301.62 and 4303.188; Sections 610.70 and 803.20)

The bill codifies and makes permanent a law that is set to expire on December 31, 2023. The codification takes effect January 1, 2024. The law allows a qualified liquor permit holder to expand the area in which it may sell beer, wine, mixed beverages, or spirituous liquor (alcoholic beverages) by the individual drink for consumption to personal consumers in the following areas:

1. In any area of the permit holder's property that is outdoors and where sales are not currently authorized, including the permit holder's parking area;

2. In any outdoor area of public property that is immediately adjacent to the permit holder's premises and that is owned by a municipal corporation or township, with the public property owner's written permission in accordance with the bill;

3. In any outdoor area of private property that is immediately adjacent to the permit holder's premises, with the private property owner's permission.

A qualified permit holder is a large or small brewery (A-1 or A-1c liquor permit holder); a brewery, winery, or small distillery that operates a bar or restaurant (A-1-A permit holder); a winery (A-2 or A-2f permit holder); or a bar or restaurant (D class permit holder). A personal consumer is an individual who is at least 21 and who intends to use a purchased alcoholic beverage only for personal consumption and not for resale or other commercial purposes.

If a qualified permit holder sells alcoholic beverages in the outdoor area, the permit holder must clearly delineate the area where personal consumers may consume alcoholic beverages.

For the bill's purposes, a qualified permit holder must obtain the written consent of either of the following:

1. If the public property is located in a municipal corporation, the executive officer of the municipal corporation or the executive officer's designee. If the executive officer or designee denies consent, the permit holder may appeal to the municipal corporation's legislative authority. The legislative authority may adopt a resolution requesting the executive officer to reconsider the denial.

2. If the public property is located in the unincorporated area of a township, the township's legislative authority by adoption of a resolution consenting to the sale of alcoholic beverages in the outdoor area.

In addition, a qualified permit holder that intends to sell alcoholic beverages by the individual drink in an outdoor area must notify the Division of Liquor Control and the Department of Public Safety's Investigative Unit of the area in which the permit holder intends to sell the alcoholic beverages. The permit holder must provide the notice within ten days of the commencement of the sales.

A qualified permit holder or the holder's employee must deliver each alcoholic beverage sold to a personal consumer in an outdoor area authorized under the bill.

Duplicate liquor permits

(R.C. 4303.30)

Current law requires certain liquor permit holders that serve alcohol for on-premises consumption to obtain a duplicate permit if the permit holder wishes to add an additional bar at the permit premises beyond the two bars authorized by the original permit. The liquor permit holders subject to this requirement are the D-2, D-3, D-3a, D-4, D-4a, D-5, D-5a, D-5b, D-5e to D-5o, and D-6 permit holders. According to the Division of Liquor Control, a D-1, D-2x, or D-3x permit holder is not required to obtain a duplicate permit if the additional bar is exclusively used for the sale of beer. Further a D-3x permit holder is not required to obtain a duplicate permit if the additional bar is exclusively used for the sale of wine. An A-1-A permit holder must obtain a duplicate bar permit for an additional bar only if the permit holder obtains a D-6 permit (Sunday sales of alcohol).

The bill requires all liquor permit holders that serve alcohol for on-premises consumption to obtain a duplicate permit if the permit holder wishes to add more than two bars. It also revises the per bar permit fee for a duplicate permit as follows:

Permit	Current law	The bill
A-1-A with a D-6	\$781.20	\$781.20
A-1	Not authorized	\$781.20
A-1c	Not authorized	\$200
A-2/A-2f	Not authorized	\$100
A-5	Not authorized	\$200
B-1	Not authorized	\$625
B-2	Not authorized	\$100
B-2a	Not authorized	\$100

Permit	Current law	The bill
B-3	Not authorized	\$100
B-4	Not authorized	\$100
B-5	Not authorized	\$312.60
D-2	\$100	\$112.80
D-3	\$400	\$150
D-3a	\$400	\$187.60
D-4	\$200	\$100
D-4a	Not authorized	\$150
D-5	\$1,000	\$468.80
D-5a	\$1,000	\$468.80
D-5b	\$1,000	\$468.80
D-5c	\$400	\$312.60
D-5d	Not authorized	\$468.80
D-5e	\$650	\$243.80
D-5f	\$1,000	\$468.80
D-5g	\$375	\$375
D-5h	\$375	\$375
D-5i	\$468.80	\$468.80
D-5j	\$468.80	\$468.80
D-5k	\$375	\$375
D-5l	\$468.80	\$468.80
D-5m	\$468.80	\$468.80
D-5n	\$4,000	\$4,000

Permit	Current law	The bill
D-5o	\$1,000	\$468.80
E	Not authorized	\$100
F class	Not authorized	\$100 to \$340

Micro-distillery surety bond

(R.C. 4303.041)

The bill requires an A-3a liquor permit holder (micro-distillery) to execute a surety bond that is conditioned on the faithful performance of the permit holder's duties. Those duties include selling spirituous liquor in sealed containers for off-premises consumption on the Division's behalf. The bill requires the Division to establish the amount of the surety bond.

Liquor permit cancellations

(R.C. 4301.26)

The bill repeals the law that requires the Liquor Control Commission to cancel a liquor permit for any of the following reasons (except as provided in the rules of the Division of Liquor Control relative to transfers of a permit):

1. In the event of the permit holder's death or bankruptcy;
2. The making of an assignment for the benefit of the permit holder's creditors; or
3. The appointment of the permit holder's property.

According to the Division, the Commission has no authority to cancel liquor permits since the Division is the permitting authority.

Division of Real Estate and Professional Licensing

Real estate brokers

Licensure

(R.C. 4735.07)

The bill modifies the work requirements to take the real estate broker's examination. Current law requires an applicant to have been a licensed real estate broker or salesperson for at least two years. Additionally, the applicant must have worked as a licensed real estate broker or salesperson for an average of 30 hours per week during at least two of the five years preceding that person's application.

The bill changes the requirement that the applicant have been a licensed real estate broker or salesperson for at least two years by requiring that those two years take place during the five years preceding the application. This change means that applicants for the examination

must have two years of recent experience, but does not require that those two years be consecutive or immediately precede the application.

The bill also removes the requirement that an applicant have worked as a licensed real estate broker or salesperson for an average of at least 30 hours per week for two of the preceding five years. Under the bill, an applicant only has to have been a licensed real estate broker or salesperson for at least two of the preceding five years, and the number of hours worked each week during those two years is no longer a factor.

Civil penalty

(R.C. 4735.052)

If a person fails to pay a civil penalty the Ohio Real Estate Commission assessed for certain unlicensed or unregistered activity, the bill requires the Superintendent of Real Estate and Professional Licensing to forward to the Attorney General identifying information relating to the person. Under continuing law, the Superintendent also must forward to the Attorney General the person's name and the amount of the penalty, for purposes of collecting the penalty. The civil penalty is up to \$1,000 per violation, with each day constituting a separate violation.

Disciplinary actions

(R.C. 4735.18)

The bill limits where brokerage trust accounts may be maintained to state or federally chartered institutions located in Ohio. Current law requires that a real estate broker or salesperson license holder must maintain a special or trust bank account in a depository located in Ohio. This change applies to brokerage trust accounts for the purpose of receiving escrow funds and security deposits, as well as brokerage trust accounts for the purpose of depositing and maintaining funds in the course of real property management on behalf of others. Continuing law permits the Superintendent of Real Estate and Professional Licensing to take disciplinary actions against a license holder who fails to maintain these accounts.

The bill also permits the Superintendent to take disciplinary action against a license holder for having been judged incompetent by a court in any capacity. Current law allows for disciplinary action to be taken only when a license holder has been judged incompetent for the purpose of holding the license.

Administration of funds

(R.C. 3705.17, 4735.03, 4735.06, 4735.09, 4735.12, 4735.13, 4735.15, 4735.211, 4763.15, 4763.16, 4764.18, 4767.03, 4767.10, 4768.14, 4768.15, 4781.17, and 4781.54)

The bill makes several changes to the funds that hold fees collected by the Division of Real Estate and Professional Licensing by consolidating several funds. Under existing law, changed in part by the bill, when obtaining a burial permit, a funeral director or other person must pay the local registrar or sub-registrar a \$3 fee. From this fee, the registrar or sub-registrar keeps 50¢ and the rest, \$2.50, goes to the Division to be used for purposes of the Cemetery Law. Of the \$2.50 that goes to the Division, \$1 goes to the Cemetery Grant Fund to advance

grants to cemeteries registered with the Division to defray the costs of exceptional cemetery maintenance or training cemetery personnel in the maintenance and operation of cemeteries. The bill eliminates the Cemetery Grant Fund, creates the Cemetery Registration Fund, and requires burial permit fees to be deposited into the new fund. In addition, under existing law, the Division cannot advance grants totaling more than 80% of the appropriation to the fund for that fiscal year. The bill also eliminates this restriction.

The bill also eliminates several other funds managed by the Division. It eliminates the Real Estate Education and Research Fund, Manufactured Homes Regulatory Fund, Home Inspectors Fund, and Real Estate Appraiser Operating Fund. The bill redirects deposits going to these funds under existing law to the existing Division of Real Estate Operating Fund. The bill makes several conforming changes related to the redirection of these funds.

The bill authorizes, instead of requires as in current law, the Ohio Real Estate Commission to use operating funds for the purpose of education and research in the same manner it is authorized to use the funds in the Real Estate Education and Research Fund under current law.

Lastly, the bill authorizes, rather than requires, the Superintendent of Real Estate and Professional Licensing to collect a service fee from the Real Estate Recovery Fund to defray the cost of administering the fund. The amount collected must not exceed the annual interest earnings of the fund multiplied by the federal short-term interest rate (which is 5% for 2023). Under continuing law, the Real Estate Recovery Fund is maintained to satisfy judgments against real estate brokers and salespeople who engage in professional misconduct. To support the fund, continuing law requires the Real Estate Commission to impose special assessments on brokers and salespersons renewing their licenses.³³

Confidentiality of investigatory information

(R.C. 4735.05)

Under existing law, unchanged by the bill, when the Superintendent of Real Estate and Professional Licensing is conducting an investigation of a licensee or an applicant pursuant to a complaint, or otherwise pursuant to the Superintendent's enforcement duties, all information obtained as part of the investigation must be held confidentially by the Superintendent. Under existing law, changed in part by the bill, the Division of Real Estate and Professional Licensing is permitted to release information to the Superintendent of Financial Institutions, as it relates to nonbank consumer lending laws, to the Superintendent of Insurance, as it relates to Title Insurance Law, to the Attorney General, or to local law enforcement agencies and local prosecutors.

³³ [“In the matter of the Determination of the Interest Rates Pursuant to Section 5703.47 of the Ohio Revised Code \(PDF\),”](#) Ohio Department of Taxation, October 14, 2022, available on the Department of Taxation's website: tax.ohio.gov.

In addition to not preventing the release of this information to these entities, the bill clarifies that the release of information is permissive – the confidentiality requirement does not *require* the release of this information. In addition, the bill expands this provision to permit the release of information to the Division of Securities, the Division of Industrial Compliance, and in general to any law enforcement agency or prosecutor, not just a local law enforcement agency or prosecutor.

The bill also makes a technical correction by removing a legacy reference to a repealed statutory provision.

Home Inspector Board

(R.C. 4764.04, 4764.05, and 4764.21)

Under continuing law, a seven-member Home Inspector Board administers the licensure process for home inspectors. The Board's duties include:

- Establishing standards for the issuance, renewal, suspension, and revocation of licenses;
- Establishing license and renewal fees;
- Prescribing standards for continuing education; and
- Establishing requirements for conducting home inspections, standards of practice for home inspectors, and conflict of interest prohibitions.

The bill modifies the law governing Board meetings and procedures, expands its rulemaking authority, allows it to request an investigation of an alleged violation of the Home Inspector Law, and modifies its duties respecting the Home Inspection Recovery Fund.

Meetings and procedure

The bill requires that the Board elect a chair and vice chair from among its members by majority vote annually at the first regularly scheduled Board meeting after September 1. The Board must meet at least once per quarter each year. Finally, the bill specifies that (1) a majority of the members of the Board constitutes a quorum and (2) a quorum is necessary in order for the Board to conduct its regular business.

Rulemaking

The bill allows the Board to adopt any rules necessary to further the Home Inspector Law, in addition to the rule topics explicitly addressed in the Revised Code. Currently, the Board is authorized to adopt rules related to standards for conducting home inspections, licensure and renewal fees necessary to defray expenses, education and experience requirements, prohibitions against conflicts of interest, and several other topics related to the licensure and practice of home inspectors. The bill broadens the Board's rulemaking authority to uphold and maintain the Home Inspector Law.

Investigations

The bill authorizes the Board to request the Superintendent of Real Estate and Professional Licensing to initiate investigations of possible violations of the Home Inspector

Law. Under continuing law, the Superintendent is authorized to investigate any person who conducts a home inspection without a license or otherwise violates the Home Inspector Law. Furthermore, the Superintendent is required to establish and maintain an investigation and audit section to investigate complaints and conduct inspections, audits, and other inquiries.³⁴ However, current law does not directly allow the Board to request that the Superintendent initiate an investigation.

Home Inspection Recovery Fund

The Home Inspection Recovery Fund is administered by the Superintendent of Real Estate and Professional Licensing for payment of judgments related to home inspectors, when the judgment creditor has exhausted other avenues for recovery. The Board, in accordance with rules it adopts, must impose a special assessment for the fund on each person applying for a license and each licensee applying for renewal.

The bill requires, rather than allows, the Board to impose that special assessment, not to exceed \$5 per year, whenever the balance of the fund is less than \$1 million as of the preceding July 1. The Board must not impose the assessment if the fund balance equals (added by the bill) or exceeds \$1 million as of the preceding July 1. Under current law, the Board is permitted to impose the \$5 special assessment when the balance of the fund is less than \$250,000, and permits the Board to impose a special assessment of up to \$3 if the balance is \$500,000 to \$1 million.

The bill also eliminates the Board's authority to hear appeals from orders of the Superintendent regarding claims against the fund. A person who obtains a final judgment against a home inspector for violating the Home Inspector Law may apply to the Franklin County Court of Common Pleas for payment from the fund if the home inspector fails to pay the judgment.³⁵ The Superintendent may defend any action on the fund's behalf or settle the claim.

The Court must order the Superintendent to make a payment from the fund when the applicant proves all the following:

- The applicant obtained a judgment;
- All appeals from the judgment have been exhausted and the person has given notice to the Superintendent;
- The applicant is not a judgment debtor's spouse or the spouse's personal representative;
- The applicant has diligently pursued the applicant's remedies against all the judgment debtors and all other persons liable to the applicant in the transaction for which the applicant seeks recovery from the fund;

³⁴ R.C. 4764.06(A)(11) and 4764.16; R.C. 4764.12 to 4764.15, not in the bill.

³⁵ R.C. 4764.21(B)(1).

- The application was filed not more than one year after termination of all proceedings connected to the judgment, including appeals.

Since the bill eliminates the Board's authority to hear appeals on such matters, it appears that the Court's order is final.

Home inspectors

(R.C. 4764.08)

The bill modifies the deadline by which a licensed home inspector must complete continuing education hours by requiring 42 hours to be completed every three years. Under current law, a licensed home inspector must complete at least 14 hours annually during each three-year period the home inspector's license is valid.

Division of Securities

Securities registration

(R.C. 1707.01, 1707.09, 1707.091, and 1707.092)

General background

The Ohio Securities Act regulates the sale of securities (e.g., stocks, bonds, options, promissory notes, and investment contracts) in Ohio. The Act delegates the administration of the law to the Division of Securities in the Department of Commerce.³⁶ If a device or transaction constitutes a security under the Act, it cannot be sold in Ohio without first registering it with the Division or properly exempting it from registration. Additionally, persons who carry out the sale of securities in Ohio must be licensed by the Division or properly exempted from licensure.

Existing law, unchanged by the bill, provides three ways to register securities with the Division, each of which requires a filing with the Division that includes fees, exhibits, and other specified documents:

- An issuer that is registering securities with the U.S. Securities and Exchange Commission (SEC) under the Securities Act of 1933 can file a **registration by coordination** with the Division.
- An issuer that is making an offering that involves a limited number of purchasers or limited selling efforts can file a **registration by description** with the Division.
- Issuers that are not eligible for registration by coordination or registration by description can pursue **registration by qualification** with the Division.³⁷

³⁶ R.C. Chapter 1707.

³⁷ R.C. 1707.09 and 1707.091; R.C. 1707.08, not in the bill.

Registration by coordination – oversight by the Division

Under existing law, changed in part by the bill, the Division of Securities can subject securities registered by coordination to the same application rules and evaluation standards that apply to those registered by qualification. These registration by qualification rules and standards are more robust than the baseline requirements for registration by coordination, and allow the Division greater discretion to decline registration if, for example, the Division determines registration is not in the public interest. The bill changes this, so that the registration by coordination is mutually exclusive from a registration by qualification, limiting the Division's review discretion. Furthermore, the bill requires all federally registered securities to be registered by coordination. Currently, a federally registered security may be registered in Ohio by either coordination or qualification.³⁸

Under existing law, changed in part by the bill, the Division may suspend a security offering under any type of registration or a security subject to an exemption if it finds the proposed offer or disposition is on grossly unfair terms, or the plan of issuance and sale of securities would (or would tend to) defraud or deceive purchasers. The bill seems to exclude securities registered by coordination from this oversight.³⁹

Timing of effectiveness

Under existing law, subject to full payment of a registration fee and certain other requirements, a registration statement under the coordination procedure is effective either at the moment the federal registration statement becomes effective or at the time the offering may otherwise be commenced in accordance with the rules, regulations, or orders of the SEC. The bill retains the same application fee and other requirements, but also specifies that the effectiveness of the statement is not subject to delay or waiver of any condition by the Division of Securities or the issuer.⁴⁰

Notice filings

Under existing law, investment companies, as defined under the federal Investment Company Act of 1940, that are registered or have filed a registration statement with the SEC must also file a notice with the Division of Securities. The notice filing consists of a fee, based on the aggregate price of securities to be sold in Ohio, and a copy of the investment company's federal registration statement or form U-1 (Uniform Application to Register Securities) or form

³⁸ R.C. 1707.01(Q), 1707.09, and 1707.091; O.A.C. 1301:6-3-09.1(E), not in the bill.

³⁹ R.C. 1707.01(Q)(3); R.C. 1707.13, not in the bill, explicitly applies to registration by description and registration by qualification, and also incorporates by reference registration by coordination. The bill's change to the definition of "registration by coordination" negates that reference. However, R.C. 1707.091(C)(1), unchanged by the bill, provides that a registration by coordination cannot be effective if a stop order under R.C. 1707.13 applies. See also, "[Merit Standards for Securities Offerings](#)," Ohio Department of Commerce, which can be found on the Department of Commerce, Division of Securities website: <https://com.ohio.gov/divisions-and-programs/securities>.

⁴⁰ R.C. 1707.091(C).

NF (Uniform Investment Company Notice Filing) of the North American Securities Administrators Association.

The bill extends the notice filing requirement to business development companies (BDCs) that elect to be subject to federal SEC requirements. A BDC is a closed-end fund that invests in private companies and small public firms that have low trading volumes or are in financial distress. BDCs raise capital through public offerings, corporate bonds, and hybrid investment instruments. The bill authorizes a BDC to sell an indefinite amount of securities in Ohio after filing notice with the Division. Under continuing law, securities sold to a BDC are exempt from the general registration requirements.⁴¹

Securities Law – period of limitation

(R.C. 1707.28)

Under continuing law, a prosecution or action by the Division of Securities or the Director of Commerce for a violation of Securities Law must not bar a prosecution or action by the Division or the Director, or be barred by any prosecution or other action, for the violation of any other provision of the Securities Law or for the violation of any other statute.

The bill requires that prosecutions and actions by the Division or the Director for a violation of Securities Law commence within six years after the commission of the alleged violation, rather than five years under current law.

The bill requires that, if the period of limitation has expired and an element of the offense is fraud or breach of fiduciary duty, prosecution commences within one year after the discovery of the offense either by an aggrieved person, or by the aggrieved person's legal representative who is not a party to the offense.

The bill specifies that an offense is committed when every element of the offense occurs. In the case of an offense of which an element is not a continuing course of conduct, the period of limitation does not begin to run until such a course of conduct or the accused's accountability for it terminates, whichever occurs first.

The bill provides that the period of limitation does not run during any time when the *corpus delicti* (physical evidence of a crime) remains undiscovered.

⁴¹ R.C. 1707.092(A) and (B), 1707.01(S)(11); R.C. 1707.03(D), not in the bill; See also, "[Business Development Company \(BDC\): Definition and How to Invest](#)," James Chen, August 11, 2022, which is available by conducting a keyword "Business Development Company" search on Investopedia's website: [Investopedia.com](https://www.investopedia.com).

COUNSELOR, SOCIAL WORKER, AND MARRIAGE AND FAMILY THERAPIST BOARD

Licensure of art therapists

- Creates a licensing scheme for the practice of art therapy and requires the Counselor, Social Worker, and Marriage and Family Therapist (CSW) Board to license and regulate art therapists.
- Prescribes the requirements an applicant must meet, and requires the applicant to pay a nonrefundable \$25 application fee, to receive an initial license.
- Makes a license valid for two years and requires, for a licensee to renew a license, the licensee to complete continuing education requirements, pay a \$25 fee, and meet other requirements.
- Defines a licensee's scope of practice.
- Allows the Board to discipline a licensee for specified reasons, and lists the types of disciplinary actions the Board may take and the reasons it may take them.
- Does not include a penalty for practicing without a license.

Board membership

- Requires that four CSW Board members be licensed as either independent social workers or social workers, provided that at least one member is a licensed social worker at the time the member is appointed to the CSW Board.
- Eliminates a requirement that not more than eight CSW Board members be of the same sex.

Licensure of art therapists

(R.C. Chapter 4789, with conforming changes in R.C. 4743.05 and 4776.20)

Ohio does not currently regulate the practice of art therapy. The bill creates licensing requirements for the practice of art therapy. It requires the Counselor, Social Worker, and Marriage and Family Therapist (CSW) Board to issue a license to an individual who meets those requirements. It does not prohibit an unlicensed individual from practicing art therapy or from using the title "art therapist" or a similar title. It is possible some services included in the practice of art therapy, however, may overlap with other practice areas that require an occupational license in Ohio.

Art therapy

The bill defines "practice of art therapy" as the rendering or offering to render art therapy in the prevention or treatment of cognitive, developmental, emotional, or behavioral disabilities or conditions. "Art therapy" is the integrated use of psychotherapeutic principles

and methods with art media and the creative process to assist individuals, families, or groups in doing any of the following:

- Improving cognitive and sensory-motor functions;
- Increasing self-awareness and self-esteem;
- Coping with grief and traumatic experiences;
- Enhancing cognitive abilities;
- Resolving conflicts and distress;
- Enhancing social functioning;
- Identifying and assessing clients' needs to implement therapeutic intervention to meet developmental, behavioral, mental, and emotional needs.

"Art therapy" includes therapeutic intervention to facilitate alternative modes of receptive and expressive communication and evaluation and assessment to define and implement art-based treatment plans to address cognitive, behavioral, developmental, and emotional needs.

Scope of practice

The bill permits a licensee to treat affective, behavioral, and cognitive disorders or problems specified in the edition of the Diagnostic and Statistical Manual of Mental Disorders published by the American Psychiatric Association designated by the CSW Board. A license to practice art therapy does not authorize the licensee to do either of the following:

- Administer or prescribe drugs;
- Perform psychological testing intended to measure or diagnose serious mental illness.

CSW Board duties

The CSW Board must implement and administer the Art Therapy Licensing Law. It also must adopt a policy that concerns the intervention for and treatment of any impaired licensee.

Buckeye Art Therapy Association

The bill requires the Buckeye Art Therapy Association or its successor organization to provide the CSW Board with expertise and assistance in carrying out the Board's duties relating to licensure to practice art therapy.

License issuance

Application

An individual seeking a license to practice art therapy must submit to the CSW Board a completed application on a form the Board prescribes. The individual must include in the application information the Board considers necessary to process the application, including satisfactory evidence that the individual meets the requirements for an initial license. The individual also must submit a \$25 application fee or a fee prorated by the Board. No part of the

fee may be returned to the applicant or applied to another application. An application for a license to practice art therapy cannot be withdrawn without Board approval.

Eligibility requirements

To be eligible for a license, an applicant must demonstrate to the CSW Board that the applicant meets all of the following requirements:

- **Age** – the applicant is at least age 18;
- **Education** – the applicant has attained a master’s or higher degree from a graduate program in art therapy that one of the following applies to at the time the degree was conferred:
 - The program is approved by the American Art Therapy Association or its successor organization.
 - The program is accredited by the Commission on Accreditation of Allied Health Education Programs or its successor organization.
 - The CSW Board considers the program to be substantially equivalent to a program approved or accredited as described above.
- **Experience** – the applicant has completed at least two years of postgraduate supervised clinical experience in the practice of art therapy that meets the posteducation supervised art therapy experience requirements that the Art Therapy Credentials Board, its successor organization, or an equivalent organization recognized by the CSW Board required for an individual to become a registered art therapist at the time the experience was completed;
- **Board certification** – the applicant has a board certification in good standing with the Art Therapy Credentials Board, its successor organization, or an equivalent organization recognized by the CSW Board;
- **Additional requirements** – the applicant satisfies any other requirements the CSW Board establishes.

License issuance

Not later than 60 days after receiving a complete application, the CSW Board must issue a license to practice art therapy to an applicant if the Board determines the applicant satisfies the eligibility requirements listed above. The Board may waive the eligibility requirements and issue an art therapy license to an applicant if, not later than one year after the provision’s effective date, the applicant files an application that includes satisfactory evidence that the applicant:

- Holds a credential in good standing with the Art Therapy Credentials Board, its successor organization, or an equivalent organization the CSW Board recognizes;
- Has practiced art therapy for at least five years; and
- Satisfies any additional requirements the CSW Board establishes.

Out-of-state applicants

Beginning December 29, 2023, the CSW Board must issue an art therapy license in accordance with the Occupational Licenses for Out-of-State Applicants Law⁴² to an applicant if the applicant:

- Holds a license in another state; or
- Has satisfactory work experience, a government certification, or a private certification as an art therapist in a state that does not issue an art therapy license.

License renewal

A license to practice art therapy expires biennially and may be renewed. A licensee seeking to renew a license must apply for renewal on or before January 31 of each even-numbered year in the manner the CSW Board establishes and submit a \$25 renewal fee. The Board may establish a different expiration date for an initial license. The Board must provide renewal notices at least one month before the expiration date.

To be eligible for renewal, a licensee must certify to the CSW Board that the licensee has done all of the following:

- Maintained board certification with the Art Therapy Credentials Board, its successor organization, or an equivalent organization recognized by the CSW Board;
- Completed at least 40 continuing education hours required to maintain board certification with the Art Therapy Credentials Board, its successor organization, or an equivalent organization recognized by the CSW Board;
- Report any criminal offenses to which the licensee has pleaded guilty, of which the licensee has been found guilty, or for which the licensee has been found eligible for intervention in lieu of conviction, since last signing an art therapy license application.

The CSW Board must issue to a licensee a renewed license to practice art therapy if the Board determines the licensee qualifies for renewal by meeting the eligibility requirements listed above.

The CSW Board may require a random sample of licensees to submit materials documenting that the licensee has complied with the above renewal requirements that the licensee maintain board certification and complete continuing education. If the CSW Board finds through the random sample or any other means that a licensee has not complied with those requirements, the Board may refuse to renew the licensee's license or take any other action authorized under the Art Therapy Licensing Law.

⁴² R.C. Chapter 4796 (effective December 29, 2023).

Failure to renew

A license to practice art therapy that is not renewed on or before its expiration date is automatically suspended on that date. If a license is suspended due to a failure to renew, the CSW Board must reinstate the license if the applicant qualifies for renewal and pays a monetary penalty the Board establishes. If a license has been suspended for more than two years, the Board may impose terms and conditions for reinstatement in addition to the monetary penalty, including the following:

- Requiring the applicant to pass an oral or written examination, or both, to determine the applicant's fitness to resume the practice of art therapy;
- Requiring the applicant to obtain additional training and to pass an examination on completion of the training;
- Restricting or limiting the extent, scope, or type of practice in which an applicant may engage.

Disciplinary actions

The CSW Board, by an affirmative vote of a majority of the members, may limit, revoke, suspend, or refuse to grant a license to practice art therapy to an individual found by the Board to have committed fraud, misrepresentation, or deception in applying for or securing a license.

The bill requires the Board, by an affirmative vote of a majority of the members, to limit, revoke, suspend, or refuse to issue, renew, or reinstate a license, or reprimand or place on probation a licensee for any of the following reasons:

- Failure to comply with the requirements under the Art Therapy Licensing Law;
- Permitting the licensee's name or license to be used by another individual;
- Failure to employ acceptable scientific methods in the selection of modalities for treatment provided under a license to practice art therapy;
- A plea of guilty to, a judicial finding of guilt of, or a judicial finding of eligibility for intervention in lieu of conviction for, a violation of any federal or state law regulating the possession, distribution, or use of any drug;
- Willfully betraying a professional confidence;
- Making a false, fraudulent, deceptive, or misleading statement in the solicitation of or advertising for clients, in relation to the practice of art therapy, or in securing or attempting to secure any license or certificate issued by the Board;
- A departure from, or the failure to conform to, minimal standards of care of similar practitioners under the same or similar circumstances, whether or not actual injury to a client is established;
- Representing, with the purpose of obtaining compensation or other advantage as personal gain or for any other individual, that an incurable disease or injury, or other incurable condition, can be permanently cured;

- The obtaining of, or attempting to obtain, money or anything of value by fraudulent misrepresentations in the course of the practice of art therapy;
- A plea of guilty to, a judicial finding of guilt of, or a judicial finding of eligibility for intervention in lieu of conviction for, a felony;
- Commission of an act that constitutes a felony in Ohio, regardless of the jurisdiction in which the act was committed;
- A plea of guilty to, a judicial finding of guilt of, or a judicial finding of eligibility for intervention in lieu of conviction for, a misdemeanor committed in the course of the practice of art therapy;
- Commission of an act in the course of the practice of art therapy that constitutes a misdemeanor in Ohio, regardless of the jurisdiction in which the act was committed;
- A plea of guilty to, a judicial finding of guilt of, or a judicial finding of eligibility for intervention in lieu of conviction for, a misdemeanor involving moral turpitude;
- Commission of an act involving moral turpitude that constitutes a misdemeanor in Ohio, regardless of the jurisdiction in which the act was committed;
- Violation of the conditions of limitation placed by the Board on a license to practice art therapy;
- Failure to pay required license renewal fees;
- Inability to practice art therapy according to acceptable and prevailing standards of care by reason of mental or physical illness, including physical deterioration that adversely affects cognitive, motor, or perceptive skills;
- Impairment of ability to practice art therapy according to acceptable and prevailing standards of care because of habitual or excessive use or abuse of drugs, alcohol, or other substances that impair the ability to practice;
- Failure to maintain the confidentiality of privileged communications without the written consent of a client or a client's parent or guardian, as applicable, unless otherwise required by law, court order, or necessity to protect public health and safety;
- Failure to comply with the continuing education requirements necessary to renew a license;
- Failure to comply with any standards for the ethical practice of art therapy that the Board adopts;
- Failure to cooperate in a disciplinary investigation conducted by the Board, including failure to comply with a Board subpoena or order or failure to answer truthfully a question presented by the Board in an investigative interview.

An individual's failure to renew a license to practice art therapy in accordance with the renewal requirements described above does not remove or limit the Board's jurisdiction to take disciplinary action against the individual.

Adjudications

The Board must take any disciplinary actions pursuant to an adjudication under the Administrative Procedure Act (R.C. Chapter 119). However, in lieu of an adjudication, the Board may enter into a consent agreement with an individual to resolve an allegation of a violation. A consent agreement, when ratified by an affirmative vote of a majority of the Board members, constitutes the Board's findings and order with respect to the matter addressed in the agreement. If the Board refuses to ratify a consent agreement, the admissions and findings in the consent agreement are of no force or effect.

Investigations

The Board must investigate evidence that appears to show an individual has violated the Art Therapy Licensing Law. Any individual may report to the Board in a signed writing any information the individual may have that appears to show a violation. The Board must conduct investigations of alleged violations in the same manner that the Board conducts investigations under continuing law with respect to other licenses the Board issues.

License surrender

The surrender of a license to practice art therapy is not effective until accepted by the Board. The Board may use a telephone conference call for acceptance of the surrender. A telephone conference call is considered a special meeting under the Open Meetings Act (instead of a regularly scheduled meeting; different notice requirements apply).⁴³ Reinstatement of a license to practice art therapy surrendered to the Board requires an affirmative vote of a majority of the Board members.

Limitation on initial license refusal

The CSW Board cannot refuse to issue a license to an applicant because of a conviction of, plea of guilty to, judicial finding of guilt of, or judicial finding of eligibility for intervention in lieu of conviction for an offense unless the refusal is in accordance with the continuing law procedure that limits a licensing authority's ability to refuse to issue an initial license based on a prior disqualifying offense.⁴⁴

Child support orders

On receipt of notice that a licensed art therapist is in default under a child support order under the procedures established in continuing law, the CSW Board must comply with the requirements of that law or rules adopted pursuant to it with respect to an art therapist license issued under the bill.

⁴³ R.C. 121.22, not in the bill.

⁴⁴ R.C. 9.79, not in the bill.

Human trafficking

On receipt of a notice that a licensed art therapist has been convicted of, pleaded guilty to, or a judicial finding of guilt of or judicial finding of guilt resulting from a plea of no contest was made to the offense of trafficking in persons, the bill requires the CSW Board to immediately suspend the licensee's art therapist license in accordance with continuing law requirements.

Occupational Licensing and Regulatory Fund

All money collected under the Art Therapy Licensing Law must be deposited into the state treasury to the credit of the existing Occupational Licensing and Regulatory Fund.

Board membership

(R.C. 4757.03)

The bill modifies the membership requirements for social worker members on the CSW Board. Specifically, it requires that four Board members be licensed as either independent social workers or social workers. At least one of them must be a licensed social worker at the time of appointment. Currently, two Board members must be licensed independent social workers and two members be licensed social workers.

The bill also requires that, at all times, at least one of these four Board members be an educator who teaches in a baccalaureate or master's degree social work program. Current law requires that, at all times, the social worker membership include such an educator.

The bill eliminates a requirement that not more than eight Board members be of the same sex.

OHIO DEAF AND BLIND EDUCATION SERVICES

- Establishes Ohio Deaf and Blind Education Services and places the State School for the Deaf and the State School for the Blind under it.
- Abolishes the superintendent positions for both schools and creates one superintendent for Ohio Deaf and Blind Education Services appointed by the State Board of Education.

Ohio Deaf and Blind Education Services

(R.C. 3325.01, 3325.011, 3325.02, 3325.03, 3325.04, 3325.06, 3325.07, 3325.071, 3325.08, 3325.09, 3325.10, 3325.11, 3325.12, 3325.13, 3325.15, 3325.16, and 3325.17; conforming changes in R.C. 123.211, 124.15, 3101.08, 3301.0711, 3365.07, 4117.14, 4117.15, 5162.01, and 5162.365; repealed R.C. 3325.14; Section 525.30)

The bill establishes Ohio Deaf and Blind Education Services (ODBES) and places under it the State School for the Deaf and the State School for the Blind. ODBES must operate under the control and supervision of the State Board of Education. The State Board, on recommendation of the Superintendent of Public Instruction, must appoint a superintendent for ODBES.

The bill transfers the duties prescribed to the state schools for deaf and blind under current law to ODBES. It also abolishes the individual superintendent positions for both state schools and transfers their powers and duties to the new ODBES superintendent.

In addition, the bill:

1. Changes references to “partially deaf,” “partially blind,” and “both deaf and blind” in the law regarding the state schools to “hard of hearing,” “visually impaired,” and “deafblind,” respectively;

2. Authorizes the ODBES superintendent to create additional divisions to meet the educational needs of students throughout Ohio who are deaf, hard of hearing, blind, visually impaired, or deafblind;

3. Eliminates law that permits the Superintendent of the School for the Deaf to pay expenses for the instruction of deafblind Ohio resident children in any suitable institution;

4. Eliminates a prohibition against the State School for the Blind hiring a teacher who has not taken at least two courses in braille or otherwise demonstrated competency in it;

5. Transfers from the State Board to ODBES the responsibility to establish training programs for the parents of preschool children who are deaf, hard of hearing, blind, or visually impaired;

6. Transfers from the State Board to ODBES the responsibility to establish career-technical programs for visually impaired students and expands that responsibility to include students who are blind, deaf, hard of hearing, and deafblind; and

7. Combines the separate employees food service funds into one ODBES Employees Food Service Fund.

DEPARTMENT OF DEVELOPMENT

All Ohio Future Fund

- Renames the Investing in Ohio Fund as the All Ohio Future Fund and expands the fund's economic development purposes.
- Requires the Director of Development to adopt rules, in consultation with JobsOhio, that establish requirements and procedures to provide financial assistance from the fund to eligible economic development projects.
- Requires the Director, when awarding financial assistance from the fund, to give preference to sites that are publicly owned.
- Requires Controlling Board approval to release moneys from the fund and allows the Board to exceed the limit on approving expenditure of unanticipated or excess revenue to the fund, provided there is a sufficient balance in the fund to support the increase.
- Exempts rules adopted from requirements governing the elimination of existing regulatory restrictions.

Nuclear development in Ohio

Ohio Nuclear Development Authority

- Establishes the Ohio Nuclear Development Authority within the Department of Development (DEV) consisting of nine members from certain stakeholder groups.
- Establishes the Authority for the following purposes:
 - To be an information resource for Ohio and certain federal agencies regarding advanced nuclear research reactors, isotopes, and isotope technologies.
 - To make Ohio a leader regarding new-type advanced nuclear research reactors, isotopes, and high-level nuclear waste reduction and storage.
- Grants the Authority extensive power to fulfill its nuclear technology purposes specifically with respect to advanced nuclear reactor commercialization, isotope production, and nuclear waste reduction.
- Requires the Authority to submit an annual report of its activities and post the report on the Authority's website.
- Requires the Authority to adopt rules for the Ohio State Nuclear Technology Research Program, which are exempt from the regulatory restrictions limitations in current law.
- Prohibits rules adopted under continuing law by the Department of Health for radiation control from conflicting with or superseding rules adopted by the Authority.

Nominating Council

- Establishes a seven-member Ohio Nuclear Development Authority Nominating Council to review, evaluate, and make recommendations to the Governor for potential Authority member appointees, from which the Governor must select.
- Designates time limits for appointing members to the Council and for the Council to provide recommendation lists to the Governor, as well as term limits for Council members.
- Creates various requirements regarding Council meetings and activities, such as when meetings must occur, adoption of bylaws, recordkeeping, and selection and duties of the Council chairperson and secretary.

Nuclear agreements

- Permits the Governor, to the same extent as may be done under current law with the U.S. Nuclear Regulatory Commission, to enter into agreements with the U.S. Department of Energy or branches of the U.S. military to permit the state to license and exercise regulatory authority regarding certain radioactive materials.
- Permits the Authority to enter into the same agreements on behalf of the Governor.

Legislative intent

- Provides that it is the General Assembly's intent to encourage the use of these provisions promoting nuclear development in Ohio as a model for future legislation to further the pursuit of innovative research and development for any industry in Ohio.

Rural Industrial Park Loan Program

- Allows a developer who previously received financial assistance under the Rural Industrial Park Loan Program and that, consequently, is currently ineligible to receive additional financial assistance, to apply for and receive additional assistance, provided the developer did not receive any previous assistance in the current fiscal biennium.
- Regarding the program eligibility criterion that prohibits a proposed industrial park from competing with an existing industrial park in the same county, states that the consent of the existing industrial park's owner demonstrates noncompetition.

Brownfield and building revitalization programs

- Limits the requirement that the DEV Director reserve money for each of the 88 counties from the Brownfield Remediation Fund and the Building Demolition and Site Revitalization Fund to appropriations made to each fund in the first fiscal year of the biennium, not both fiscal years, as under current law.
- By so doing, increases the amount of money available through each fund for grants to brownfield and revitalization projects located anywhere in the state.

Ohio Capital Access Loan Program

- Allows state and federally chartered credit unions to participate in the Ohio Capital Access Loan Program.

TourismOhio

- Expands the mission of TourismOhio to include promoting not just tourism, but also “living, learning, and working” in Ohio.

Microcredential assistance program

- Increases the maximum reimbursement amount for microcredential training providers participating in DEV’s Individual Microcredential Assistance Program from \$250,000 to \$500,000 per fiscal year.

Ohio Residential Broadband Expansion Grant Program funding

- Requires gifts, grants, and contributions provided to the DEV Director for the Ohio Residential Broadband Expansion Grant Program to be deposited in the Ohio Residential Broadband Expansion Grant Program Fund.
- Specifies that if the use of these deposits or the appropriation of nonstate funds is contingent upon meeting application, scoring, or other requirements that are different from existing law Broadband Grant Program requirements, DEV must adopt the different requirements.
- Requires a description of any differences in Broadband Grant Program requirements adopted by DEV as described above to be made available with the Broadband Grant Program application on the DEV website at least 30 days before the beginning of the application submission period.

Broadband Pole Replacement and Undergrounding Program

- Creates the Ohio Broadband Pole Replacement and Undergrounding Program within DEV to reimburse providers of qualifying broadband service for utility pole replacements, mid-span pole installations, and undergrounding that accommodate facilities used to provide qualifying broadband service access.
- Defines “qualifying broadband service” as retail wireline broadband service capable of delivering symmetrical internet access at download and upload speeds of at least 100 megabits per second (Mbps) with a latency level sufficient to permit real-time interactive applications.
- Defines “unserved area” as an area in Ohio without current access to fixed terrestrial broadband service capable of delivering internet access at download speeds of at least 25 Mbps and upload speeds of at least 3 Mbps.
- Considers as an “unserved area” an area for which a governmental entity has awarded a broadband grant after determining the area to be an eligible unserved area under that

program and an area that has not been awarded any broadband grant funding, and the most recent federal mapping information indicates that the area is an unserved area.

- Requires DEV to administer the program and to establish the process to provide reimbursements, including adopting rules and establishing an application for reimbursement and the Broadband Expansion Program Authority to review applications and award program reimbursements.

When reimbursements may not be awarded

- Prohibits the Authority from awarding reimbursements that are federally funded, if the reimbursements are inconsistent with federal requirements and if the applicant fails to commit to compliance with any federally required conditions in connection with the funds.
- Also prohibits the Authority from awarding of reimbursements if (1) the broadband infrastructure deployed is used only for providing wholesale broadband service and is not used by the applicant to provide qualifying broadband service directly to residences and businesses and (2) a provider (not the applicant) is meeting the terms of a legal commitment to a governmental entity to deploy such service in the unserved area.

Who may apply for reimbursements

- Allows providers (entities, including pole owners or affiliates, that provide qualifying broadband service) to apply for a reimbursement under the program for eligible costs associated with deployed pole replacements, mid-span pole installations, and undergrounding.
- Designates as ineligible for a reimbursement an applicant's costs of deploying qualifying broadband service for which the applicant is entitled to obtain full reimbursement from another governmental entity but allows the applicant to apply for and obtain reimbursement for the portion of costs that were not already reimbursed.
- Allows the Authority to require applicants to maintain accounting records demonstrating that other grant funds do not fully reimburse the same costs as those reimbursed under the program.
- Requires the Authority to review applications and approve reimbursements based on various requirements and limitations.

Information and documentation from pole owner

- Allows a pole owner to require a provider to reimburse the owner for the owner's actual and reasonable administrative expenses related to certain information and documentation for a program application, not to exceed 5% of the pole replacement or mid-span pole installation costs, and specifies that these costs are not reimbursable.

Application requirements

- Requires DEV, not later than 60 days after the Pole Replacement Fund (described below) receives funds for reimbursements, to develop and publish an application form and post it on the DEV website.
- Requires the application form to identify and describe any additional federal conditions required in connection with the use of the federal funds, if any federal funds are used for awards under the program.
- Requires applications to include certain information including, for example, the number, cost, and locations of pole replacements, mid-span pole installations, and undergrounding for which reimbursement is requested; the reimbursement amount requested; and information necessary to demonstrate the applicant's compliance with reimbursement conditions.
- Establishes additional requirements for an application regarding a pole attachment or a mid-span pole installation, if the applicant is the pole owner or affiliate of the pole owner.

Applicant duties prior to receiving a reimbursement

- Requires a provider applying for reimbursement to agree to do certain things such as (1) activating qualifying broadband service to end users utilizing the program-reimbursed broadband infrastructure not later than 90 days after receiving a reimbursement, (2) complying with any federal requirements associated with funds used for awards under the program, and (3) refunding all or any portion of reimbursements received, if the applicant materially violated any program requirements.

Reimbursement award timeline and formula

- Requires the Authority to award reimbursements to an applicant not later than 60 days after it receives an application forwarded by DEV.
- Allows the Authority to award reimbursements equal to the lesser of \$7,500 or 75% of the total amount paid by the applicant for pole replacement or mid-span pole installation costs.
- Allows reimbursement awards for undergrounding costs to be calculated as described above, except that the amount may not exceed the reimbursement amount that would be available if the applicant had attached broadband infrastructure to utility poles instead of undergrounding that infrastructure.

Reimbursement refunds

- Requires applicants that are awarded reimbursements to refund, with interest, reimbursement amounts if the applicant materially violates any program requirement and specifies that at the direction of DEV, refunds are to be deposited into the Broadband Replacement Pole Fund.

Broadband Pole Replacement Fund

- Creates the Broadband Pole Replacement Fund and makes an appropriation in FY 2024 to provide funding for reimbursements awarded under the program and for DEV to administer the program.

Program information on DEV website

- Requires DEV to publish and regularly update certain information regarding the program on its website.

DEV report on deployments under program

- Whenever the fund is exhausted, requires the Authority, not later than one year after, to identify, examine, and report on broadband infrastructure deployment under the program and the technology facilitated by the reimbursements and requires the report to be published on DEV's website.

Program audit

- Requires the Auditor of State to audit the fund annually, beginning not later than one year after the first deposits are made to the credit of the fund.

Sunset

- Except as provided below, effectively sunsets the program by requiring payments under the fund to cease and the fund to no longer be in force or have further application six years after the sunset provision's effective date.
- For the six-month period after the sunset date, requires fund payments to cease, and requires DEV and the Authority to (1) review any applications and award reimbursements, if the applications were submitted prior to that date and (2) to review applications and award reimbursements, if the applications were submitted not later than four months after that date for reimbursements of costs incurred prior to that date.
- Requires any fund balance remaining after final applications are processed (after the sunset date and as described above) to be returned to the original funding sources as determined by DEV.

Ohio State Fairgrounds study

- Requires DEV, not later than 120 days after the provision's effective date, to conduct a study to determine if the Ohio State Fairgrounds should be relocated to an alternative location while redeveloping the existing Fairgrounds and the Ohio Highways Patrol Training Facility site.
- Requires the study to be conducted prior to any state funds being spent on the redevelopment of the existing Fairgrounds and Training Facility site.
- Requires DEV to provide copies of the study to the Senate President, Speaker of the House, and Governor.

All Ohio Future Fund

(R.C. 126.62)

The bill renames the Investing in Ohio Fund as the All Ohio Future Fund. It also expands the fund's purposes beyond promoting economic development throughout Ohio, including infrastructure improvements. The new expanded purposes include providing financial assistance through loans, grants, or other incentives that promote economic development. Additionally, the fund may be used for electric infrastructure development projects approved by the Public Utilities Commission (see **"Electric infrastructure development"** under the **"PUBLIC UTILITIES COMMISSION"** chapter of this analysis), and electric infrastructure improvements made by electric cooperative and municipal electric utilities. Investment earnings of the fund must be credited to the fund.

The bill requires the DEV Director to adopt rules in accordance with the Administrative Procedure Act that establish requirements and procedures to provide financial assistance from the fund to eligible economic development projects. The Director must consult with JobsOhio in adopting the rules.

The rules must include the following:

1. All forms and materials required to apply for financial assistance from the fund;
2. Requirements, procedures, and criteria that the Director must use in selecting sites to receive financial assistance from the fund. The rules must require the Director to consider sites that JobsOhio and local and regional economic development organizations have identified for economic development. The criteria adopted in rules for site selection must include a means to identify and designate economic development projects into the following development tiers:
 - a. A tier one project is a megaproject. A megaproject is a large scale development that meets certain wage and investment or payroll thresholds.
 - b. A tier two project is a megaproject supplier. A megaproject supplier is a supplier of tangible personal property to a megaproject that has a substantial manufacturing, assembly, or processing facility in Ohio or meets certain wage and investment or payroll thresholds.
 - c. A tier three project is a project in an industrial park or a site that is zoned industrial.
3. Any other requirements or procedures necessary to administer the bill's provisions governing the fund.

When awarding financial assistance, the Director must do both of the following:

1. Unless a higher amount is approved by the Controlling Board, limit financial assistance amounts as follows:
 - a. For tier one projects, up to \$200 million per project;
 - b. For tier two projects, up to \$75 million per project;
 - c. For tier three projects, up to \$25 million per project.
2. Give preference to sites that are publicly owned.

The Director may provide grants and loans from the fund to port authorities, community improvement corporations, joint economic development districts, and public-private partnerships to aid in the acquisition of land necessary for site development.

The bill requires the Controlling Board to release money appropriated from the fund before the money may be spent. Additionally, the bill allows the Controlling Board to exceed the limit on approving expenditure of unanticipated or excess revenue to the fund, provided there is a sufficient balance in the fund to support the increase. The Controlling Board is otherwise limited to approving such expenditures in amounts less than 0.05% of the GRF appropriations for that fiscal year.⁴⁵

Regulatory restriction reduction exemption

The bill exempts rules adopted by the Director from continuing law requirements concerning reductions in regulatory restrictions. State agencies are required to take actions to reduce regulatory restrictions in accordance with a statutory schedule. Such actions include removing two or more existing regulatory restrictions for each new restriction adopted (often referred to as the “two-for-one-rule”). A “regulatory restriction” is any part of an administrative rule that requires or prohibits an action.⁴⁶

Nuclear development in Ohio

Ohio Nuclear Development Authority

(R.C. 3748.23, 4164.01, 4164.04 to 4164.08, and 4164.10 to 4164.20; Section 259.10)

The bill creates the Ohio Nuclear Development Authority within DEV.

Membership and appointment

Composition

The Authority is to consist of nine members appointed by the Governor and representing three stakeholder groups within the nuclear-engineering-and-manufacturing industry. The three stakeholder groups are: Safety, Industry, and Engineering Research and Development.

Qualifications

A member appointed from the Safety group must hold at least a bachelor’s degree in nuclear, mechanical, chemical, or electrical engineering and at least one of the following must apply to the member:

- Be a recognized professional in nuclear-reactor safety or developing ISO 9000 standards;
- Been employed by, or has worked closely with, the U.S. Department of Energy (USDOE) or the U.S. Nuclear Regulatory Commission (USNRC), and the member has a professional

⁴⁵ R.C. 131.35, not in the bill.

⁴⁶ R.C. 122.183(D); R.C. 121.95, unchanged by this provision; R.C. 122.951 to 121.953, not in the bill.

background in nuclear-energy-technology development or advanced-nuclear-reactor concepts;

- Been employed by a contractor that has built concept reactors and also worked with hazardous substances, either nuclear or chemical, during that employment.

A member appointed from the Industry group must have at least five years of experience in one or more of the following:

- Nuclear-power-plant operation;
- Processing and extracting isotopes;
- Managing a facility that deals with hazardous substances, either nuclear or chemical;
- Handling and storing nuclear waste.

A member appointed from the Engineering Research and Development group must hold at least a bachelor's degree in nuclear, mechanical, chemical, or electrical engineering and that member shall also be a recognized professional in at least one of the following areas of study:

- Advanced-nuclear reactors;
- Materials science involving the study of alloys and metallurgy, ceramics, or composites;
- Molten-salt chemistry;
- Solid-state chemistry;
- Chemical physics;
- Actinide chemistry;
- Instrumentation and sensors;
- Control systems.

Additionally, each member of the Authority must be a citizen of the U.S. and resident of Ohio.

Term of service

Each member of the Authority serves a five-year term.

Appointment requirements

The bill requires Senate confirmation of all appointments to the Authority. The Governor must appoint members and fill vacancies in the membership of the Authority from lists of nominees recommended by the Ohio Nuclear Development Authority Nominating Council (see below). The Governor has discretion to reject the Council's nominations and reconvene the Council to recommend additional nominees. If the Council is reconvened and provides the Governor with a second list of nominees, the Governor must make the required appointments to the Authority from the names on the Council's first or second list.

Initial appointments to the Authority must be made no later than 120 days after the effective date of this provision. Members are to begin performing their duties immediately after appointment.

Other employment not forfeited

The bill provides that, notwithstanding any law to the contrary, no officer or employee of the state of Ohio can be deemed to have forfeited, or actually have forfeited, the officer's or employee's office or employment due to acceptance of membership on the Authority or by providing service to the Authority.

Vacancies

Any appointment to fill a vacancy on the Authority must be made for the unexpired term of the member whose death, resignation, or removal created the vacancy. The Governor must fill a vacancy not later than 30 days after receiving the Council's recommendations.

Open meetings

The bill requires Authority meetings to be held in accordance with Ohio's Open Meetings Law.⁴⁷

Use of DEV staff and experts

The bill allows the Authority to use DEV staff and experts for the purpose of carrying out the Authority's duties. This use is to occur in the manner provided by mutual arrangement between the Authority and DEV.

Authority purposes

The bill establishes the Authority for the following purposes:

- To be an information resource on advanced-nuclear-research reactors, isotopes, and isotope technologies for the state, USNRC, all branches of the U.S. military, and the USDOE;
- To make Ohio a leader in the development and construction of new-type advanced-nuclear-research reactors, a national and global leader in the commercial production of isotopes and research, and a leader in the research and development of high-level-nuclear-waste reduction and storage technology.

Authority powers

Necessary and convenient powers

The bill grants the Authority all powers, including the following, that are necessary and convenient:

- To adopt bylaws for the management and regulation of its affairs;

⁴⁷ R.C. 121.22, not in the bill.

- To develop and adopt a strategic plan for carrying the Authority's purposes;
- To foster innovative partnerships and relationships in Ohio and among Ohio's public institutions of higher education, private companies, federal laboratories, and nonprofit organizations to accomplish the Authority's purposes;
- To identify and support, in cooperation with the public and private sectors, the development of education programs related to Ohio's isotope industry;
- To assume, with the advice and consent of the Senate, any regulatory powers delegated from USNRC, USDOE, any U.S. military branch, or similar federal agencies, departments, or programs, governing the construction and operation of noncommercial power-producing nuclear reactors and the handling of radioactive materials. The bill does not specify a procedure for the Senate to give its advice and consent in this context.
- To act in place of the Governor in approving agreements with USNRC and joint-development agreements with USDOE or an equivalent regulatory agency in the event that the Authority requests any of the following:
 - USNRC to delegate rules for a state-based nuclear research-and-development program;
 - To jointly develop advanced-nuclear-research-reactor technology with USDOE under USDOE's authority;
 - To jointly develop advanced-nuclear-research-reactor technology with the U.S. Department of Defense (USDOD) or another U.S. military agency under the authority of the department or agency.

Advanced-nuclear-reactor-component commercialization

The bill requires the Authority to work with industrial and academic institutions and USDOE or U.S. military branches to approve designs for the commercialization of advanced-nuclear-reactor components. The bill states that those components may include neutronics analysis and experimentation; reactor safety and plant safety; fuels and materials; steam-supply systems and associated components and equipment; engineered-safety features and associated components; building; instrumentation, control, and application of computer science; quality and inspection practices; plant design and construction, debug, test-run, operation, maintenance, and decommissioning technology; economic methodology and evaluation technology; treatment, storage, recycling, and disposal technology for advanced-nuclear-reactor and system-spent fuel; treatment, storage, and disposal technology for advanced-nuclear-reactor and system radioactive waste; and other areas that the parties and their executive agents agree upon in writing.

Nuclear waste and isotope production

The bill requires the Authority to give priority to projects that reduce nuclear waste and produce isotopes.

Essential governmental function

The bill labels the Authority's exercise of its powers as a performance of an essential governmental function that addresses matters of public necessity for which public moneys may be spent.

Annual report

The bill requires that on or before July 4 each year, the Authority must submit an annual report of its activities to the Governor, the Speaker of the House, the Senate President, and the chairpersons of the House and Senate committees that oversee energy-related issues. This report must also be posted to the Authority's website.

Rules

Rules governing reactors and nuclear waste

The bill requires the Authority to adopt rules, under the Ohio Administrative Procedure Act (R.C. Chapter 119), provided for by USNRC, USDOE, USDOD, or another U.S. military agency, or a comparable federal agency for an Ohio State Nuclear Technology Research Program for the purposes of developing and studying advanced-nuclear-research reactors to produce isotopes and to reduce Ohio's high-level nuclear waste. The rules must reasonably ensure Ohioans of their safety with respect to nuclear-technology research and development and radioactive materials. The rules also are exempt from the regulatory restriction limitation in current law.

Rules not superseded

The bill prohibits rules adopted under continuing law by the Director of the Ohio Department of Health (ODH) for radiation control from conflicting with or superseding the rules adopted by the Authority under the bill. Similarly, the bill states that its provisions are not to be construed as superseding any agreement between ODH and the USNRC (see "**Nuclear agreements**," below) with respect to regulating activities not within the scope of activities of the Authority.

Nominating Council

(R.C. 4164.09 to 4164.0918; Section 741.10)

The bill also creates the Ohio Nuclear Development Authority Nominating Council.

Membership, appointments, and meetings

Composition

The bill provides that the Council is composed of the following seven members:

- The President of the Senate, or designee;
- The Speaker of the House, or designee;
- Five members of the Ohio State University's Nuclear External Advisory Board, each appointed by the Governor.

Term of service

The bill sets the term of office for each Council member appointed by the Governor at two years, beginning at the date of appointment. However, an appointed member must continue the member's term beyond the two-year expiration date until either (1) the member's successor takes office, or (2) 60 days have elapsed; whichever occurs first.

For the President of the Senate, the Speaker of the House, or their respective designees, the term of office on the Council is for the duration of the President's or Speaker's tenure.

Initial appointment

Under the bill, the Governor's initial appointments to the Council must be made no later than 30 days after the effective date of this provision.

Vacancies

The bill requires the Governor to fill any vacancy that occurs on the Council not later than 60 days after the vacancy occurs, in the same manner as the original appointment. Any member appointed to fill a vacancy on the Council retains the position for the remainder of the vacant member's original term.

Meetings

The bill provides the following regarding Council meetings:

- The Council must hold its initial meeting not later than 60 days after the effective date of this provision. At this initial meeting the Council must elect a chairperson and a secretary.
- Subsequent meetings may be called by the chairperson. However, the chairperson must call a special meeting upon receipt of a written request for a meeting signed by two or more Council members.
- Written advance notice of the time and place of each meeting must be sent to each Council member via mail or electronic mail.
- Four Council members, or their alternates, constitute a quorum. The Council cannot vote on a measure or take any action unless a quorum is present.
- The Council must keep a record of its proceedings.
- The Council may adopt bylaws governing its proceedings.

Members uncompensated

Council members must serve without compensation.

Council roles

Tasks

The bill requires the Council to review, evaluate, and make recommendations to the Governor for potential appointees to serve as members of the Authority. The Council must provide the Governor with a list of individuals who are, in the judgement of the Council, the

most qualified to be members of the Authority, for the purposes of initial and subsequent appointments, as well as for filling vacancies. All recommendations by the Council must be consistent with the qualifications for membership on the Authority (see “**Qualifications**,” above).

List of possible appointees

The bill directs the Council to supply a list of four possible appointees to the Governor for each initial, subsequent, or vacancy appointment. The Council must provide the list to the Governor at the following times:

- For possible initial appointments, not later than 90 days after the effective date of this provision;
- For each subsequent appointment, not less than 60, nor more than 85, days before the term of an Authority member expires;
- For each vacancy appointment, not more than 30 days after the death, resignation, or termination of service of an Authority member.

Solicit comments

The bill permits the Council to solicit, accept comments from, and cooperate with any individual in reviewing, evaluating, or recommending potential appointees to serve as a member of the Authority.

Recommendations to the General Assembly

The bill allows the Council to make recommendations to the General Assembly for changes in law that would assist the Council in the performance of its duties.

Nuclear agreements

(R.C. 3748.03)

The bill makes changes to Ohio law governing agreements with the Federal government regarding nuclear licensing and regulatory issues.

Governor

The bill provides that the Governor may enter into agreements with USDOE or branches of the U.S. military to permit the state to license and exercise related regulatory authority with respect to byproduct material, source material, the commercial disposal of low-level radioactive waste, and special nuclear material in quantities not sufficient to form a critical mass. Under continuing law, the Governor may make the same agreements with the USNRC.

Authority

The bill allows the Authority to pursue the same agreements with the USNRC, USDOE, or branches of the U.S. military, and to do so on behalf of the Governor. Under current law, ODH is the only agency authorized to pursue such an agreement. The bill permits the Authority and, under continuing law, requires ODH to enter into negotiations for such an agreement.

Legislative intent

(R.C. 4164.02)

The General Assembly declares its intent is to encourage the use of these provisions promoting nuclear development in Ohio as a model for future legislation to further the pursuit of innovative research and development for any industry in Ohio.

Rural Industrial Park Loan Program

(R.C. 122.23)

The bill alters two eligibility criteria for assistance from the Rural Industrial Park Loan Program. First, it allows a developer that previously received financial assistance under the program to receive additional financial assistance. However, the developer is still not eligible if the previous financial assistance was received in the current fiscal biennium. Currently, a program applicant that previously received any financial assistance via the program is ineligible for further assistance.

Second, the bill allows a proposed industrial park that would compete with an existing industrial park in the same county to receive assistance, provided the existing industrial park's owner consents. Under current law, if there is competition with an existing industrial park, a proposed industrial park is ineligible for assistance.

The Rural Industrial Park Loan Program is a program under which the DEV Director may make loans and loan guarantees for the development and improvement of industrial parks. To be eligible, the proposed location of the park must be in an economically distressed area, an area with a labor surplus, or a rural area as designated by the Director. The Director must use the Rural Industrial Park Loan Fund to support the program.

Brownfield and building revitalization programs

(R.C. 122.6511 and 122.6512)

Current law creates both the Brownfield Remediation Fund (brownfield fund), and the Building Demolition and Site Revitalization Fund (building fund). The brownfield fund is used to fund a grant program for the remediation of brownfield sites. The building fund is used to fund a grant program for the demolition of commercial and residential properties and revitalization of surrounding properties that are not brownfields.

From appropriations made to each fund, the Director of Development must reserve money for each county (88 counties) in Ohio. For the brownfield fund, the amount reserved is \$1 million per county or a proportionate amount if the appropriations are less than \$88 million. For the building fund, the amount reserved is \$500,000 per county or a proportionate amount if the appropriations are less than \$44 million. The Director must make appropriated money that exceeds the amount to be reserved for each county available for grants for projects located anywhere in Ohio on a first-come, first-served basis.

The bill limits the reserved appropriations to appropriations made to each fund in the first fiscal year of the fiscal biennium, not both fiscal years. Thus, all appropriations made in the

second fiscal year of a biennium are available through each fund for grants for projects located anywhere in Ohio on a first-come, first-serve basis.

For example, if the General Assembly appropriates \$50 million in FY 2024 and \$50 million in FY 2025 for the brownfield fund, the \$50 million in the first fiscal year will be reserved proportionally for each of the 88 counties. The \$50 million appropriated in FY 2025 will be made available for projects located anywhere in the state on a first-come, first-serve basis. Under current law, the \$50 million in both FY 2024 and FY 2025 would be reserved proportionally for each of the 88 counties because the total amount appropriated in each fiscal year is less than \$88 million.

Ohio Capital Access Loan Program

(R.C. 122.60)

The bill allows state and federally chartered credit unions to participate in the Ohio Capital Access Loan Program. Currently, only banks, trust companies, and savings and loan associations are eligible to participate. The bill retains the requirement that a participating financial institution have a significant presence in Ohio. It also retains the DEV Director's authority to determine the eligibility of a financial institution to participate in the program and to set limits on the number of financial institutions that may participate.⁴⁸

Background

Under the Ohio Capital Access Loan Program, DEV assists participating financial institutions in making loans to businesses and nonprofit entities "that face barriers in accessing working capital and obtaining fixed asset financing" and agree to use the loan proceeds to create or preserve jobs in Ohio.⁴⁹ When a participating financial institution makes a capital access loan, it must establish a program reserve account. The business receiving the loan must pay a percentage of the loan amount to the financial institution for deposit in its reserve account. The financial institution must then deposit the same amount of its own funds into the reserve account. Once those deposits are made, DEV disburses up to 50% of the principal amount of the loan or, if the borrower is a minority business enterprise, up to 80% of the principal amount, for deposit into the financial institution's reserve account.⁵⁰ If any portion of the capital access loan is uncollectible, the financial institution may seek the release of money from its reserve account to recover unpaid principal and interest.⁵¹

⁴⁸ R.C. 122.602(B), not in the bill.

⁴⁹ R.C. 122.60(B), unchanged by the bill; R.C. 122.602, not in the bill.

⁵⁰ R.C. 122.603, not in the bill.

⁵¹ R.C. 122.604, not in the bill.

TourismOhio mission

(R.C. 122.07 and 122.072)

The bill expands the mission of TourismOhio, which is the office within DEV responsible for promoting Ohio tourism. Under the bill, the office will be charged with promoting not just tourism, but also “living, learning, and working” in Ohio.

Microcredential assistance program reimbursement

(R.C. 122.1710)

The bill increases the maximum reimbursement amount for a training provider from the Individual Microcredential Assistance Program (IMAP) from \$250,000 to \$500,000 per fiscal year.

Under continuing law, approved training providers may seek reimbursement through IMAP for the cost to provide training that allows an individual to receive a microcredential, i.e., an industry-recognized credential or certificate, approved by the Chancellor of Higher Education, that a person can complete in one year or less.⁵² Continuing law limits a training provider’s IMAP reimbursement to \$3,000 per training credential that an individual receives.

Ohio Residential Broadband Expansion Grant Program funding

(R.C. 122.4017, 122.4037, and 122.4040)

Ongoing law requires the Ohio Broadband Expansion Program Authority to award grants under the Ohio Residential Broadband Expansion Grant Program using funds from the Ohio Residential Broadband Expansion Grant Program Fund. The bill specifies that any gift, grant, and contribution received by the DEV Director for the Broadband Grant Program must be deposited in the fund. (Currently, the only funds that the law expressly requires to be deposited in the fund are payments from certain broadband providers that fail to provide tier two service as described in a challenge upheld by the Authority.⁵³)

Under the bill, if an appropriation for the Broadband Grant Program includes funds that are not state funds, or if the Director receives funds that are in the form of a gift, grant, or contribution to the fund, the Authority must award grants from those funds. However, if those funds are contingent on meeting application, scoring, or other requirements that are different from existing law requirements under the Broadband Grant Program, the following must occur:

- DEV must adopt the different requirements and publish a description of them with the program application on the DEV website.

⁵² R.C. 122.178, not in the bill.

⁵³ R.C. 122.4036, not in the bill.

- A description of any differences in application, scoring, or other program requirements must be available with the application on the DEV website at least 30 days before the beginning of the application submission period.

Background

The Broadband Grant Program awards grants to broadband providers for projects to provide “tier two broadband service” to residences in areas of the state that are “tier one areas” or “unserved areas.” DEV administers the program and works in conjunction with the Authority, the entity that awards the grants according to a weighted scoring system developed by DEV in consultation with the Authority.

“Tier two broadband service” is retail wireline or wireless broadband service capable of delivering internet access at speeds of at least 25 megabits per second downstream and 3 megabits per second upstream. A “tier one area” is an area with “tier one broadband service,” internet access delivered at speeds of at least 10 but less than 25 megabits per second downstream and at least 1 but less than 3 megabits upstream. An “unserved area” is an area without access to tier one service or tier two service, excluding an area where construction of a network to provide tier one service or tier two service is in progress and scheduled to be completed within a two-year period.⁵⁴

Broadband Pole Replacement and Undergrounding Program

(R.C. 191.01 to 191.45)

The bill creates the Ohio Broadband Pole Replacement and Undergrounding Program within DEV to advance the provision of qualifying broadband service access to residences and businesses in an unserved area. To accomplish this, the program reimburses certain costs of pole replacements, mid-span pole installations, and undergrounding incurred by providers.

Under the bill, DEV must administer and provide staff assistance for the program. It also is responsible for (1) receiving and reviewing program applications, (2) sending completed applications to the Broadband Expansion Program Authority for final review and the award of program reimbursements (reimbursements), and (3) establishing an administrative process for reimbursements. The Authority must award the reimbursements after reviewing applications and determining whether they meet the requirements for reimbursement.

DEV must adopt rules necessary for the successful and efficient administration of the program not later than 90 days after the effective date of the program. Under the bill, the rules are not subject to the current law addressing regulatory restriction limitation.⁵⁵

Definitions

Program terms defined in the bill include the following:

⁵⁴ R.C. 122.40 to 122.4077, all but R.C. 122.4017, 122.4037, and 122.4040, not in the bill.

⁵⁵ R.C. 121.951 to 121.953, not in the bill.

Term	Definition
Affiliate	A person or entity under common ownership or control with, or a participant in a joint venture, partnership, consortium, or similar business arrangement with, another person or entity pertaining to the provision of broadband service.
Broadband infrastructure	Facilities that are used, in whole or in part, to provide qualifying broadband service access to residences and businesses.
Mid-span pole installation	The installation of, and attachment of broadband infrastructure to, a new utility pole that is installed between or adjacent to one or more existing utility poles or replaced utility poles to which poles broadband infrastructure is attached.
Pole owner	Any person or entity that owns or controls a utility pole.
Pole replacement	The removal of an existing utility pole and replacement of that pole with a new utility pole to which a provider attaches broadband infrastructure.
Provider	An entity, including a pole owner or affiliate, that provides qualifying broadband service.
Qualifying broadband service	A retail wireline broadband service that is capable of delivering symmetrical internet access at download and upload speeds of at least 100 megabits per second (Mbps) with a latency level sufficient to permit real-time, interactive applications.
Undergrounding	The placement of broadband infrastructure underground, including by directly burying the infrastructure or through the underground placement of new ducts or conduits and installation of the infrastructure in them.
Unserved area	An area of Ohio that is without access to fixed, terrestrial broadband service capable of delivering internet access at download speeds of at least 25 Mbps and upload speeds of at least 3 Mbps.
Utility pole	Any pole used, in whole or in part, for any wired communications or electric distribution, irrespective of who owns or operates the pole.

Areas considered “unserved areas”

The bill further specifies that areas of Ohio are to be considered to be an “unserved area” under the program if one of the following applies:

- Under a program to deploy broadband service to unserved areas (which may include programs other than the Ohio Broadband Pole Replacement and Undergrounding Program), a governmental entity has awarded a broadband grant for the area after determining it to be an eligible unserved area under that program.

- The area has not been awarded any broadband grant funding, and the most recent mapping information published by the Federal Communications Commission (FCC) indicates that the area is an unserved area. (The searchable FCC National Broadband Map is available on the Broadband Data Collection page of the FCC website: fcc.gov/BroadbandData.)

When reimbursements may not be awarded

The Authority is not permitted to award reimbursements that are federally funded if the reimbursements are inconsistent with federal requirements and is not permitted to award reimbursements under certain other circumstances specified in the bill. Those other circumstances are:

- The broadband infrastructure deployed is used only for the provision of wholesale broadband service and is not used by the program applicant to provide qualifying broadband service directly to residences and businesses.
- A provider, other than the applicant, is meeting the terms of a legally binding commitment to a governmental entity to deploy qualifying broadband service in the unserved area.
- For reimbursements that are funded by federal funds deposited in the Pole Replacement Fund (see **“Pole Replacement Fund”** below), the applicant fails to commit to compliance with any conditions in connection with the funds that the federal government requires.

Who may apply for reimbursements

A provider may submit an application on a form prescribed by DEV for a reimbursement under the program if the provider has deployed “qualifying broadband infrastructure” in an unserved area and has paid any costs specified in the bill that are in connection with its deployment.

The bill does not define “qualifying broadband infrastructure,” which must be deployed before submitting a program application. But, it does define “broadband infrastructure” as “facilities that are used, in whole or in part, to provide qualifying broadband service access to residences and businesses” and defines “qualifying broadband service” as “retail wireline broadband service that is capable of delivering symmetrical internet access at download and upload speeds of at least 100 [Mbps] with a latency level sufficient to permit real-time, interactive applications.” This use of a similar, but undefined, term in the bill may create some confusion about how “qualifying broadband infrastructure” differs from “broadband infrastructure.” See also **“DEV report on deployments under program.”**

Costs eligible for reimbursement

Costs eligible for reimbursement under the program include (1) pole replacement costs, (2) mid-span pole installations, and (3) undergrounding costs. Specifically, reimbursements may be made for actual and reasonable costs to perform a pole replacement or mid-span pole installation, including the amount of any expenditures to remove and dispose of an existing

utility pole, purchase and install a replacement utility pole, and transfer any existing facilities to the new pole. Also reimbursable are actual and reasonable undergrounding costs, including the costs to dig a trench, perform directional boring, install conduit, and seal the trench, but only if undergrounding is required by law, regulation, or local ordinance or if it is more economical than the cost of performing a pole replacement.

Costs not eligible for reimbursement

If an applicant's costs of deploying broadband infrastructure are eligible for full reimbursement from another governmental entity, those costs generally are ineligible for reimbursements. However, if the costs are reimbursed in part by a governmental entity, the applicant may apply for and obtain a reimbursement for the portion of the eligible costs that were not reimbursed by the other governmental entity.

Reimbursement accounting records

The bill allows the Authority to require applicants that obtain broadband grant funding from sources other than reimbursements under the program to maintain accounting records sufficient to demonstrate that the other grant funds do not fully reimburse the same costs as those reimbursed under the program. Since the bill's reference to broadband grant funding in the provision does not specify funding from another governmental entity, the accounting record that the Authority may require might also apply to broadband grants from the private sector.

Information and documentation from pole owner

If a pole owner provides information and documentation to a provider that enables the provider to submit an application, the pole owner may require the provider to reimburse the owner for the owner's actual and reasonable administrative expenses. The amount a pole owner may charge for those expenses may not exceed 5% of the pole replacement or mid-span pole installation costs. The bill specifies that these costs are not reimbursable under the program.

Application requirements

Not later than 60 days after the Broadband Pole Replacement Fund (see below) receives funds for reimbursements, DEV must develop and publish an application form and post it on the DEV website. The application form must identify and describe any additional federal conditions required in connection with the use of the federal funds, if any federal funds are used for awards under the program. Applications must include the following information:

- The number, cost, and locations of pole replacements, mid-span pole installations, and undergrounding for which reimbursement is requested;
- Documentation sufficient to establish that the pole replacements, mid-span pole installations, and undergrounding described in the application have been completed;
- Documentation sufficient to establish how the costs for which reimbursement is requested comport with the reimbursement requirements under the program;
- The reimbursement amount requested under the program;

- Documentation of any broadband grant funding awarded or received for the area described in the application and accounting information sufficient to demonstrate the reimbursement costs requested are eligible because they have not been fully reimbursed by another governmental entity or by a broadband grant (see “**Costs not eligible for reimbursement**” above);
- A notarized statement, from an officer or agent of the applicant, that the contents of the application are true and accurate and that the applicant accepts the requirements of the program as a condition of receiving a reimbursement;
- Any information necessary to demonstrate the applicant’s compliance, and agreement to comply, with any conditions associated with the reimbursement awarded to the applicant;
- Any other information DEV considers necessary for final review and for the award and payment of reimbursements.

Applicant duties prior to receiving a reimbursement

Applicants for the program must agree to do certain things before receiving a reimbursement. Specifically, all applicants must agree to:

- Not later than 90 days after receipt of a reimbursement, activate qualifying broadband service to end users utilizing the broadband infrastructure for which the applicant has received the reimbursement for deployment costs for pole replacement, mid-span pole installation, or undergrounding;
- Certify the applicant’s compliance with program requirements;
- Comply with any federal requirements associated with the funding used by the Authority in connection with the award;
- Refund all or any portion of reimbursements received under the program if the applicant is found to have materially violated any of the program requirements.

Applicants regarding a pole replacement or a mid-span pole installation, must meet the requirements described above, if the applicant is the pole owner or affiliate of the pole owner. In addition, these applicants must do the following:

- Commit that the pole owner will comply with all applicable pole attachment regulations and requirements imposed by state or federal requirements;
- Commit that the pole owner will exclude from its costs (specifically the costs used to calculate its rates or charges for access to its utility poles) the reimbursements received:
 - From the program or any other broadband grant program; or
 - By a provider, for make-ready charges.
- Commit that the pole owner will maintain and make available, upon reasonable request, to DEV, or to a party subject to the rates and charges, documentation sufficient to

demonstrate compliance with the requirement that rates and charges were excluded as required.

Under the bill, the rates and charges documentation requirement does not apply to an electric distribution utility, unless the electric distribution utility is the applicant.

Reimbursement award timeline and formula

The bill requires the Authority to award reimbursements to an applicant not later than 60 days after it receives an application forwarded by DEV.

Reimbursements must equal the lesser of \$7,500 or 75% of the total amount the applicant paid for each pole replacement or mid-span pole installation. For undergrounding costs, the Authority must approve reimbursements according to the same calculation, except that reimbursements may not exceed the reimbursement amount that would be available if the applicant had attached broadband infrastructure to utility poles instead of undergrounding that infrastructure.

At the Authority's direction, DEV must issue reimbursements for approved applications using the money available for them in the Broadband Pole Replacement Fund (described below). The Authority must award, and DEV must fund, reimbursements under the program until funds are no longer available. If there are any pending applications at the point when funds have been exhausted, those applications must be denied. However, applications that have been denied may be resubmitted to DEV and reimbursements awarded according to the application and award process, if sufficient money is later deposited into the fund.

Reimbursement refunds

If DEV finds that an applicant that received a reimbursement materially violated any program requirements, DEV must direct the applicant to refund, with interest, all or any portion of the reimbursements the applicant received. As required by the bill, DEV must direct the refund to be made if it finds substantial evidence of the violation and after providing the applicant notice and the opportunity to respond. At DEV's direction, refunds must be deposited to the credit of the Broadband Pole Replacement Fund (described below). Interest on refunds must be at the applicable federal funds rate as determined in current law.⁵⁶

Broadband Pole Replacement Fund

The bill creates the Broadband Pole Replacement Fund in the state treasury. The fund is to be used by DEV to provide reimbursements awarded under the program and by the DEV Director to administer the program. The fund consists of money credited or transferred to it, money appropriated by the General Assembly, including from available federal funds, or money that the Controlling Board authorizes for expenditure from available federal funds, and grants, gifts, and contributions made directly to the fund. The bill makes an appropriation in FY 2024 to the Broadband Pole Replacement Fund from the State Fiscal Recovery Fund.

⁵⁶ R.C. 1304.84, not in the bill.

Program information on DEV website

The bill requires DEV to publish and regularly update its website with program information not later than 60 days after money is first deposited into the Broadband Pole Replacement Fund. The information that must be published includes the following:

- The number of program applications received, processed, and rejected by the Authority;
- The number, reimbursement amount, and status of reimbursements awarded;
- The number of providers receiving reimbursements;
- The balance remaining in the fund at the time of the latest program update on the website.

DEV report on deployments under program

Whenever the money in the Broadband Pole Replacement Fund is exhausted, the Authority, not later than one year after, must identify, examine, and report on the deployment of qualifying broadband infrastructure under the program and the technology facilitated by the reimbursements. The report must be published on the DEV website.

As described in more detail above, the bill does not define “qualifying broadband infrastructure.” But, the bill does define “broadband infrastructure” and “qualifying broadband service.” The use of a similar but undefined term in the bill may create some confusion about what DEV must report and how “qualifying broadband infrastructure” differs from “broadband infrastructure.”

Program audit

The bill also requires the Auditor of State to audit the Broadband Pole Replacement Fund and its administration by the Authority and DEV for compliance with the program’s requirements. The first audit must begin not later than one year after money is first deposited into the fund with subsequent audits to take place annually.

Sunset

The bill effectively sunsets the program by requiring payments under the Broadband Pole Replacement Fund to cease, and the fund to no longer be in force or have further application, on the date six years after the section creating this sunset provision takes effect.

The bill creates two exceptions to the sunset provision. For the period ending six months after the sunset date, DEV, in coordination with the Authority, must (1) complete the review of any applications that were submitted prior to the sunset date and pay reimbursements of the approved applications and (2) complete the review of any applications submitted not later than four months after the sunset date and pay reimbursements for the approved applications, if the reimbursements are for costs that were incurred prior to the sunset date.

After the reimbursements are paid as described in the exceptions above, if there is an outstanding balance in the fund, the bill requires the remaining balance to be returned to the original funding sources as determined by DEV.

Ohio State Fairgrounds study

(Section 701.30)

The bill requires DEV, not later than 120 days after the effective date of this provision, to conduct a study to determine if the Ohio State Fairgrounds should be relocated to an alternative location while redeveloping the existing Fairgrounds and Ohio Highway Patrol Training Facility site. The study must be conducted before the expenditure of any state funds on the redevelopment of the Fairgrounds and Training Facility site, including any engineering and architectural plans, infrastructure development, building demolition, and building construction on the current site.

The study must determine the following:

- The value of the existing Fairgrounds and Training Facility site and how the sale, lease, and rental of all or part of it can assist in funding the development of an alternative Fairgrounds site inside Franklin County or a contiguous county;
- The economic development benefits, using an input-output model, for the redevelopment of the existing Fairgrounds and Training Facility site into a mixed-use or other private sector development that may or may not include existing Ohio Exposition Commission facilities;
- A plan, potential cost, and financing structure for the development of an alternative Fairgrounds site in Franklin County or a contiguous county.

DEV must provide a copy of the completed survey to the Senate President, the Speaker of the House, and the Governor.

DEPARTMENT OF DEVELOPMENTAL DISABILITIES

County board membership

- Requires each county board of developmental disabilities to include at least one individual eligible to receive services provided by the board, in addition to two other such individuals or immediate family members of such individuals.
- Establishes procedures for appointing an individual to serve on a county board of developmental disabilities if an individual who is eligible to receive services from the board is unable to be appointed.

Developmental Disabilities Council meetings

- Eliminates the requirements that the Developmental Disabilities Council establish geographic limits and record a roll-call vote for each vote to allow a council member's remote participation.

Interagency workgroup on autism

- Designates the entity contracted to administer programs and services for individuals with autism and low incidence disabilities as the workgroup's coordinating body.
- Requires the workgroup to meet publicly at least twice per year and submit an annual report to the Department of Developmental Disabilities.

Innovative pilot projects

- Permits the Director of Developmental Disabilities to authorize, in FY 2024 and FY 2025, innovative pilot projects that are likely to assist in promoting the objectives of state law governing the Department and county boards.

County share of nonfederal Medicaid expenditures

- Requires the Director to establish a methodology to estimate in FY 2024 and FY 2025 the quarterly amount each county board is to pay of the nonfederal share of the Medicaid expenditures for which the board is responsible.

County subsidies used in nonfederal share

- Requires, under certain circumstances, that the Director pay the nonfederal share of a claim for ICF/IID services using subsidies otherwise allocated to county boards.

Medicaid rates for homemaker/personal care services

- For 12 months, requires the Medicaid rate for each 15 minutes of routine homemaker/personal care services provided to a qualifying enrollee in the Individual Options Medicaid waiver program be 52¢ higher than the rate for services to an enrollee who is not a qualifying enrollee.

Competitive wages for direct care workforce

- Requires that certain funds contained in the bill for provider rate increases be used to increase wages and needed workforce supports to ensure workforce stability and greater access to care for Medicaid recipients.

Direct care provider payment rates

- Increases direct care wages to \$17 an hour in FY 2024 beginning January 1, 2024, and to \$18 an hour for all of FY 2025 for certain direct care services provided under the Medicaid home and community-based services waivers administered by the Department.

Direct Support Professional Quarterly Retention Payments Program

- Establishes the Direct Support Professional Quarterly Retention Payments Program to be administered by the Department during FY 2024 and FY 2025.

Supported decision-making agreements

- Requires probate courts to consider supported decision making as a less restrictive alternative to guardianship for adults with developmental disabilities when evidence of a supported decision-making agreement is presented.
- Creates a presumption of competence and capacity for adults with developmental disabilities, unless deemed incompetent by a court.
- Establishes formal and informal supported decision-making options for adults with developmental disabilities and their supporters.
- Requires the Department to create a model supported decision-making agreement form.

Intermediate care facilities for individuals with intellectual disorders (ICFs/IID)

ICF/IID payment rate

- Increases the ICF/IID per Medicaid day payment rate by adding to the formula a professional workforce development payment amount.

New ICF/IID Medicaid peer group for certain youth

- For purposes of ICF/IID Medicaid payments, creates a new peer group for youth in need of intensive behavior support services.

Number of ICF/IID residents in same sleeping room

- Exempts ICF/IIDs that have specified bed capacities in counties with specified populations from the limitation that no more than two residents reside in the same sleeping room.

Recoupment for ICF/IID downsizing delay

- Repeals law requiring recoupment of payments made to ICFs/IID under a program that no longer exists.

Obsolete report repeal

- Repeals law requiring the Department to submit a report to the General Assembly in 2003, 2004, and 2005.

County board membership

(R.C. 5126.022)

The bill modifies the composition of each board of developmental disabilities to generally require each board to include at least one individual who is eligible to receive services provided by the board. Continuing law also requires the board to include two individuals who are eligible for services or are immediate family members of such individuals.

The bill authorizes a board of county commissioners to appoint as a member of a board of developmental disabilities an individual eligible to receive services from the board, but also permits a senior probate judge to appoint this individual. If the appointment is made by a senior probate judge, the bill specifies that the appointment satisfies the requirement for a board of county commissioners to make the appointment.

If a board of county commissioners is unable to appoint as a member of the board of developmental disabilities an individual who is eligible to receive services from the board, the bill requires the board of county commissioners to provide an explanation to the president of the county board of developmental disabilities explaining why the appointment could not be made. After providing this explanation, the bill permits a board of county commissioners to appoint another individual who meets the continuing law requirements to be a member of a board of developmental disabilities to serve as a member of the board.

Developmental Disabilities Council meetings

(R.C. 5123.35)

The bill removes two requirements related to remote meetings of the Ohio Developmental Disabilities Council. First, it removes the prerequisite that, for a Council member to participate in a meeting remotely by teleconference, roll call votes must be made for each vote taken. Second, it removes a requirement that the Council establish a geographic restriction for video conference or teleconference participation under the Council's rulemaking authority.

Interagency workgroup on autism

(R.C. 5123.0419)

The bill designates the entity contracted to administer programs and coordinate services for infants, preschool and school age children, and adults with autism and low incidence disabilities as the coordinating body of the interagency workgroup on autism that exists under

continuing law.⁵⁷ The workgroup is tasked with addressing the needs of individuals with autism and their families.

The bill requires the workgroup to submit an annual report to the Department of Developmental Disabilities detailing the group's recommendations as well as priorities and goals for the coming year. Under the bill, the coordinating body is responsible for ensuring the report is compiled and submitted and must contract with the Department to implement the recommendations made by the workgroup as well as any additional initiatives.

Finally, the bill requires the workgroup to meet publicly at least twice each year to report its work to the public and hear feedback.

Innovative pilot projects

(Section 261.120)

For FY 2024 and FY 2025, the bill permits the Director to authorize the continuation or implementation of innovative pilot projects that are likely to assist in promoting the objectives of state law governing the Department and county boards. Under the bill, a pilot project may be implemented in a manner inconsistent with the laws or rules governing the Department and county boards; however, the Director cannot authorize a pilot project to be implemented in a manner that would cause Ohio to be out of compliance with any requirements for a program funded in whole or in part with federal funds. Before authorizing a pilot project, the Director must consult with entities interested in the issue of developmental disabilities, including the Ohio Provider Resource Association, Ohio Association of County Boards of Developmental Disabilities, Ohio Health Care Association/Ohio Centers for Intellectual Disabilities, the Values and Faith Alliance, and ARC of Ohio.

County share of nonfederal Medicaid expenditures

(Section 261.100)

The bill requires the Director to establish a methodology to estimate in FY 2024 and FY 2025 the quarterly amount each county board is to pay of the nonfederal share of the Medicaid expenditures for which the board is responsible. With certain exceptions, existing law requires the board to pay this share for waiver services provided to an eligible individual. Each quarter, the Director must submit to the board written notice of the amount for which the board is responsible. The notice must specify when the payment is due.

County subsidies used in nonfederal share

(Section 261.130)

The bill requires the Director to pay the nonfederal share of a claim for ICF/IID services using funds otherwise appropriated for subsidies to county boards if (1) Medicaid covers the services, (2) the services are provided to an eligible Medicaid recipient who does not occupy a

⁵⁷ R.C. 3323.32 (not in Section 101.01 of the bill).

bed that was included in the Medicaid-certified capacity of another ICF/IID certified before June 1, 2003, (3) the services are provided by an ICF/IID whose Medicaid certification was initiated or supported by a county board, and (4) the provider has a valid Medicaid provider agreement when services are provided.

Medicaid rates for homemaker/personal care services

(Section 261.140)

The bill requires that the total Medicaid payment rate for each 15 minutes of routine homemaker/personal care services provided to a qualifying enrollee of the Individual Options Medicaid waiver program be 52¢ higher than the rate for services provided to an enrollee who is not a qualifying enrollee. The higher rate is to be paid only for the first 12 months, consecutive or otherwise, that the services are provided beginning July 1, 2023, and ending July 1, 2025. An Individual Options enrollee is a qualified enrollee if all of the following apply:

- The enrollee resided in a developmental center, converted ICF/IID,⁵⁸ or public hospital immediately before enrolling in the Individual Options waiver.
- The enrollee did not receive before July 1, 2011, routine homemaker/personal care services from the Medicaid provider that is to receive the higher Medicaid rate.
- The Director has determined that the enrollee's special circumstances (including diagnosis, services needed, or length of stay) warrant paying the higher Medicaid rate.

Competitive wages for direct care workforce

(Section 261.150)

The bill includes funding from the Department, in collaboration with the Departments of Medicaid and Aging, to be used for provider rate increases, in response to the adverse impact experienced by direct care providers as a result of the COVID-19 pandemic and inflationary pressures. The bill requires the provider rate increases be used to increase wages and workforce supports to ensure workforce stability and greater access to care for Medicaid recipients.

Direct care provider payment rates

(Section 261.75)

The bill earmarks Medicaid funds to be used to increase provider base wages to \$17 an hour in FY 2024, beginning January 1, 2024, and \$18 an hour in FY 2025, beginning July 1, 2024, for the following services provided under Medicaid components of the home and community-based services waivers administered by the Department:

1. Personal care services;

⁵⁸ A converted ICF/IID is an ICF/IID, or former ICF/IID, that converted some or all of its beds to providing services under the Individual Options waiver.

2. Adult day services;
3. ICF/IID services.

Direct Support Professional Quarterly Retention Payments Program

(Section 261.160)

The bill establishes the Direct Support Professional Quarterly Retention Payments Program to be administered by the Department during FY 2024 and FY 2025. The program will begin July 1, 2023, and operate until June 30, 2025. The Director of Developmental Disabilities must do all of the following in administering the program:

- Establish criteria for home and community-based providers to participate in the program;
- Implement an opt-in system where providers can elect to participate in the program;
- Develop provider requirements as prerequisites for program payments;
- Establish quarterly provider payments based on the percentage of the provider's reimbursed claims during the preceding quarter; and
- Collect program data.

The Director must consult with county boards of developmental disabilities, the Ohio Association of County Boards of Developmental Disabilities, and provider organizations to review the effectiveness of the program and make recommendations on its continuation.

Supported decision-making agreements

(R.C. 5123.68 through 5123.685)

Regarding current guardianship law, the bill establishes formal and informal supported decision-making agreements as a less-restrictive alternative to guardianship.⁵⁹ The bill creates a presumption that an adult with a developmental disability has the capacity to make life decisions and is competent to handle their own affairs, including entering into a supported decision-making agreement. Supported decision-making agreements, whether formal or informal, may be presented to a probate court as a less restrictive alternative to guardianship and must be considered by the court.

The bill provides options for both formal and informal supported decision-making agreements between an adult with a developmental disability – known as the principal – and one or more supporters of the adult's choice. Informal agreements exist when the principal relies on natural supports in their daily life, while a formal agreement must be written and signed voluntarily by the principal and witnessed by either a notary or two adult witnesses. The

⁵⁹ R.C. 2111.02(C)(5).

principal may revoke the agreement at any time by informing the supporter of the revocation, which must be presented in writing in the case of a formal agreement. Depending on the scope of the agreement, a supporter may assist the principal with matters, including:

- Making informed decisions;
- Understanding information and the consequences of decisions;
- Monitoring information about the principal's affairs;
- Understanding the principal's personal values, beliefs, and preferences and using that information to advocate for and implement the principal's decisions;
- Accompanying the principal to meetings with third parties, and participating in discussions and communicating the principal's decisions to those parties.

The bill imposes a fiduciary duty on the supporter and prohibits supporters from acting in contradiction to the expressed wishes of the principal. It also requires supporters to disclose any conflict of interest the supporter may have in a decision made by the principal and refrain from assisting the principal in that decision. Further, the bill provides that breach of fiduciary duty or intentional failure to disclose a conflict results in liability for all reasonable damages.

The Department must develop a model supported decision-making agreement that may be used by an adult with developmental disabilities and one or more supporters.

Intermediate care facilities for individuals with intellectual disorders (ICFs/IID)

ICF/IID payment rate

(R.C. 5124.15)

Under continuing law, each ICF/IID receives a per day payment amount for each Medicaid resident. The bill increases the ICF/IID Medicaid payment rate by adding to the formula a professional workforce development payment amount, equal to 13.5% in FY 2024 and 20.81% in FY 2025 of the ICF/IID's desk-reviewed, actual, allowable, per Medicaid day direct care costs from the applicable cost report year.

New ICF/IID Medicaid peer group for certain youth

(R.C. 5124.01)

The bill creates "peer group 6" as a new classification for ICF/IID Medicaid day payment rate determinations. The new group consists of ICFs/IID that have:

- A Medicaid-certified capacity not exceeding six;
- Submitted and received approval for a best practices protocol for providing services to youth up to 21 years old in need of intensive behavior support services;
- A contract with the Department that includes a provision for Department approval of all admissions to the ICF/IID; and

- Agreed to a reimbursement methodology established under existing rules.

Number of ICF/IID residents in same sleeping room

(R.C. 5124.70)

The bill exempts certain ICF/IIDs from the existing law requirement that generally prohibits an ICF/IID provider from permitting more than two residents to reside in the same sleeping room. An ICF/IID is exempt from these requirements if, on the bill's effective date, the ICF/IID meets one of the following requirements, as measured by the 2020 federal decennial census:

- The ICF/IID has a Medicaid-certified bed capacity between 60 and 70 beds and is located in a county with a population between 40,500 and 41,000;
- The ICF/IID has a Medicaid-certified bed capacity between 90 and 100 beds and is located in a county with a population between 242,000 and 243,000;
- The ICF/IID has a Medicaid-certified bed capacity between 55 and 60 beds and is located in a county with a population between 400,000 and 500,000;
- The ICF/IID has a Medicaid-certified bed capacity between 90 and 100 beds and is located in a county with a population between 1,300,000 and 1,400,000;
- The ICF/IID has a Medicaid-certified bed capacity between 120 and 130 beds and is located in a county with a population between 160,000 and 162,000.

Recoupment for ICF/IID downsizing delay

(Repealed R.C. 5124.39; R.C. 5124.45)

The bill repeals law that requires the Department to recoup money paid to certain ICFs/IID in a downsizing incentive program that no longer exists. ICFs/IID classified as former peer group 1-B and approved to downsize by July 1, 2018, were eligible to collect efficiency incentive payments from the Department. If an ICF/IID did not successfully downsize by that date, the Department was required to recoup the payment plus interest, unless the ICF/IID qualified for an exemption. The incentive and recoupment programs no longer exist.

Obsolete report repeal

(Repealed R.C. 5123.195)

The bill repeals law requiring the Department to submit a report regarding implementation of changes to the law governing residential facility licensure at the end of 2003, 2004, and 2005.

DEPARTMENT OF EDUCATION

School finance

Funding for FY 2024 and 2025

- Extends the operation of the school financing system established in H.B. 110 of the 134th General Assembly, with some changes, to FY 2024 and FY 2025.
- Extends to FY 2024 and FY 2025 the payment of temporary transitional aid and a formula transition supplement.

Student wellness and success fund

- Requires the Department of Education to notify, in each fiscal year, each school district, community school, and STEM school of the portion of the district or school's state share of the base cost that is attributable to the staffing cost for the student wellness and success component.
- Requires districts and schools to spend student wellness and success funds (SWSF) on the same initiatives required for disadvantaged pupil impact aid (DPIA) funds.
- Requires districts and schools to spend at least 50% of SWSF for either physical or mental health based initiatives, or a combination of both.
- Requires districts and schools to develop a plan to use SWSF in coordination with certain community based mental health treatment providers and other community partners.
- Requires that any SWSF allocated in any of FYs 2020 through 2023 be expended by June 30, 2025, and any unexpended funds be repaid to the Department.
- Beginning in FY 2024, requires all SWSF to be expended by the end of the following fiscal year, and any unexpended funds be repaid to the Department.
- At the end of each fiscal year, requires each district and school to submit a report to the Department describing the initiative or initiatives on which the district or school's SWSF were spent during that fiscal year.

Disadvantaged pupil impact aid

- Makes changes in initiatives for which schools may spend DPIA.

Gifted funding requirements

- Makes permanent, and in some cases revises, requirements regarding gifted student funding and services, including spending requirements, funding reductions for noncompliant spending, and reporting and auditing requirements.

Jon Peterson Special Needs Scholarship amounts

- Increases the base and category amounts for the Jon Peterson Special Needs Scholarship Program in proportion to the bill's estimated proposed increase of 12.1% to the statewide average base cost per pupil.

- Increases the funding cap for the Jon Peterson Special Needs Scholarship Program from \$27,000 to \$30,000.

Payment for districts with decreases in utility TPP value

- Requires the Department to make a payment, for FY 2024 and FY 2025, to each city, local, exempted village, or joint vocational school district that has at least one power plant within its territory and that experiences a 10% or greater decrease in the taxable value of utility tangible personal property (TPP) and an overall negative change in TPP subject to taxation.

Newly chartered nonpublic school auxiliary services funds

- Permits a newly chartered nonpublic school, within ten days of receiving its charter, to elect to receive auxiliary services funds directly.

DOPR e-school funding pilot program

- Makes permanent the pilot program that provides alternative funding to dropout prevention and recovery (DOPR) internet- or computer-based community schools (e-schools).

Student transportation

Nine-passenger vehicles

- Authorizes a school district to use a vehicle designed to carry nine passengers or less (not including the driver) in lieu of a school bus to transport chartered nonpublic school students under certain conditions.

Private and community school pupil transportation

- Requires a school district to provide each student in grades K-8, regardless of what type of school the student attends, substantially the same level of transportation service, route and schedule convenience, and pick-up and drop-off times relative to the student's school's start and end times.

Noncompliance penalty

- Requires the Department to determine penalty fees related to transportation based upon the number of students affected rather than the total daily transportation amount.

Pilot program

- Establishes a pilot program under which an educational service center provides transportation to students enrolled in participating community schools, STEM schools, and chartered nonpublic schools in the 2023-2024 school year.

Third Grade Reading Guarantee

- Beginning with the 2023-2024 school year, eliminates student retention under the Third Grade Reading Guarantee.

- Requires only one administration of the third-grade English language arts assessment per year.
- Expands the grade bands for which school districts and chartered nonpublic schools are required to provide reading intervention services.
- Expands from three to five the grades in which the State Board of Education must prescribe standards for the teaching of phonics and in-service training programs for teachers.
- Establishes a safe harbor for students retained under the Guarantee in the 2022-2023 school year.

Dyslexia screening and intervention

Transfer students

- Requires school districts and schools to administer grade-level aligned dyslexia screenings to students enrolled in grades K-6 who transfer into the district or school midyear.
- Exempts a district or school from administering a tier one dyslexia screening measure to a transfer student who received a screening in that school year from the student's original school.
- Generally requires a district or school to administer the dyslexia screening within 30 days of transfer student enrollment or request, though a kindergarten transfer student screening may be performed at the regularly scheduled screening for all kindergartners if the student transfers before that assessment has been performed.

Screening measures

- Requires the Department to identify a tier one dyslexia screening measure by January 1, 2024, to be made available to public schools free of charge that they may use beginning in the 2024-2025 school year.

Professional development

- Requires teachers hired after April 12, 2021, to complete dyslexia professional development training by the later of two years after the date of hire or prescribed dates, unless the teacher has completed the training while employed by a different district.

Ed Choice

Expansion income threshold

- Increases from 250% to 450% the federal poverty level (FPL) income eligibility threshold that a recipient's family must meet to qualify for an Ed Choice Expansion Scholarship.

Scholarship student performance data comparison system

- Requires the Department to develop one or more measures to demonstrate the performance of scholarship students enrolled in chartered nonpublic schools to enable comparison against students enrolled in public schools.

Family income disclosure

- Prohibits a chartered nonpublic school participating in Ed Choice from requiring a student's parent to disclose, as part of the school's admission procedure, whether the student's family income is at or below 200% FPL.

Educator licensing and permits

Ohio Teacher Residency Program

- Permits mentoring under the teacher residency program to occur online or in-person.
- Requires the Department to provide no-cost access to online professional development resources.
- Provides a no-cost opportunity for online coaching to participants who do not pass the Resident Educator Summative Assessment (RESA).
- Permits participants who have not taken the RESA to receive online coaching if the participant's district or school pays for the associated costs.
- Prohibits the State Board from limiting the number of attempts participants have to successfully complete the RESA.

Professional development for classroom teachers

- Requires school districts, community schools, and STEM schools to provide one day of professional development leave per school year for each classroom teacher to observe a veteran classroom teacher.
- Requires local professional development committees to consider a teacher's observation of a veteran teacher as part of the continuing education required for license renewal.

Alternative resident educator license

- Reduces the alternative resident educator license from four to two years.
- Permits the holder of an alternative resident educator license to teach preschool students.

Licensure grade bands

- Expands the grades bands for which an individual may receive a resident educator license, professional educator license, senior professional educator license, or a lead professional educator license to pre-K -8 or grades 6-12.

Pre-service teaching for compensation

- Establishes a three-year pre-service teaching permit for student teachers that authorizes them to substitute teach and receive compensation for it.

Alternative military educator license

- Requires the State Board, in consultation with the Chancellor of Higher Education, to establish an alternative military educator license that permits eligible military individuals to receive an educator license on an expedited timeline.

Computer science educator licensure

- Permits industry professionals to teach 40 hours a week in computer science without taking a content examination.
- Requires all computer science licenses to carry a grade band designation.

School counselor licensure

- Codifies the requirements for an initial five-year professional pupil services license in school counseling.
- Adds as a new requirement for an initial license that an applicant complete 12 hours of specified training about the building and construction trades.
- Requires an individual who holds a license to complete at least four hours of specified training about the building and construction trades.

Community school employee misconduct

- Prohibits a community school from employing a person if the person's educator license was permanently revoked or denied or if the person entered into a consent agreement in which the person agreed not to apply for an educator license in the future.

Private school educator certification

- Makes explicit that the State Board must issue teaching certificates to private school administrators, supervisors, and teachers who hold a master's degree from an accredited college or university.

English learners

- Eliminates an exemption excusing English learners who have been enrolled in U.S. schools for less than a year from any reading, writing, or English language arts state assessments.
- Eliminates an exemption that excluded, except when required by federal law, English learners who have been enrolled in U.S. schools for less than a year from state report card performance measures.
- Requires English learners to be included in performance measures on the state report card in accordance with the state's federally approved plan to comply with federal law.

- Requires the State Board to adopt rules related to educating English learners that conform to the state's federally approved plan.

School emergency management plans

- Specifies that all records related to a school's emergency management plan and emergency management tests are security records and are not subject to Ohio's public records laws.
- Extends the annual deadline for a school administrator to submit the school district's or school's emergency management plan to the Director of Public Safety from July 1 to September 1.

Career-technical courses at Ohio Technical Centers

- Permits school districts, upon approval from the Department, to contract with Ohio Technical Centers (OTCs) to serve students in grades 7-12 enrolled in a career-technical education program at the district but cannot enroll in a course for specified reasons.
- Requires a district to award students high school credit for completion of a course at an OTC.
- Permits a district and an OTC that enter into an agreement to establish alternate amounts that the district must pay to the OTC.
- Permits the district to use career-technical education funds to pay for any costs incurred by students enrolling in courses at an OTC.
- Requires the Department to consider costs of a student enrolling in an OTC as an approved career-technical education expense.
- Permits an individual who holds an adult education permit issued by the State Board and is employed by an OTC to provide instruction to a student in grades 7-12 enrolled in a course at an OTC.

Literacy improvement grants

Professional development stipends

- Requires the Department to reimburse school districts, community schools, and STEM schools for stipends for teachers to complete professional development in the science of reading and evidence-based strategies for effective literacy instruction provided by the Department.
- Requires all teachers and administrators to complete the professional development not later than June 30, 2025, unless they have previously completed a similar course.
- Requires each district and school to pay teachers who complete the professional development stipends of \$1,200 or \$400 dependent upon subject and grade band.

Subsidies for core curriculum and instructional materials

- Requires the Department to subsidize the cost for school districts, community schools, and STEM schools to purchase high-quality core curriculum and instructional materials in English language arts and evidence-based reading intervention programs from the lists established by the Department under the bill.
- Requires the Department to conduct a survey to collect information on the core curriculum and instructional materials in English language arts in grades pre-K through 5 and the reading intervention programs in grades pre-K through 12 that are being used by public schools.

Literacy supports coaches

- Requires the Department to use funds for coaches to provide literacy supports to public schools with the lowest rates of proficiency in literacy based on their performance on the English language arts assessments.

Early literacy activities

- Requires the Department to use funds to support early literacy activities to align state, local, and federal efforts in order to bolster all students' reading success.

Other

State minimum teacher salary schedule

- Increases the minimum base salary for beginning teachers with a bachelor's degree from \$30,000 to \$40,000 and proportionally increases the minimum salaries for teachers with different levels of education and experience.

Teacher loan repayment program

- Creates a loan repayment program to provide awards to eligible teachers to teach in "high-needs" subject areas for five consecutive years at public schools that have persistently low performance ratings on the state report card and difficulty attracting and retaining teachers.
- Establishes the Teacher Loan Repayment Fund to consist of the amounts designated for the program.

FAFSA education

- Requires instruction on the free application for federal student aid (FAFSA) as part of the financial literacy education required for students to graduate high school.

Literacy instructional materials

- Requires the Department to compile a list of high-quality core curriculum and instructional materials in English language arts and a list of evidence-based reading intervention programs that are aligned with the science of reading and strategies for effective literacy instruction.

- Not later than the 2024-2025 school year, requires each school district, community, and STEM school to use the core curriculum, instructional materials, and intervention programs from the lists compiled by the Department.
- Prohibits a district or school from using the “three-cueing approach” to teach students to read unless the district or school receives a waiver from the Department, but permits waivers for individual students.
- Defines “three-cueing approach” as any model of teaching students to read based on meaning, structure and syntax, and visual cues.
- Requires the Department to identify vendors that provide professional development to educators, including pre-service teachers and faculty employed by educator preparation programs, on the use of high-quality core curriculum, instructional materials, and reading intervention programs.

EMIS reporting of literacy instructional materials

- Requires districts and schools to report to the Education Management Information System (EMIS) the English language arts curriculum and instructional materials it is using in each of grades pre-K-5 and the reading intervention programs being used in each of grades pre-K-12.

Training for school athletic coaches

- Prohibits an individual from coaching an athletic activity at a public or chartered nonpublic school unless the individual has completed a student mental health training course approved by the Department of Mental Health and Addiction Services.
- For renewal of pupil activity permits, changes the frequency of sudden cardiac arrest training from annually to sometime within the duration of the permit.

Seizure action plans

- Requires public and chartered nonpublic schools to create an individualized seizure action plan for each enrolled student who has an active seizure disorder diagnosis.
- Requires at least one employee at each school to be trained on implementing seizure action plans.
- Provides a qualified immunity in a civil action for money damages for school districts and schools and their officers and employees for injury, death, or other loss allegedly arising from providing care or performing duties under the bill.
- Entitles the provisions “Sarah’s Law for Seizure Safe Schools Act.”

School meals

- Provides free breakfast and lunch to students eligible for a reduced-price meal by requiring the Department to provide reimbursements to schools and other programs that participate in the National School Breakfast or Lunch Program and requiring schools and programs to provide meals at no cost to qualifying students.

Transfer of student records

- Requires public or chartered nonpublic schools to transmit a transferred student's school records within five school days after receiving a request from the school or district that the student is attending.

JCARR review of changes regarding community schools

- Subjects to Joint Committee on Agency Rule Review-approval any proposed changes to EMIS or the Department's business rules and policies that may affect community schools.

Department policies

- Requires each policy established by the Department to comply with statutes and rules in existence at the time the policy is established and other requirements.
- Requires the Department to review each policy 90 days after the amendment's effective date, and every five years thereafter, and prepare a public record certifying that it has been reviewed.
- Permits a person to make a complaint with the Superintendent of Public Instruction alleging that a policy does not comply with the bill's new requirements.
- Requires the Department to give public notification and opportunity for comment of all of its proposed policies.

School counselor liaison

- Requires the Superintendent of Public Instruction to designate at least one employee of the Department to serve as a liaison to school counselors across the state.

Autism Scholarship intervention services providers

- Qualifies registered behavior technicians and certified Ohio behavior analysts as providers that may offer intervention services under the Autism Scholarship Program.
- Prohibits the State Board from requiring registered behavior technicians and certified Ohio behavior analysts to have an instructional assistant permit to qualify to provide services to a child under the Autism Scholarship Program.

E-school standards

- Changes the source for the standards with which e-schools must comply.

Pilot funding for dropout recovery e-schools

- Extends to FY 2024 and FY 2025 the pilot program providing additional funding for certain e-schools operating dropout prevention and recovery programs on a per-pupil basis for students in grades 8-12.

Quality Community School Support Program

- Continues the Quality Community School Support Program.

- Expands the program to include qualifying independent STEM schools.

E-Rate matching grants pilot project

- Requires the Department to establish and administer a pilot project that provides state matching grants in FYs 2024 and 2025 to school districts, educational service centers, other public schools, or libraries.
- Requires school districts, educational service centers, public schools, or libraries to first be approved by the appropriate entity for the federal Universal Service Fund's Schools and Libraries program (E-Rate) funding and for special construction broadband expansion meeting the Federal Communications Commission's (FCC) long term E-Rate targets to be eligible for the pilot project.
- Requires the Department to begin to accept pilot project applications not later than 90 days after the pilot project law's effective date.
- Requires the Department to establish processes for accepting pilot project applications and making eligibility determinations that are consistent with E-Rate.
- Prohibits the Department from establishing eligibility criteria more stringent than E-Rate approval and special construction meeting the FCC's long term E-Rate targets.
- Permits the Department to establish rules to carry out the pilot project under the Administrative Procedure Act, and exempts such rules from the regulatory restriction limitation in current law.

Financial Literacy and Workforce Readiness Programming Initiative

- Establishes the Financial Literacy and Workforce Readiness Programming Initiative to operate in FY 2024 and FY 2025.

Studies

- Requires the Department to conduct studies evaluating student wellness and success funds, the feasibility of requiring all-day kindergarten, and providing services to economically disadvantaged students.

Academic distress commissions

- Prohibits the Superintendent of Public Instruction from establishing any new academic distress commissions (ADCs) for the 2023-2024 and 2024-2025 school years.

State share of local property taxes in five-year forecasts

- Requires the Department and Auditor of State to label the property tax allocation projections in a school district's five-year forecast as the "state share of local property taxes."

School finance

Funding for FY 2024 and 2025

(R.C. 3314.08, 3317.011, 3317.012, 3317.014, 3317.016, 3317.017, 3317.018, 3317.019, 3317.0110, 3317.02, 3317.021, 3317.022, 3317.024, 3317.026, 3317.0212, 3317.0213, 3317.0215, 3317.0217, 3317.0218, 3317.051, 3317.11, 3317.16, 3317.162, 3317.20, 3317.201, 3317.25, and 3326.44; Sections 265.280 and 265.290)

The bill extends the operation of the current school financing system to FY 2024 and FY 2025, but with the following changes:

1. Updates the data used to calculate the base cost from FY 2018 data to FY 2022 data;
2. Requires the use of FY 2024 statewide average base cost per pupil in FY 2024 and FY 2025;
3. Requires the use of FY 2024 statewide average career-technical base cost per pupil in FY 2024 and FY 2025;
4. Increases the general phase-in and disadvantaged pupil impact aid phase-in percentages from 33.33% in FY 2023 to 50% in FY 2024 and 66.67% in FY 2025;
5. Increases the minimum transportation state share percentage from 33.33% in FY 2023 to 37.5% in FY 2024 and 41.67% in FY 2025;
6. Increases the career awareness and exploration per pupil amount from \$5 in FY 2023 to \$7.50 in FY 2024 and \$10 in FY 2025;
7. Increases the gifted professional development per pupil amount from \$14 in FY 2023 to \$21 in FY 2024 and \$28 in FY 2025; and
8. Clarifies that a school district's building operations cost in the aggregate base cost calculation does not use a six-year average of the average building square feet per pupil and average cost per square foot for all districts in the state but instead uses only FY 2018 data.

In addition, the bill extends to FY 2024 and FY 2025 the payment of temporary transitional aid based on a FY 2020 funding base and a formula transition supplement based on a FY 2021 funding base.

For background information on the current school financing system, see the LSC [Final Analysis \(PDF\) for H.B. 110 of the 134th General Assembly](#), which enacted the system, and the LSC [Final Analysis \(PDF\) for H.B. 583 of the 134th General Assembly](#), which made a number of corrective and technical changes to it. Both final analyses are available on the General Assembly's website: legislature.ohio.gov.

Student wellness and success funds

(R.C. 3317.26)

Spending requirements

The bill codifies provisions of the student wellness and success funds (SWSF) that require the Department of Education to notify, in each fiscal year, each school district,

community school, and STEM school, of the portion of the district or school's state share of the base cost that is attributable to the staffing cost for the student wellness and success component of the base cost.

It also codifies the provision that requires districts and schools to spend SWSF it receives on the same initiatives for which schools must spend disadvantaged pupil impact aid (DPIA) funds. (See "**Disadvantaged pupil impact aid**," below). Of those initiatives, the bill further requires districts and schools to spend at least 50% of SWSF for either physical or mental health based initiatives, or a combination of both. Current law does not prescribe requirements on which districts and schools must spend SWSF.

Additionally, districts and schools must develop a plan to use SWSF in coordination with both: (1) a community mental health prevention or treatment provider or their local board of alcohol, drug addiction and mental health services, and (2) a community partner identified under continuing law. Within 30 days of the completion or amendment of this plan, the bill requires districts and schools to share the plan at a meeting of a public district board of education or governing authority and post it to the district or school's website.

At the end of each fiscal year, each district and school must submit a report to the Department, in a manner determined by the Department, describing the initiative or initiatives on which the district or school's SWSF were spent during that fiscal year.

Unexpended funds

The bill requires that any SWSF allocated in any of FYs 2020 through 2023 be expended before June 30, 2025, and requires any unexpended funds to be repaid to the Department.

Beginning in FY 2024, the bill requires all SWSF to be spent by the end of the following fiscal year and, again, requires any unexpended funds to be repaid to the Department.

The bill permits the Department to develop a corrective action plan if it determines that a district or school is not spending the SWSF funds correctly and further permits the Department to withhold SWSF if a district or school is found to be out of compliance with the action plan.

Disadvantaged pupil impact aid

(R.C. 3317.25)

Under current law, disadvantaged pupil impact aid (DPIA) is calculated based on the number and concentration of economically disadvantaged students enrolled at each school and district. H.B. 110 of the 134th General Assembly required that a district must develop a plan for utilizing its DPIA in coordination with one of the following: a board of alcohol, drug, and mental health services, an educational service center (ESC), a county board of developmental disabilities, a community-based mental health treatment provider, a board of health of a city or general health district, a county department of job and family services, a nonprofit organization with experience serving children, or a public hospital agency.

Current law prescribes initiatives upon which DPIA must be spent. The bill makes changes to some of those initiatives. The table below illustrates the current initiatives and the changes made by the bill (these changes apply to both DPIA funds and SWSF):

Initiatives	
Current law	The bill
Extended school day and school year	No change
Reading improvement and intervention	Requires reading improvement and intervention to be aligned with the science of reading and evidence-based strategies for effective literacy instruction
Instructional technology or blended learning	No change
Professional development in reading instruction for teachers of students in kindergarten through third grade	Requires professional development be aligned with the science of reading and evidence-based strategies for effective literacy instruction
Dropout prevention	No change
School safety and security measures	No change
Community learning centers that address barriers to learning	No change
Academic interventions for students in any of grades six through twelve	No change
Employment of an individual who has successfully completed the bright new leaders for Ohio schools program as a principal or an assistant principal	No change
Mental health services, including telehealth services	Adds community-based behavioral health services, and recovery supports
Culturally appropriate, evidence-based or evidence-informed prevention education, including youth-led programming and social and emotional learning curricula to promote mental health and prevent substance use and suicide	Changes prevention “education” to prevention “services” and removes the requirement that prevention services include social and emotional learning, but adds trauma-informed services
Services for homeless youth	No change

Initiatives	
Current law	The bill
Services for child welfare involved youth	No change
Community liaisons or programs that connect student to community resources, including city connects, communities in schools, and other similar programs	Adds behavioral wellness coordinators as a possible liaison
Physical health care services, including telehealth services	Requires physical health care service initiatives to include community-based health services
Family engagement and support services	No change
Student services provided prior to or after the regularly scheduled school day or any time school is not in session, including mentoring programs	No change

Background

H.B. 110 of the 134th General Assembly repealed the requirement for the Department to pay SWSF and enhancement funds to school districts, community schools, and STEM schools and the spending requirements for those funds, but applied similar spending requirements to disadvantaged pupil impact aid. However, that act included district's staffing cost for SWSF in the calculation of a district or school's base cost.

Gifted funding requirements

(R.C. 3317.022, 3324.05, and 3324.09)

The bill makes permanent, and in some cases revises, a series of requirements regarding gifted student funding that, under current law, apply only to FYs 2022 and 2023. Those requirements include how school districts spend gifted funding, how the Department reduces funding for noncompliance, and what information is included in reports regarding services for gifted students.

Spending requirements

The bill makes permanent the requirement that a school district only spend its gifted funding on specifically authorized services and providers. However, it revises on which services and providers those funds may be spent.

The table below indicates the services or providers that were authorized for FY 2022 and FY 2023 under current law and whether the bill authorizes it permanently or eliminates it.

Services or providers	Made permanent or eliminated
Gifted student identification	Made permanent
Gifted coordinator services	Made permanent
Gifted intervention specialist services	Made permanent
Gifted professional development	Made permanent
Other Department-approved service providers	Eliminated

Reduction of funds for noncompliance

The bill also makes permanent a requirement that the Department, if it determines a district did not spend its gifted funding on authorized services and providers, reduce the district's state funding for the fiscal year by the misspent amount. In addition, the bill requires the Department to reduce a district's state funding within 180 days after the end of the fiscal year.

Reporting and auditing requirements

The bill makes permanent the requirement that each school district include the number of students identified in each gifted category in its annual report to the Department regarding the screening, assessment, and identification of gifted students.

In addition, the bill makes permanent the requirement that the Department annually publish data submitted by districts regarding services offered to gifted students and the district's number of gifted intervention specialists and coordinators. Furthermore, the bill requires the Department to report the services offered in grade bands of K-2, 3-6, 7-8, and 9-12, rather than K-3, 4-8, and 9-12 as under current law for FY 2022 and 2023.

The bill also makes permanent the requirement that the Department annually publish on its website a district's gifted funding for the prior fiscal year and each district's expenditure of those funds. It eliminates a separate report that required the Department, for FY 2024 and each year thereafter, that the Department publish on its website only the district's expenditure of funds for the previous fiscal year.

Finally, the bill makes permanent the requirement that, when the Department audits a school district's identification numbers as required under continuing law, it also audit the district's service numbers.

Jon Peterson Special Needs Scholarship amounts

(R.C. 3317.022)

The bill increases the base and category amounts for the Jon Peterson Special Needs Scholarship (JPSN) Program in proportion to the bill's estimated proposed increase of 12.1% to

the statewide average base cost per pupil. The base and category amount increases are as follows:

1. Increases the base amount from \$6,414 to \$7,190;
2. Increases the Category 1 amount from \$1,562 to \$1,751;
3. Increases the Category 2 amount from \$3,963 to \$4,442;
4. Increases the Category 3 amount from \$9,522 to \$10,673;
5. Increases the Category 4 amount from \$12,707 to \$14,243;
6. Increases the Category 5 amount from \$17,209 to \$19,290;
7. Increases the Category 6 amount from \$25,370 to \$28,438.

The bill also increases the maximum scholarship award for the JPSN Program from \$27,000 to \$30,000.

The bill maintains current law requirements with regard to how scholarships under the program are determined, limiting a scholarship to the least of (a) the fees charged by the student's alternative public provider or registered private provider, (b) the sum of the base amount and the student's category amount, and (c) the maximum amount.

Background

The Jon Peterson Special Needs Scholarship Program provides scholarships to eligible students in grades K through 12 who have an Individualized Education Program (IEP) established by their resident school districts. The amount of each scholarship "category" is based on the primary disability condition identified on the student's Evaluation Team Report (ETR).

Payment for districts with decreases in utility TPP value

(Section 265.310)

The bill requires the Department to make a payment, for FY 2024 and FY 2025, to each city, local, exempted village, or joint vocational school district that has at least one power plant within its territory and that experiences a 10% or greater decrease in the taxable value of utility tangible personal property (TPP) and an overall negative change in TPP subject to taxation. To qualify for the FY 2024 payment, a district must have experienced this decrease between tax years 2017 and 2023 or tax years 2022 and 2023. To qualify for the FY 2025 payment, a district must have experienced this decrease between tax years 2017 and 2024 or tax years 2023 and 2024.

Eligibility determination

The Tax Commissioner must determine which districts are eligible for this payment no later than May 15, 2024 (for the FY 2024 payment) or May 15, 2025 (for the FY 2025 payment). For each eligible district, the Commissioner must certify the following information to the Department:

1. If the district is eligible for the FY 2024 payment, its total taxable value for tax year 2023 and the change in taxes charged and payable on the district's total taxable value for tax years 2017 and 2023; and

2. If the district is eligible for the FY 2025 payment, its total taxable value for tax year 2024 and the change in taxes charged and payable on the district's total taxable value for tax years 2017 and 2024; and

3. If the district is eligible for either payment, the taxable value of the utility TPP decrease and the change in taxes charged and payable on the change in taxable value.

Payment amount

The bill requires the Department, for purposes of computing the payment, to replace the three-year average valuations used in computing a district's state education aid for FY 2019 with the district's total taxable value for tax year 2023 (for the FY 2024 payment) or tax year 2024 (for the FY 2025 payment). It then must recompute the state education aid for FY 2019 without applying any funding limitations enacted by the General Assembly.

The amount of a district's payment is the *greater* of 1 or 2 as described below:

1. The lesser of either:

a. The positive difference between the district's state education aid for FY 2019 prior to the recomputation and the district's recomputed state education aid for FY 2019; or

b. The absolute value of the change in taxes charged and payable on the district's total taxable value for tax years 2017 and 2023 (for the FY 2024 payment) or for tax years 2017 and 2024 (for the FY 2025 payment).

2. 0.50 times the absolute value of the change in taxes charged and payable on the district's total taxable value for tax years 2017 and 2023 (for the FY 2024 payment) or for tax years 2017 and 2024 (for the FY 2025 payment).

Payment deadline

The Department must make FY 2024 payments between June 1 and June 30, 2024, and must make FY 2025 payments between June 1 and June 30, 2025.

Codified law payment

The bill prohibits the Department from calculating or making a similar payment prescribed under codified law for FY 2024 and FY 2025.⁶⁰

⁶⁰ R.C. 3317.028, not in the bill.

Newly chartered nonpublic school auxiliary services funds

(R.C. 3317.024)

The bill permits a newly chartered nonpublic school, within ten days of receiving a notification of the approval and issuance of its charter, to elect to receive auxiliary services funds directly. Under the bill, a chartered nonpublic school that does not make an election will receive auxiliary services funds paid to the school district in which the chartered nonpublic school is located. Law unchanged by the bill permits chartered nonpublic schools to choose whether to receive auxiliary services funds directly from the Department. Otherwise, by default a school receives those funds through the school district in which it is located.

Under law unchanged by the bill, a chartered nonpublic school may later elect to directly receive funds by notifying the Department and school district in which the school is located by April 1 of each odd-numbered year and submitting an affidavit certifying that the school will use the funds for auxiliary services in the manner required by law. Similarly, a chartered nonpublic school may rescind its election to receive funds directly by notifying the Department and school district in which the school is located by April 1 in an odd-numbered year. Election changes take effect on July 1 following the submitted change.

Auxiliary services funds are used to purchase goods and services for students who attend chartered nonpublic schools, such as textbooks, digital texts, workbooks, instructional equipment, library materials, or tutoring and other special services.⁶¹

DOPR e-school funding pilot program

(R.C. 3317.22)

The bill makes permanent the pilot program that provides alternative funding to dropout prevention and recovery (DOPR) internet- or computer-based community schools (e-schools). It also expands eligibility to participate in that program to any DOPR e-school and adds additional requirements to some or all of the e-schools that choose to participate in the program.

Eligibility

The bill qualifies any e-school in which a majority of students were enrolled in a dropout prevention and recovery program. Any school that chooses to participate in the program must notify the Department in a form and manner determined by the Department. Any DOPR e-school that receives funding for a fiscal year under the program cannot receive state foundation funding.

Payment

The Department must pay each participating e-school, for its students enrolled in grades 8-12, an amount based on student participation and course completion. The section outlines a

⁶¹ See R.C. 3317.06 and 3317.062, neither in bill.

payment calculation for the program. However, these provisions do not appear to be operative, as funding is provided only for the uncodified e-school funding pilot that remains in the bill.⁶²

The Department must require each participating e-school to report all information necessary to make the payment.

Additional requirements for pilot program participants

Enrollment review

The bill requires the Department to conduct a review of the enrollment of each participating e-school.⁶³ If the Department determines an e-school has been overpaid based on this review, the Department must require a repayment of the overpaid funds and may require the e-school to establish a plan to improve the reporting of enrollment.

Debt reduction plan

The bill permits the Department to require each participating e-school to create a debt reduction plan approved by the school's sponsor, if determined appropriate by the Department.

Student engagement plan

The bill specifies that, if a participating school had a percentage of student engagement in learning opportunities that was less than 65%, the school must provide to the Department a meaningful plan for increasing student engagement.

Documentation of enrollment and learning opportunities

The bill requires all participating e-schools to implement programming or a protocol which documents enrollment and student participation in learning opportunities.

Student transportation

Nine-passenger vehicles

(R.C. 4511.76)

The bill authorizes a school district to use a vehicle designed to carry nine passengers or less (not including the driver) to transport students to and from a chartered nonpublic school for regularly scheduled school sessions if all of the following apply:

1. The number of students transported is nine or less;
2. The district regularly transports students to that chartered nonpublic school; and
3. The driver meets the standard Department requirements for a school bus or motor van driver (e.g., background checks and training), with the exception that the driver does not

⁶² Section 265.320.

⁶³ R.C. 3314.08(K).

need to have a commercial driver's license. The driver must, however, have a current, valid driver's license and be accustomed to operating the vehicle that is transporting the students.

Currently, under the Department's rules, the vehicles described above cannot be used routinely for regularly scheduled school sessions, except for transporting preschool children, special needs children, homeless children, foster children, children who are inaccessible to school buses, students placed in alternative schools, or for work programs.⁶⁴

Private and community school pupil transportation

(R.C. 3327.01)

The bill requires a school district to provide each student it transports in grades kindergarten through eight substantially the same level of transportation service, route and schedule convenience, and pick-up and drop-off times relative to the student's school's start and end times regardless of whether the student attends a school operated by the district or a nonpublic or community school.

Generally, under current law, a school district must provide transportation for students in grades K-8 who live more than two miles from school, whether they attend district schools; public community schools; science, technology, engineering, and mathematics (STEM) schools; or private schools that hold a state charter. There are exceptions, however, such as when transportation to a community or STEM school or private school exceeds 30 minutes, or when the district board determines transportation to be impractical and offers to pay a parent instead. But students in certain circumstances, such as students with disabilities and homeless students, are entitled to transportation regardless of age or distance from school. Moreover, a district may choose to transport any student it is not legally required to transport.

Noncompliance penalty

(R.C. 3327.021)

The bill requires the Department to determine the penalty fees to be deducted from a school district's transportation payment for consistent or prolonged periods of noncompliance with student transportation requirements based on the number of students who did not receive the required transportation, including students who arrived to school late, for each day of noncompliance.

Under current law, if the Department determines that a school district has had a consistent or prolonged period of student transportation noncompliance, then the Department must deduct from the school's transportation payment the total daily amount of that payment for each day that the district is not in compliance.

⁶⁴ O.A.C. 3301-83-19.

Pilot program

(Section 265.550)

The bill requires the Department to establish a pilot program under which an educational service center (ESC) will provide transportation to students enrolled in participating community schools, STEM schools, and chartered nonpublic schools for the 2023-2024 school year, in lieu of the students receiving transportation from their resident school district. The Department must take a regional approach to the pilot program when possible.

By August 1, 2023, the Department must select, in collaboration with the Ohio ESC Association Program Cabinet, up to five ESCs and a school district served by each ESC to participate in the pilot program. The Department and Ohio ESC Association Program Cabinet must determine a form and manner for interested ESCs to apply for the pilot program.

The Department, Ohio ESC Association Program Cabinet, and selected ESCs jointly must identify community schools, STEM schools, and chartered nonpublic schools that enroll students from the selected school district and for whom the ESCs will provide transportation during the 2023-2024 school year. However, community schools, STEM schools, and chartered nonpublic schools cannot be required to participate in the pilot program.

During the 2023-2024 school year, the Department and Ohio ESC Association Program Cabinet must develop, and participating ESCs must implement, the pilot program's transportation procedures and a payment structure for transportation funding between participating school districts and schools.

The bill exempts participating ESCs and school districts during the 2023-2024 school year from penalties for consistent or prolonged noncompliance with the student transportation law. The bill also exempts participating ESCs from the prohibition on a community school sponsor selling any goods or services to a community school it sponsors.⁶⁵ However, the bill requires participating ESCs to comply with all transportation requirements for students with disabilities as specified in the individualized education programs developed for those students.

The Department and Ohio ESC Association Program Cabinet must evaluate and issue a report of the pilot program's findings and recommendations by July 1, 2024. The report must include data on the impact the pilot program has had on attendance at the participating schools, the finances of the participating schools, and any other metrics determined by the Department and Ohio ESC Association Program Cabinet. Participating ESCs and schools must submit data and other information to the Department in a manner determined by the Department, to be used for the evaluation of the program.

⁶⁵ See R.C. 3314.46, not in the bill.

Third Grade Reading Guarantee

(R.C. 3301.07, 3301.0711, 3301.163, 3302.151, and 3313.608; Section 733.10)

Beginning with students who enter the third grade in the 2023-2024 school year, the bill eliminates the retention of third grade students who do not attain the required score on the third-grade English language arts achievement assessment under the Third Grade Reading Guarantee. In addition, beginning with the 2023-2024 school year, the bill requires only one administration of the third-grade English language arts assessment per year.

Remediation and intervention plans

The bill generally maintains the requirement that public (school districts, community schools, and STEM schools) and private (chartered nonpublic) schools offer intervention and remediation services to students reading below grade level.

However, the bill makes the following changes to intervention and remediation services requirements for both public and private schools:

1. Increases from three to five the grades for which schools are required to provide reading intervention services;
2. Requires public schools to offer reading improvement and monitoring plans for students in grades four or five who have been identified as having reading skills below grade level;
3. Requires private schools to provide intensive reading instruction services, as determined appropriate by the school;
4. Requires schools to offer reading improvement and monitoring plans or, for private schools, intensive reading instruction services, for students who were retained in any of grades kindergarten through three and received remediation services but continue to read below grade level.

Phonics instruction

The bill expands from kindergarten through three to kindergarten through five the grades for which the State Board of Education must prescribe standards for the teaching of phonics. The bill commensurately expands the grade bands for which the State Board must provide in-service training programs for teachers on the use of phonics as a technique in the teaching of reading.

Safe harbor

The bill requires school districts and schools that retained students for the 2023-2024 school year based solely on that student's score on the third grade achievement assessment in reading in the 2022-2023 school year to promote those students to the fourth grade.

Background

The Third Grade Reading Guarantee is a program to identify students in grades K through 3 who are reading below grade level. Schools must administer diagnostic

assessments in reading for those grades to identify students who are reading below grade level and to provide intervention services for those students prior to taking the third-grade English language arts assessment. Currently, if a student does not attain a level of achievement determined by the Department on the third-grade English language assessment, unless otherwise exempted, that student may not be promoted to the fourth grade.

A similar guarantee applies to students attending chartered nonpublic schools with state scholarships.

Both provisions are amended by the bill to eliminate student retention.

Promotion under the state report card

As described above, the bill eliminates retention under the Third Grade Reading Guarantee; however, it maintains certain promotion-related provisions with regard to the state report card as enacted in 2021 by H.B. 82 of the 134th General Assembly. It is not clear how those report card measures will be affected by the bill's provisions.

For a full description of the relevant provisions please see pages 11 and 12 of the [Final Analysis of H.B. 82 of the 134th General Assembly \(PDF\)](#) accessible at: legislature.ohio.gov for a discussion of the "Early Literacy" report card component and "Reported-only data."

Dyslexia screenings and interventions

Transfer students

(R.C. 3323.251)

The bill requires school districts and schools to administer tier one dyslexia screenings and intervention to students enrolled in any of grades K-6 who transfer into the district or school midyear. The dyslexia screenings must be aligned to the grade level in which the student is enrolled at the time the screening is administered. However, the bill exempts a district or school from administering a tier one dyslexia screening measure to a transfer student whose student record indicates that the student received a screening in that school year from the student's original school. Continuing law requires that districts and schools administer a tier one dyslexia screening to students in grades K-6 under prescribed conditions.

The bill prescribes the following administrations of the tier one dyslexia screening measure for transfer students:

1. For students enrolled in kindergarten, a district or school must administer the screening measure during the kindergarten class's regularly scheduled screening or within 30 days after the student's enrollment or after a parent, guardian, or custodian requests or grants permission for the screening;

2. For students enrolled in any of grades 1 through 6, a district or school must administer the screening measure within 30 days of a student's enrollment if required, or within 30 days after the student's parent, guardian, or custodian requests or grants permission for the screening.

Screening measures

(R.C. 3323.25)

The bill requires the Department to identify a tier one dyslexia screening measure by January 1, 2024, that must be made available to public schools free of charge. Districts and schools may use the identified screening measure beginning in the 2024-2025 school year as the tier one screening measure to satisfy dyslexia screening requirements under continuing law.

Professional development

(R.C. 3319.077)

Continuing law requires teachers who teach grades K-3 or special education to grades 4-12 complete professional development regarding dyslexia. The bill specifically applies the phase-in model for dyslexia training as part of a teacher's approved professional development training to teachers employed by the district on April 12, 2021, and specifies the dates by which a teacher must complete the training as follows:

1. Not later than the beginning of the 2023-2024 school year, for each district teacher who provides instruction for students in grades K and 1, unchanged from continuing law;
2. Not later than September 15, 2024, for each district teacher who provides instruction for students in grades 2 and 3;
3. Not later than September 15, 2025, for each district teacher who provides special education instruction for students in grades 4 through 12.

Teachers employed after April 12, 2021, must complete the training by the later of two years after date of hire or the dates specified above for teachers employed prior to that date. However, this does not apply to teachers who already have completed the training while employed by a different district.

Ed Choice

Expansion program income threshold

(R.C. 3310.032; Section 265.275)

The bill increases from at or below 250% to 450% of the federal poverty level (FPL) income eligibility threshold that a recipient's family must meet to qualify for an income-based Educational Choice (Ed Choice) Expansion Scholarship.

The bill also increases from at or below 100% FPL to at or below 300% FPL the income eligibility threshold for the second tier of prioritization for income-based Ed Choice scholarships if the number of eligible students who apply for scholarships exceeds the number of available scholarships based on appropriations. Under current law, the Department must award scholarships first to renewing students, second to eligible students at or below 100% FPL, and third to all other students.

The Ed Choice Scholarship Program operates statewide in every school district except Cleveland to provide scholarships mainly for students who (1) are assigned or would be assigned to district school buildings that have persistently low academic achievement (known as “traditional” or “performance-based” Ed Choice) or (2) are from low-income families (known as “income-based” Ed Choice Expansion). Continuing law also qualifies certain other students for the scholarship as well, including foster children and siblings of Ed Choice recipients. Students may use their scholarships to enroll in participating chartered nonpublic schools.

Scholarship student performance data comparison system

(R.C. 3310.15)

The bill requires the Department to develop one or more measures that demonstrate the performance of scholarship students enrolled in chartered nonpublic schools and enable parents to effectively compare the performance of such students against students enrolled in public schools. The measures must be developed by July 1, 2024. The Superintendent of Public Instruction’s advisory committee on chartered nonpublic schools must review the measures and data simulations developed by the Department and may recommend revisions. The bill also requires the Department to adopt rules prior to using any of the measures developed and exempts rules adopted under this requirement from the limitations on regulatory restrictions implemented in S.B. 9 of the 134th General Assembly.

Under continuing law, the Department is required annually to compile and post to its website aggregate data containing the scores attained by scholarship students who take state assessments and end-of-course examinations and to provide the parents of scholarship students with information comparing their child’s performance on state assessments with the average performance of similar students enrolled at the school building operated by the student’s resident school district where the student otherwise would attend.

Family income disclosure

(R.C. 3310.13)

The bill prohibits a chartered nonpublic school participating in Ed Choice from requiring a student’s parent to disclose, as part of the school’s admission procedure, whether the student’s family income is at or below 200% of the federal poverty level (FPL).

Continuing law prohibits a chartered nonpublic school from charging an Ed Choice scholarship recipient tuition exceeding the recipient’s scholarship amount if the recipient’s family income is at or below 200% FPL.

Educator licensing and permits

Ohio Teacher Residency Program

(R.C. 3319.223)

The bill makes changes to the three components of the Ohio Teacher Residency (OTR) program: (1) mentoring, (2) counseling, and (3) measures of appropriate progression through the program (successful completion of the Resident Educator Summative Assessment (RESA)).

Mentoring

The bill specifically permits both online and in-person mentoring to participants. It also requires the Department to provide participants and mentors with no-cost access to online professional development resources and sample videos of Ohio classroom lessons submitted for the RESA.

Counseling

The bill requires the Department to provide to each participant who does not receive a passing score on the RESA the opportunity to meet online with an instructional coach who is a certified assessor of the RESA to review the participant's results and discuss improvement strategies and professional development. These participants must receive the training at no cost.

Participants who choose to meet with an instructional coach must select from an online pool of instructional coaches who have completed training and are approved by the Department. The characteristics of each coach's school or district, including its size, typology, and demographics, must be made available. However, participants are not required to choose an instructional coach from a similar district and school.

The bill also permits participants who have not taken the RESA to meet with Department-approved coaches if the participant's district or school pays the costs associated with the meetings.

Measures of progression

Under administrative rule, participants are prohibited from attempting the RESA more than three times. The bill, however, prohibits the State Board from limiting the number of attempts participants have to successfully complete the RESA.

The bill creates a window of time within which participants may submit their RESA. Participants may send their RESA submissions to the Department between the first Tuesday of October and the first Friday of April of participants' second year in the program. The results of each RESA must be returned within 30 days after submission unless a new assessor is contracted by the Department. In that case, the results of each RESA must be returned within 45 days.

Background

The Ohio Teacher Residency program is an entry-level support program that both resident educator and alternative resident educator license holders must complete to qualify for a professional educator license. Effective in 2023, H.B. 442 of the 133rd General Assembly reduced the program from four years to two.

Professional development

(R.C. 3319.225; conforming changes in R.C. 3314.03, 3319.27, and 3326.11)

The bill requires each school district and other public school, beginning the first school year after the bill's effective date, to provide one day of professional development leave each school year for each classroom teacher to observe a veteran classroom teacher. The bill

excludes district superintendents, principals, assistant principals, and other administrators from the requirement.

The bill also requires local professional development committees to consider a teacher's observation of a veteran teacher as part of the continuing education required for license renewal.

Alternative resident educator license

(R.C. 3319.26)

The bill reduces the length of the alternative resident educator license from four to two years and reduces the number of years that an individual must teach under the alternative resident educator license before receiving a professional educator license from four to two years.

An alternative resident educator license is an entry-level license for a teacher who has not completed a traditional teacher preparation program, but who instead meets other specified education and testing requirements and agrees to complete other conditions while teaching under the license.

The bill also permits the holder of an alternative resident educator license to teach preschool students. Under current law, the State Board is required to adopt rules establishing the standards and requirements for obtaining an alternative resident educator license for teaching in grades K to 12 a designated subject area. The bill does not make changes to eligibility requirements to obtain such a license.

Licensure grade bands

(R.C. 3319.22)

The bill amends the grade bands for which an individual may receive a resident educator license, professional educator license, senior professional educator license, or a lead professional educator license to pre-K through 8 or grades 6 through 12.

Under current law, the grade bands for licensure are pre-K through 5, grades 4 through 9, or grades 7 through 12.

Pre-service teaching for compensation

(R.C. 3319.0812 and 3319.088; conforming changes in R.C. 3314.03 and 3326.11)

Student teachers

The bill creates a three-year pre-service teaching permit for student teachers. Under the permit, student teachers may substitute teach and receive compensation for it. The bill requires the State Board to adopt rules establishing a new three-year pre-service teacher permit for students enrolled in educator preparation programs. Students must obtain the permit to student teach, participate in other training experiences, and serve as substitute teachers. A permit holder may substitute teach for up to one full semester, and be compensated for that service.

The bill permits the school district or school employer to approve one or more additional subsequent semester-long period of teaching for the permit holder. It also permits the Department, on a case-by-case basis, to extend the permit's duration to enable the permit holder to complete the educator preparation program in which the permit holder is enrolled.

Applicants for a pre-service teacher permit must submit to a criminal records check and be enrolled in the retained applicant fingerprint database (RAPBACK) in the same manner as any other licensed teacher. The bill requires the Department to notify an educator preparation program if an applicant has been arrested or convicted and authorizes the school district or school to take any action prescribed by law. Upon receiving that notice, the educator preparation program must provide to the Department a list of all school districts and schools to which the pre-service teacher has been assigned as part of the program.

The bill eliminates provisions of law that conflict with the bill's changes. Namely, it eliminates the law that prohibits requiring students preparing to become licensed teachers or educational assistants from holding an educational aide permit or paraprofessional license when they are assigned to work with a teacher in a school district. The bill also eliminates the prohibition from those students receiving compensation.

Alternative military educator teaching license

(R.C. 3319.285)

The bill requires the State Board, in consultation with the Chancellor of Higher Education, to establish an alternative military educator license that permits eligible military individuals to receive an educator license on an expedited timeline. For the license, the State Board must allow eligible military individuals to apply leadership training or other military training toward requirements for college coursework, professional development, content knowledge examinations, and other licensure requirements. Under the bill, an "eligible military individual" includes:

1. An active-duty member of any branch of the U.S. armed forces;
2. A veteran of any branch of the U.S. armed forces who separated from service with an honorable discharge;
3. A member of the National Guard or a member of a reserve component of the U.S. armed forces; or
4. A spouse of an eligible member or veteran.

The bill permits the Department to work with the Credential Review Board to determine the types of military training that correspond with the educational training needed to be a successful teacher.

Under current law unchanged by the bill, an unlicensed veteran may teach a non-core course at a school district if the veteran has meaningful teaching or other instructional experience.⁶⁶

Computer science educator licensure

(R.C. 3319.22 and 3319.236)

40-hour license for industry professionals

Under continuing law, an individual generally must hold a valid license in computer science, or have a licensure endorsement in computer technology and a passing score in a computer science content exam, to teach computer science courses.

As an exception to that general requirement, the bill requires the State Board to create a teaching license for industry professionals to teach computer science courses for up to 40 hours each week. A license holder may not teach any other subject. The Superintendent of Public Instruction must consult with the Chancellor of Higher Education in revising the requirements for licensure in computer science.

Continuing law prescribes a separate exception to the general requirement. Under that exception, a school district may employ an individual who holds any valid educator license if that individual has received a supplemental teaching license in computer science. An individual qualifies for a supplemental license by passing a computer science content exam and meeting other requirements established by the State Board.

Grade band specifications

The bill requires that each license for teaching computer science specify whether the educator is licensed to teach in grades pre-K-5, 4-9, or 7-12.

School counselor licensure

(R.C. 3319.2213)

The bill codifies the requirements currently in rule for an initial five-year professional pupil services license in school counseling.⁶⁷ Specifically, it requires an applicant to complete an approved school counselor preparation program, pass an exam prescribed by the State Board, attain a master's degree, and complete a 600-hour internship.

In addition to those requirements, the bill requires an applicant to complete 12 hours of training about the building and construction trades and available apprenticeships. Those 12 hours may count toward meeting the 600-hour internship requirement.

Under the bill, the State Board also must require an individual who holds a valid professional pupil services license in school counseling to complete four hours of training in the

⁶⁶ R.C. 3319.283, not in the bill.

⁶⁷ O.A.C. 3301-24-05(C)(1)(b).

building and construction trades and available apprenticeships. Those four hours may count toward meeting continuing education unit requirements established by the State Board for licensure renewal.

The training in the building and construction trades, for both an initial license and a license renewal, must be completed at a construction site or a training facility for the building and construction trades. The training must include information about:

1. The pay and benefits available to people who work in the building and construction trades in the individual's community; and

2. Job opportunities for boilermakers, electrical workers, bricklayers, insulators, laborers, iron workers, plumbers and pipefitters, roofers, plasterers and cement masons, sheet metal workers, painters and glaziers, elevator constructors, operating engineers, teamsters, and carpenters.

Community school employee misconduct

(R.C. 3314.03 and 3314.104)

The bill prohibits a community school from employing a person if the State Board permanently revoked or denied the person's educator license or if the person entered into a consent agreement in which the person agreed not to apply for an educator license in the future. It also requires that each community school sponsorship contract include the same prohibition.

Private school educator certification

(R.C. 3301.071)

The bill makes explicit that the State Board must issue teaching certificates to private school administrators, supervisors, and teachers who hold master's degrees from an accredited college or university without further educational requirements. Current law already requires the same for individuals who hold bachelor's degrees.

English learners

(R.C. 3301.0711, 3301.0731, and 3302.03; conforming in R.C. 3313.61, 3313.611, 3313.612, and 3317.016)

The bill eliminates an exemption that excused English learners who have been enrolled in a school in the United States for less than a full school year from being required to take any reading, writing, or English language arts assessment. The bill maintains an exemption for English learners who have been enrolled in a U.S. school for less than two years and for whom no appropriate accommodations are available.

The bill also eliminates an exemption that excluded, except as required by federal law, English learners who have been enrolled in a U.S. school for less than one school year from state report card performance measures. It requires English learners to be included on the state report card in accordance with the state's federally approved plan to comply with federal law.

Finally, the bill requires the State Board to adopt rules regarding the identification, instruction, assessment, and reclassification of English learners. The rules must conform to the Department of Education's plan, as approved by the U.S. Secretary of Education, to comply with the federal "Elementary and Secondary Education Act of 1965."

School emergency management plans

(R.C. 5502.262)

The bill clarifies that all records *related to* a school's emergency management plan and emergency management tests are security records and are not subject to Ohio's public records laws. Current law specifies that copies of the emergency management plan and all of the following information incorporated into the plan are security records and are not subject to Ohio's public records laws:

1. Protocols for addressing serious threats to the safety of property, students, employees, or administrators;
2. Protocols for responding to any emergency events that occur and compromise the safety of property, students, employees, or administrators;
3. A threat assessment plan;
4. Protocols for school threat assessment teams; and
5. Information posted to the Contact and Information Management System.

The bill extends the deadline for a school administrator to submit the school district's or school's annual emergency management plan to the Director of Public Safety from July 1 to September 1.

Career-technical courses at Ohio Technical Centers

(R.C. 3313.901)

Upon approval by the Department, the bill permits school districts to contract with an Ohio Technical Center (OTC) to serve students in grades 7-12 who are enrolled in a career-technical education program at the district but cannot enroll in a course at the district due to one of the following reasons:

1. The course is at capacity and cannot serve all students who want to enroll in the course.
2. The student has a scheduling conflict that prevents the student from taking the course at the time offered by the district.
3. The district does not offer the course due to lack of enrollment, lack of a qualified teacher, or lack of facilities.
4. Any other reason determined by the Department.

Districts must apply to the Department for approval to contract with an OTC by submitting a plan describing how the district and the OTC will establish a collaborative partnership to provide career-technical education to students.

The bill also requires a district approved by the Department to do all of the following:

1. Award a student high school credit for completion of a course at an OTC;
2. Report students taking classes at OTCs to the education management information system (EMIS) as enrolled for the time the student is taking a course at an OTC indicating as such. However, the bill prohibits the district from counting a student taking a course at an OTC as more than one full-time equivalent student, unless the student is enrolled full-time in the district during the regularly scheduled school day and takes the course at the OTC during time outside of normal school hours;
3. Pay to the OTC, per student, the lesser of the standard tuition charged for the course at the OTC or one of the following:
 - a. If the OTC is located on the same campus as the student's high school, the statewide average base cost per pupil and the amount applicable to the student for the portion of the full-time equivalency the student is enrolled in the course, without applying the district's state share percentage; or
 - b. If the OTC is not located on the same campus as the student's high school, \$7,500.

The bill permits a district and an OTC to enter into an agreement to establish alternate amounts that the district must pay to the OTC.

Under the bill, districts may use career-technical education funds to pay for any costs incurred by students enrolling in courses at an OTC. Further, the Department must consider the cost of student OTC enrollment as an approved career-technical education expense. Finally, the bill permits an individual who holds an adult education permit issued by the State Board and is employed by an OTC to provide instruction to a student in grades 7-12 enrolled in a course at an OTC.

OTCs are career-technical centers and schools that provide adult education and are recognized as such by the Chancellor of Higher Education. There are currently 49 OTCs in the state.⁶⁸

Literacy improvement grants

(Section 265.330)

Professional development stipends

The bill requires the Department to use up to \$43 million from funds appropriated for literacy improvement in each fiscal year to reimburse school districts, community schools, and STEM schools for stipends for teachers to complete professional development in the science of reading and evidence-based strategies for effective literacy instruction. It requires the Department to provide the professional development courses.

⁶⁸ See the [Ohio Technical Centers](http://ohiotechnicalcenters.com) website at ohiotechnicalcenters.com for more information.

Under the bill, district and schools must require all teachers and administrators to complete a course provided by the Department, not later than June 30, 2025, except that any teacher or administrator who has previously completed similar training, need not complete the course. Teachers must complete the course at a time that minimizes disruptions to normal instructional hours. Teachers and administrators must complete the professional development course as follows:

1. First, all of the following:
 - a. All teachers of grades K through 5;
 - b. All English language arts teachers of grades 6 through 12;
 - c. All intervention specialists, English learner teachers, reading specialists, and instructional coaches who serve any of grades pre-K through 12.
2. Second, all teachers who teach a subject area other than English language arts in grades 6 through 12;
3. Third, all administrators.

The bill requires each district and school to pay a stipend to each teacher who completes a professional development course. The stipend must be \$1,200 for each individual listed under (1) and \$400 for each individual listed under (2). Each district and school may apply to the Department for reimbursement of the cost of the stipends. The bill prohibits the Department from providing reimbursement to an administrator to complete a professional development course.

The bill further requires the Department to work with the Department of Higher Education, institutions of higher education that offer educator preparation programs, and local professional development committees, to help teachers and administrators who complete a professional development course to earn college credit or to apply the coursework towards licensure renewal requirements. Additionally, the Department must collaborate with the Department of Higher Education, and institutions of higher education that offer educator preparation programs to align the coursework of the programs with the science of reading and evidence-based strategies for effective literacy instruction.

Subsidies for core curriculum and instructional materials

The bill requires the Department to use up to \$64 million from funds appropriated for literacy improvement to subsidize the cost for school districts, community schools, and STEM schools to purchase high-quality core curriculum and instructional materials in English language arts and evidence-based reading intervention programs from the lists established by the Department.

Further, the Department must conduct a survey to collect information on the core curriculum and instructional materials in English language arts in grades pre-K through 5 and the reading intervention programs in grades pre-K through 12 that are being used by public schools. Each school district, community school, and STEM school must participate in the survey and provide the information requested by the Department.

Literacy supports coaches

The bill requires the Department to use up to \$6 million in FY 2024 and up to \$12 million in FY 2025 from funds appropriated for literacy improvement for coaches to provide literacy supports to school districts, community schools, and STEM schools with the lowest rates of proficiency in literacy based on their performance on the English language arts assessments. These coaches must have training in the science of reading and evidence-based strategies for effective literacy instruction and intervention and must implement “Ohio’s Coaching Model,” as described in Ohio’s Plan to Raise Literacy Achievement. The coaches will be under the direction of, but not employed by, the Department.

Early literacy activities

The bill requires the Department to support early literacy activities to align state, local, and federal efforts in order to bolster all students’ reading success. The Department must distribute these funds to educational service centers (ESCs) to establish and support regional literacy professional development teams consistent with current law requirements. A portion of the funds may be used by the Department for program administration, monitoring, technical assistance, support, research, and evaluation.

Other

State minimum teacher salary schedule

(R.C. 3317.13)

The bill amends the statutory minimum teaching salary schedule to increase the minimum base salary for beginning teachers with a bachelor’s degree from \$30,000 to \$40,000 and to increase proportionally the minimum salaries for teachers with different levels of education and experience.

Under continuing law, each school district board of education and each educational service center governing board must adopt an annual teacher salary schedule that complies with the statutory minimum. That schedule must be either merit-based or contain provisions for increments based on training and years of service. In practice, however, the compensation rate is generally set by way of collective bargaining between the employing board and the organization representing the teachers.⁶⁹

Teacher loan repayment program

(R.C. 3319.58)

The bill requires the Department and the Chancellor to establish and administer a loan repayment program for eligible teachers providing instruction at qualifying public schools. Under the bill, a “qualifying school” is a school operated by a school district, a community

⁶⁹ R.C. 3317.14 and 3317.141, neither in the bill.

school, a STEM school, or a college-preparatory boarding school that the Department and the Chancellor jointly determine has:

1. Persistently low performance ratings on the state report card; and
2. Difficulty attracting and retaining classroom teachers who hold a valid educator license.

An eligible teacher must apply to receive an award under the program upon being employed by a qualifying school and qualifies for it by remaining employed in that position for five consecutive years providing instruction in a “high-needs” subject area, as determined by the Department. The award consists of a direct payment by the Department to the teacher’s lender of the lesser of \$40,000 or the balance of any outstanding loans the teacher incurred while attaining a bachelor’s degree. A teacher may receive only one award under the program.

The bill requires the Department and the Chancellor to jointly adopt rules to administer the program.

Teacher eligibility

To be eligible under the program, a teacher must satisfy all of the following requirements:

1. Be an Ohio resident;
2. Hold a valid educator license;
3. Be employed full-time for the first time as a classroom teacher;
4. Have received a bachelor’s degree awarded by any public or private institution of higher education in Ohio;
5. Have outstanding student loans for that bachelor’s degree; and
6. Have made timely payments in accordance with the terms of the individual’s repayment schedule for those outstanding loans.

Teacher Loan Repayment Fund

The bill establishes the Teacher Loan Repayment Fund in the state treasury to consist of the amounts designated by the General Assembly to make awards under the program.

FAFSA education

(R.C. 3313.603)

The bill requires public schools and certain private schools to include instruction on the free application for federal student aid (FAFSA) as part of the school’s curriculum on financial literacy. Schools have the discretion to determine the content and method of such instruction.

Under continuing law, students who enter the ninth grade for the first time after July 1, 2022, are required to complete a minimum of 60 hours (one-half unit) of course instruction in financial literacy to graduate from high school. Students who attend chartered nonpublic

schools are not required to complete the financial literacy instruction unless they are attending the school under a state scholarship program.

Literacy instructional materials

(R.C. 3313.6028)

The bill requires the Department to compile a list of high-quality core curriculum and instructional materials in English language arts and a list of evidence-based reading intervention programs that are aligned with the science of reading and strategies for effective literacy instruction.

Beginning not later than the 2024-2025 school year, each school district, community school, and STEM school must use core curriculum, instructional materials, and intervention programs only from the lists compiled by the Department.

The bill prohibits a district or school from using the “three-cueing approach” to teach students to read unless that district or school receives a waiver from the Department permitting them to do so. The bill defines “three-cueing approach” as any model of teaching students to read based on meaning, structure and syntax, and visual cues.

The bill further permits a district or school to apply for a waiver on an individual student basis to use curriculum, materials or an intervention program that uses the “three-cueing approach.” However, students who have an individualized education program (IEP) that explicitly indicates use of the three-cueing approach and students who have a reading improvement and monitoring plan under the Third Grade Reading Guarantee do not need a waiver to receive instruction in the “three-cueing approach.”

Prior to approval of a waiver, the Department must consider that district or school’s performance on the state report card, including its score on the early literacy component.

The bill requires the Department to identify vendors that provide professional development to educators, including pre-service teachers and faculty employed by educator preparation programs, on the use of high-quality core curriculum, instructional materials, and reading intervention programs from the list compiled by the Department that are aligned with the science of reading and strategies for effective literacy instruction.

EMIS reporting of literacy instructional materials

(R.C. 3301.0714)

The bill requires each district and school to report to the education management information system (EMIS) the English language arts curriculum and instructional materials it is using for each of grades pre-K-5 and the reading intervention programs being used in each of grades pre-K-12.

Mental health training for athletic coaches

(R.C. 3313.5318 and 3319.303; conforming changes in R.C. 3313.5310, 3314.03, 3326.11, and 3328.24)

The bill prohibits an individual from coaching an athletic activity at a public or chartered nonpublic school unless the individual has completed a student mental health training course approved by the Department of Mental Health and Addiction Services. An individual must (1) complete the training each time the individual applies for or renews a pupil-activity program permit and (2) present evidence of each successful completion to the State Board. However, the individual may complete the training at any time within the duration of the individual's new or renewed permit.

The bill also directs the State Board to require each individual applying for a pupil-activity program permit renewal to present evidence that the individual has completed the training. The training may be completed as part of another training course.

“Athletic activity”

For purposes of the bill's requirements, “athletic activity” includes all of the following:

1. Interscholastic athletics;
2. An athletic contest or competition that is sponsored by or associated with a school, including cheerleading, club-sponsored sports activities, and sports activities sponsored by school-affiliated organizations;
3. Noncompetitive cheerleading that is sponsored by school-affiliated organizations; and
4. Practices, interschool practices, and scrimmages.

Frequency of other trainings required for permit renewal

The bill changes the frequency of trainings required to renew a pupil-activity program permit as follows:

- For sudden cardiac arrest training, from annually to within the duration of an individual's previous permit; and
- For brain trauma and brain injury management (concussion) training, from within the previous three years to within the duration of an individual's previous permit.

Background on duration of pupil activity program permits

Pupil activity permits are required for licensed educators and nonlicensed school employees who direct, supervise, or coach a student activity program that involves athletics, routine or regular physical activity, or activities with health and safety considerations.

Generally, pupil activity permits issued to licensed educators have the same duration as their educator licenses and are renewed at the same time as those licenses. The professional, senior professional, and lead professional educator licenses are renewable every five years.

All other pupil activity permit holders are required to renew the permit every three years.

Seizure action plans

(R.C. 3317.7117, 3314.03, 3326.11, and 3328.24; Section 733.20)

The bill requires each public and chartered nonpublic school to create an individualized seizure action plan for each enrolled student who has an active seizure disorder diagnosis. It must be created by the school nurse, or another district or school employee if a school district or school does not have a school nurse, in collaboration with the student's parent or guardian.

Each plan must include:

1. A written request signed by a parent, guardian, or other person having care or charge of the student to have drugs prescribed for a seizure disorder administered to the student;
2. A written statement from the student's treating practitioner providing the drug information for each drug prescribed for the student for a seizure disorder; and
3. Any other component required by the State Board.

The plan is effective only for the school year in which a written request is submitted and must be renewed at the beginning of each school year. Plans must be maintained in the school nurse's office, or school administrator's office if the school does not employ a full-time school nurse.

For each student who has a seizure action plan in force, a school nurse or school administrator must notify each school employee, contractor, and volunteer who (1) regularly interacts with the student, (2) has legitimate educational interest in the student, or (3) is responsible for the direct supervision or transportation of the student in writing regarding the existence and content of the student's plan.

Further, each school nurse or school administrator must identify each individual who has received training under the seizure action plan in the administration of drugs prescribed for seizure disorders (see below). A school nurse or another district employee also must coordinate seizure disorder care at each school and ensure that all required staff are trained in the care of students with seizure disorders.

Finally, a drug prescribed for a student with a seizure disorder must be provided to the school nurse or another person at the school who is authorized to administer it to the student. The drug also must be provided in the container in which it was dispensed by the prescriber or licensed pharmacist.

Training on seizure action plans

The bill requires districts and schools once every two years to train or arrange training for at least one employee at each school, aside from a school nurse, on the implementation of seizure action plans. Training must be consistent with guidelines and best practices established by a nonprofit organization that supports the welfare of individuals with epilepsy and seizure disorders, such as the Epilepsy Alliance Ohio, Epilepsy Foundation of Ohio, or other similar organizations as determined by the Department.

Training must address the following:

1. Recognizing the signs and symptoms of a seizure;
2. Appropriate treatment for a student exhibiting the symptoms of a seizure; and
3. Administering seizure disorder drugs prescribed for the student.

The bill limits a seizure training program to one hour and qualifies the required seizure disorder training as a professional development activity for educator license renewal. If the training is provided to a district or school on portable media by a nonprofit entity, the training must be provided free of charge.

Districts and schools also must require each person employed as an administrator, guidance counselor, teacher, or bus driver to complete a minimum of one hour of self-study or in-person training on seizure disorders within 12 months after the bill's effective date. Any such individual employed after that date must complete a training within 90 days of employment.

Qualified immunity

The bill provides a qualified immunity in a civil action for money damages for a school, school district, members of a school district board or school governing authority, and a district's or school's employees for injury, death, or other loss allegedly arising from providing care or performing duties under the bill. The immunity does not apply if any act or omission constitutes willful or wanton misconduct.

Title

The bill entitles the provisions "Sarah's Law for Seizure Safe Schools Act."

School meals

(R.C. 3301.91, 3313.819, 3314.03, and 3326.11)

The bill makes school breakfasts and lunches free to all students who qualify for a reduced-priced lunch. It does so by requiring the Department to provide reimbursements to schools and other facilities that participate in the National School Breakfast or Lunch program and by requiring schools and facilities to provide those meals at no cost to students who qualify for a reduced-price lunch.

Schools and facilities that must provide meals at no cost to qualifying students include:

1. Public schools (including community and STEM schools);
2. Chartered nonpublic schools;
3. Special education programs operated by a county board of developmental disabilities; and
4. Facilities offering juvenile day treatment services.

The National School Breakfast and Lunch programs are federally assisted meal programs operating in public schools, nonprofit private schools, and residential childcare institutions. For more information on both of the programs please see the [National School Breakfast Program \(PDF\)](#) and [National School Lunch Program \(PDF\)](#) fact sheets prepared by the U.S. Department of Agriculture available at: www.usda.gov.

Transfer of student records

(R.C. 3319.324; conforming changes in R.C. 3314.03, 3326.11, and 3328.24)

The bill requires public (school districts, community schools, STEM schools, and college-preparatory boarding schools) and private (chartered nonpublic) schools to transmit a transferred student's records upon the request of the district or school that the student is currently attending. A school district or school must transmit the records within five school days after receiving the request. If the district or school does not have a record of the student's attendance, it must provide a statement of that fact to the requestor.

Under current law, school officials must request a student's records from the public or private school that the student most recently attended. That request must be made within 24 hours after a student's enrollment in the new school. Both state and federal law permit the transfer of student records between schools for legitimate educational purposes.⁷⁰ Currently, however, there is no statutory requirement that districts or schools must transmit a student's records to the requestor.

JCARR review of changes regarding community schools

(R.C. 3301.85)

The bill requires the Department of Education to submit to the Joint Committee on Agency Rule Review (JCARR) any proposed changes to the Education Management Information System (EMIS) or the Department's "business rules and policies" that may affect community schools. Once submitted, JCARR must hold public hearings regarding the changes, consider testimony, and vote to determine whether community schools can reasonably comply with those changes.

The bill also prohibits the Department from implementing any changes to EMIS or its business rules and policies that may affect community schools unless and until JCARR issues a determination that community schools can reasonably comply with the proposed changes.

Department policies

(R.C. 3301.132)

The bill enacts new provisions involving policies issued by the Department. Under the bill, "policy" means a written clarification or explanation of a statute or rule that is initiated by the Department. This definition excludes any educational guideline, suggestion, or case study regarding how to comply with a statute or rule or any document or guideline regarding the internal organization or operation of the Department, including matters regarding administration, personnel, or accounting.

The bill specifies that the Department's policies do not have the force of law and are subject to all of the following requirements:

⁷⁰ R.C. 3319.321(C), not in the bill, and 20 U.S.C. 1232g.

1. A policy must comply with the statutes and rules that are in existence at the time the policy is established;
2. A policy may not establish any new requirement;
3. The first page of each policy must have printed on it the following statement in uppercase letters: "THIS POLICY DOES NOT HAVE THE FORCE OF LAW"; and
4. A policy must state clearly the statutory provision or administrative rule on which it is based.

The bill further requires that all proposed policies be placed in a prominent location on the Department's website and allow a public comment period of at least 60 days. If the Department receives more than three public comments during the period, the Department must hold at least one public hearing regarding the proposal.

The bill also outlines the process for written complaints regarding the Department's compliance with the new policy requirements. Specifically, the bill requires the state superintendent to review all alleged compliance issues and determine whether the policy meets requirements. However, the bill specifies that the state superintendent's determination is not a final appealable action.

Finally, the bill outlines several requirements regarding the Department's review of its new and existing policies. The bill requires the Department to review, within 90 days of its effective date, all existing policies to determine whether they comply with the new law and complete a written certification regarding the same. The bill requires the same review and certification of all policies created after the bill's effective date. This process must be completed every five years and the certifications are public records which must be made available for inspection and copying consistent with public record requirements.⁷¹ The bill specifies that a policy that has not been reviewed under this requirement is void.

Within 90 days of the bill's effective date, the Department must compile a copy of all of its policies which must be kept current and available to the public.

School counselor liaison

(R.C. 3301.137)

The bill requires the Superintendent of Public Instruction to designate at least one Department employee to serve as a liaison to school counselors across the state to support their efforts to advance students' academic and career development. In determining who to designate as liaison, the Superintendent must give preference to individuals holding a valid pupil services license in school counseling.

⁷¹ R.C. 149.43.

Autism Scholarship intervention services providers

(R.C. 3310.41 and 3310.43)

The bill qualifies registered behavior technicians and certified Ohio behavior analysts as providers that may offer intervention services under the Autism Scholarship Program.

Under current law, intervention services under the Autism Scholarship Program may be provided by a qualified, credentialed provider. The providers expressly qualified include certified behavior analysts, licensed psychologists, licensed school psychologists, individuals employed and supervised by such psychologists or school psychologists, unlicensed individuals holding a doctoral degree in psychology or special education from a program approved by the State Board, and other qualified individuals as determined by the State Board.

The bill also prohibits the State Board from requiring registered behavior technicians and certified Ohio behavior analysts to receive an instructional assistant permit to qualify to provide services to a child under the Autism Scholarship Program, including in-home services. Under current law, the Department issues one-year instructional assistant permits to individuals who meet qualifications and have been hired by a registered private provider under the Autism Scholarship Program.

E-school standards

(R.C. 3314.23)

The bill changes the source for the standards with which internet- or computer-based community schools (e-schools) must comply. It requires e-schools to comply with the National Standards for Quality Online Learning developed under a project led by a partnership between Quality Matters, the Virtual Learning Leadership Alliance, and the Digital Learning Collaborative, or any other successor organization. Current law requires that e-schools comply with standards developed by the International Association for K-12 Online Learning.

Pilot funding for dropout recovery e-schools

(Section 265.320)

The bill extends to FY 2024 and FY 2025 the pilot program established initially for FY 2021 that provides additional funding on a per-pupil basis for certain e-schools operating dropout prevention and recovery programs (DOPR) for students in grades 8-12. A participating school must have participated in FY 2023 to be eligible. Each school that chooses to participate in the pilot program must report any information necessary for the Department to make payments.

For each fiscal year, the Department must calculate an additional payment for each DOPR community school that chooses to participate in the program.⁷²

⁷² For more information on the computation, see the [LSC Department of Education Redbook \(PDF\)](#), available at: lsc.ohio.gov/budget.

The bill permits the Department to complete a review of the enrollment of each DOPR e-school that choose to participate in the pilot program. If the Department determines a school has been overpaid based on that review, it must require a repayment of the overpaid funds and may require the school to establish a plan to improve enrollment reporting.

Quality Community and Independent STEM School Support Program

(Section 265.430)

Continuation

The bill continues the Quality Community School Support Program. Under the program, the Department must pay each community school that is designated as a “Community School of Quality” up to \$3,000 per fiscal year for each student identified as economically disadvantaged and up to \$2,250 per fiscal year for each student who is not identified as economically disadvantaged.

However the bill changes the payment determination for a fiscal year based on current student enrollment instead of the final adjusted enrollment for the prior fiscal year.

“Community School of Quality” designation

Under the bill, to be a “Community School of Quality,” the community school must meet at least one of the following sets of conditions:

1. The community school meets all of the following:
 - a. The school’s sponsor was rated “exemplary” or “effective” on its most recent evaluation;
 - b. The school received a higher performance index score than the school district in which it is located on the two most recent report cards issued;
 - c. The school either:
 - i. Received a performance rating of four stars or higher for the value-added progress dimension on its most recent report card; or
 - ii. Is a school where a majority of its students are either enrolled in a dropout prevention and recovery program operated by the school or are children with disabilities receiving special education and related services, and the school did not receive a rating for the value-added progress dimension on the most recent report card; and
 - d. At least 50% of the students enrolled in the school are economically disadvantaged, as determined by the Department.
2. The community school meets all of the following:
 - a. The school’s sponsor was rated “exemplary” or “effective” on its most recent evaluation;
 - b. The school is either:

- i. In its first year of operation; or
 - ii. Opened as a kindergarten school, has added one grade per year, and has been in operation for less than four school years;
 - c. The school is replicating an operational and instructional model used by a community school that qualifies as a Community School of Quality under the first set of conditions; and
 - d. If the school has an operator, its operator received a “C” or better on its most recent performance report.
3. The community school meets all of the following:
- a. The school’s sponsor was rated “exemplary” or “effective” on its most recent evaluation;
 - b. The school contracts with an operator that operates schools in other states and meets at least one of the following:
 - i. The operator has operated a school that received a grant funded through the federal Charter School Program established under 20 U.S.C. 7221 within the five years prior to the date of application or receiving funding from the Charter School Growth Fund;
 - ii. The operator meets all of the following:
 - (1) One of the operator’s schools in another state performed better than the school district in which the school is located, as determined by the Department;
 - (2) At least 50% of the total number of students enrolled in all of the operator’s schools are economically disadvantaged, as determined by the Department;
 - (3) The operator is in good standing in all states where it operates schools, as determined by the Department; and
 - (4) The Department has determined that the operator does not have any financial viability issues that would prevent it from effectively operating a community school in Ohio; and
 - c. The school is in its first year of operation.

A school that is designated as a Community School of Quality maintains that designation for the two fiscal years following the fiscal year it is designated. Such a school may also seek to renew its designation each year, which extends the designation for the two fiscal years following the renewal. Schools that were designated as a Community School of Quality based on the report cards issued for the 2017-2018 and 2018-2019 school years may renew their designation in this manner. Furthermore, a school that was designated as a Community School of Quality for the first time for the 2019-2020 school year maintains that designation for the 2022-2023 school year and may renew its designation each year.

Merged community schools

The bill specifically qualifies for the program the surviving community school of a merger that takes place on or after June 30, 2022, provided it otherwise qualifies as a Community School of Quality under one of the sets of criteria described above. Payment for these schools is calculated using the adjusted full-time equivalent number of students enrolled in the school for the fiscal year as of the date the payment is made, as reported by the surviving community school, regardless of whether those students were previously enrolled in a community school that was dissolved as part of the merger.

Finally, the bill qualifies a school dissolved under the merger that otherwise qualified for the program to receive and retain funds received under the program prior to the bill's effective date.

Expansion to include independent STEM schools

The bill expands the Quality Community Schools Support program to include a STEM school that:

1. Operates autonomously;
2. Does not have a STEM school equivalent designation;
3. Is not governed by a school district;
4. Is not a community school;
5. Cannot levy taxes or issue tax-secured bonds;
6. Satisfies continuing law requirements for STEM schools; and

7. Satisfies the requirements described in the Quality Model for STEM and STEAM Schools established by the Department.

E-Rate matching grants pilot project

(Sections 265.10, 265.140, and 733.30)

The bill requires the Department to establish and administer a pilot project to provide state matching grants in FY 2024 and FY 2025 to eligible school districts, educational service centers, other public schools, or libraries.

To be eligible for a matching grant under the pilot project, a school district, educational service center, school, or library must first be approved by the Federal Communications Commission (FCC) or other entity authorized to grant approval for (1) E-Rate funding and (2) special construction broadband expansion meeting the FCC's long term targets for E-Rate.

"E-Rate" is the commonly used name for the federal Universal Service Fund's School and Libraries program, which provides discounts to eligible schools and libraries for certain services, such as telecommunications, internet access, and internal connections. E-Rate provides

qualifying schools and libraries with a discount from the pre-discount price for eligible services that ranges from 20% to 90% of the price, depending on indicators of poverty and high cost.⁷³

The Department must begin accepting applications for the pilot project through its website or other publicly available platform not later than 90 days after the effective date of the provision establishing the pilot project. Additionally, the Department must establish processes for accepting pilot project applications and making eligibility determinations that are consistent with E-Rate, but not more stringent than the pilot project requirements discussed immediately above.

The Department is permitted to establish rules to carry out the pilot project pursuant to the Administrative Procedure Act, which are exempt from the regulatory restrictions limitation in current law.

Financial Literacy and Workforce Readiness Programming Initiative

(Section 265.560)

The bill establishes the Financial Literacy and Workforce Readiness Programming Initiative within the Department to operate in FY 2024 and FY 2025. The purpose of the Initiative is “to ensure the next generation’s preparedness in financial literacy, workforce or career readiness, entrepreneurship, and other relevant skills to enter and be competitive in Ohio’s future workforce economy.”

The bill requires the Department to distribute funds to the Junior Achievements of North Central Ohio, Greater Cleveland, and Mahoning Valley. Each of those organizations must collaborate with local schools, institutions of higher education, local, regional, and statewide employers and businesses, subject matter experts, community-based organizations, and other public-private entities or agencies to implement the Programming Initiative.

The Programming Initiative must do all of the following:

1. Place specific emphasis on engagement with students, teachers, and schools primarily located in underserved communities, under-resourced urban and rural areas, or those with populations considered economically disadvantaged;
2. Increase capacity and resources that expand each of the participating organizations collective ability to offer more financial literacy, workforce readiness and entrepreneurship, or related programming such as work-based learning experiences designed to engage more students in the geographic areas to which the participating organizations provide services;
3. Increase the number of students measurably impacted by the participating organizations’ services to up to 110,000 students in any of grades K through 12 in FY 2024 and 2025;

⁷³ 47 C.F.R. 54.502 and 54.505, not in the bill.

4. Assist students enrolled in any of grades 9 through 12 with direct entry into the workforce, access to higher education, or in-demand job training;

5. Increase each participating organization's ability to provide teacher-focused programming and support to assist in the greater integration of the organization's programming into up to 300 schools located within its service area;

6. Strengthen each participating organization's capacity and resources to collectively provide up to ten student-focused engagement events involving students and teachers from multiple schools and communities in northeast and central portions of the state. The engagement events must do both of the following:

a. Enhance and deepen participating students' ability to demonstrate mastery of financial literacy, workforce or career readiness, entrepreneurship, or related skills and knowledge vital to equipping and preparing students with the requisite skills, competencies, and knowledge to be competitive for in-demand jobs within the state and global workforce economy, particularly those that are considered high-growth jobs in the state of Ohio;

b. Be offered to all partnering schools and respective students, with emphasis on engaging students and schools that are primarily located in underserved communities, under-resourced urban and rural areas, or those with populations considered economically disadvantaged.

Department studies

(Section 265.420)

The bill requires the Department to conduct several studies regarding prescribed topics. It requires the Department, in consultation with the Department of Mental Health and Addiction Services, to conduct an evaluation of student wellness and success funds on student measures such as school climate, attendance, discipline, and academic achievement.

The bill also requires the Department to conduct a study regarding access to all-day kindergarten across the state, including barriers to offering all-day kindergarten and age cut-off dates. In conducting that study, the Department must engage with superintendents and treasurers from school districts that charge tuition for all-day kindergarten or that do not offer it. The Department must submit recommendations to the Governor on the feasibility of requiring all-day kindergarten.

Finally, the bill requires the Department to conduct a study to determine the needs of Ohio's economically disadvantaged students, the most effective services for those needs, and the cost of implementing those services using Ohio cost data. The Department must issue a report on the study's results, including recommendations regarding measures and parameters for determining student eligibility for the identified services. The recommendation must take into account existing state and federal resources used to support those services.

Academic distress commissions

(Section 265.540)

The bill prohibits the state Superintendent from establishing any new academic distress commissions (ADCs) for the 2023-2024 and 2024-2025 school years. Otherwise, under continuing law, the state Superintendent must establish an ADC for certain school districts with persistently low academic performance to guide actions to improve their performance. That law requires each ADC to appoint a chief executive officer (CEO) who has substantial powers to manage the operation of a qualifying district and prescribes progressive consequences for the district, including possible changes to collective bargaining agreements and eventual mayoral appointment of the district board.⁷⁴

H.B. 110 of the 134th General Assembly established a moratorium on the establishment of new ADCs for the 2021-2022 and 2022-2023 school years, which the bill extends. H.B. 110 also established a process by which school districts subject to an existing ADC may make an early transition out of ADC oversight prior to meeting the conditions for transitioning out of the oversight of an ADC. For a detailed description of this process, see the LSC's Final Analysis for H.B. 110.⁷⁵

State share of local property taxes in five-year forecasts

(R.C. 5705.391)

Beginning with FY 2024, the bill requires the Department of Education and Auditor of State to label the property tax allocation projections in a school district's five-year forecast as the "state share of local property taxes."

Each fiscal year a school district must submit a five-year projection of its operational revenues and expenditures to the Department and Auditor of State. The property tax allocation projection accounts for the reimbursements a district may receive from the state for property tax rollbacks, the homestead exemption, and tangible personal property tax losses.⁷⁶

⁷⁴ R.C. 3302.10, not in the bill.

⁷⁵ See [H.B. 110 of the 134th General Assembly Final Analysis \(PDF\)](#) at pp. 211-213, also accessible at: legislature.ohio.gov.

⁷⁶ See [How to Read a Five-Year Forecast \(PDF\)](#), which is also available at the Department's website: education.ohio.gov.

BOARD OF EMBALMERS AND FUNERAL DIRECTORS

Crematory operators

- Reestablishes the requirement that an individual obtain a crematory operator permit to perform cremations.
- Corrects a drafting error within the existing law that prohibits the unauthorized removal of items from a body before or after cremation.

Unlicensed funeral directing

- Requires the executive director of the Board of Embalmers and Funeral Directors to notify law enforcement of persons engaged in unlicensed funeral directing.

Crematory operators

Reinstate permit

(R.C. 4717.01, 4717.02, 4717.03, 4717.04, 4717.06, 4717.07, 4717.08, 4717.09, 4717.11, 4717.13, 4717.15, 4717.36, and 4717.41; Sections 2, 3, and 8 of H.B. 509 of the 134th G.A., amended in Sections 125.11 to 125.13)

The bill reestablishes the requirement that an individual obtain a crematory operator permit in order to perform cremations in Ohio. H.B. 509 of the 134th General Assembly repealed the permit, effective December 31, 2024, and instead required that a crematory operator maintain, and file with the Board of Embalmers and Funeral Directors, an active certification from a national crematory operator certification program. The bill reverses that future repeal and the associated national certification requirement. It extends application of current law, which requires a prospective crematory operator to apply to the Board, submit an initial permit fee, prove that they are at least 18 years old, and provide evidence of completing a Board-approved crematory operation certification program.

Removal of items before or after cremation

(R.C. 4717.26)

Continuing law prohibits a crematory facility from removing dental gold, body parts, organs, or other items of value from a body before or after cremation, unless the removal is authorized by the cremation authorization form. The bill corrects a drafting error in the law by reinserting a missing word.

Unlicensed funeral directing

(R.C. 4717.04)

The bill requires the Board's executive director to notify law enforcement if the executive director is aware of a person engaged in funeral directing without a license or in any place other than a licensed funeral home. Under current law, the executive director must investigate the alleged violation and, upon finding probable cause, direct an attorney under

contract with the Board, a county prosecutor, or the Attorney General to prosecute the offender. The bill eliminates those duties and leaves the investigation and, if appropriate, referral for prosecution to local law enforcement.

ENVIRONMENTAL PROTECTION AGENCY

E-Check extension

- Extends the motor vehicle inspection and maintenance program (E-Check) in the counties where this program is implemented by:
 - Authorizing the OEPA Director to request the Director of Administrative Services (DAS Director) to extend the existing contract with the contractor that conducts the program, beginning July 1, 2023, for a period of up to 24 months through June 30, 2027; and
 - Requiring the OEPA Director, before the contract extension expires, to request the DAS Director to enter into a contract (with a vendor to operate a decentralized program) through June 30, 2027, with an option to renew the contract for up to 24 months through June 30, 2029.

Solid waste transfer and disposal fees

- Revises and reallocates the current solid waste transfer and disposal fees (while maintaining the total fees charged at \$4.75 per ton) as follows:
 - Reduces a 90¢ per ton fee to 71¢ per ton and allocates the proceeds as follows:
 - ❖ 11¢ per ton, rather than 20¢ per ton, to the Hazardous Waste Facility Management Fund, which must be used by OEPA to administer the hazardous waste program;
 - ❖ 60¢ per ton, rather than 70¢ per ton, to the Hazardous Waste Clean-Up Fund, which must be used by OEPA to administer hazardous waste clean-up programs.
 - Increases, from 75¢ per ton to 90¢ per ton, the fee that is deposited in the Waste Management Fund, which is used by OEPA to administer and enforce laws governing solid and infectious waste and construction and demolition debris;
 - Reduces, from \$2.85 per ton to \$2.81 per ton, the fee that is deposited in the Environmental Protection Fund, which is used by OEPA to administer and enforce environmental protection laws;
 - Maintains the current 25¢ per ton fee that is used to provide assistance to soil and water conservation districts;
 - Imposes a new additional fee on the transfer or disposal of solid waste of 8¢ per ton, through June 30, 2026, which must be deposited in the National Priority List Remedial Support Fund created by the bill.
- Extends the sunset on all four existing solid waste transfer and disposal fees from June 30, 2024 to June 30, 2026.
- Requires the OEPA Director to use money in the new fund for the state's removal action and remedial action and long term operation and maintenance costs or applicable cost

shares for actions taken under the federal “Comprehensive Environmental Response, Compensation, and Liability Act.”

- Authorizes the Director to use money in the new fund to contract with federal, state, or local government agencies, nonprofit organizations, colleges, and universities to carry out the responsibilities specified above on behalf of OEPA.

Construction and demolition debris (C&DD) fees

- Reallocates the 50¢ per cubic yard or \$1 per ton disposal fee charged for construction and demolition debris (C&DD) by:
 - Reducing the portion of the fee (currently 37.5¢ per cubic yard or 75¢ per ton) that is for recycling and litter prevention by 2.5¢ per cubic yard and 5¢ per ton, respectively; and
 - Allocating the reduced amount (2.5¢ per cubic yard and 5¢ per ton) for waste management under the solid, hazardous, and infectious waste and C&DD laws.

Environmental fee sunsets

- Extends all of the following fees, which remain unchanged by the bill, for two years:
 - The sunset on the annual emissions fees for synthetic minor facilities;
 - The sunset of the annual discharge fees for holders of National Pollution Discharge Elimination System (NPDES) permits issued under the Water Pollution Control Law;
 - The sunset of the \$200 application fee for an NPDES permit and the decrease of that fee to \$15 at the end of two years;
 - The levying of higher fees, and the decrease of those fees at the end of the two years, for applications for plan approvals for wastewater treatment works under the Water Pollution Control Law;
 - The annual discharge fees paid by the holder of an NPDES permit and the surcharge paid by holders of NPDES permits that are major dischargers;
 - The sunset of initial and renewal license fees for public water system licenses issued under the Safe Drinking Water Law;
 - The levying of higher fees, and the decrease of those fees at the end of the two years, for plan approvals for public water supply systems under the Safe Drinking Water Law;
 - The levying of higher fees, and the decrease of those fees at the end of the two years, for state certification of laboratories and laboratory personnel for purposes of the Safe Drinking Water Law;
 - The levying of higher fees, and the decrease of those fees at the end of the two years, for applications and examinations for certification as operators of water

supply systems or wastewater systems under the Safe Drinking Water Law or the Water Pollution Control Law; and

- The levying of higher fees, and the decrease of those fees at the end of the two years, for applications for permits, variances, and plan approvals under the Water Pollution Control Law and the Safe Drinking Water Law.

Scrap tires

- Reduces the financial assurance amount that a person must submit to the OEPA Director to obtain a registration to transport scrap tires from at least \$20,000 to \$10,000 or less.
- Eliminates the (up to) \$300 fee currently charged to a person registering for and renewing a certificate to transport scrap tires.
- Exempts certain nonprofit, governmental, educational, and civil organizations from the scrap tire transporter registration requirements if the organization is conducting a scrap tire clean up event or community tire amnesty collection event that has received written concurrence from the OEPA.
- Expands the allowable uses of the Scrap Tire Grant Fund.
- Removes the requirement that a person who has been issued an order by the Director to remove scrap tires do so within 120 days after the issuance of the order, and instead requires that person to comply with each milestone established in the order within the timeframe specified in the order.
- Allows the Director, when performing a scrap tire removal action, to remove, transport, and dispose of any additional solid wastes or construction and demolition debris (C&DD) that was illegally disposed of on the land named in a removal order.
- Allows the Director to recover the costs associated with the solid waste and C&DD removal.
- Allows, instead of requires, the Director to record scrap tire removal costs at the county recorder of the county in which the accumulation of scrap tires was located.
- Allows the Director to record solid waste and C&DD removal costs at the county recorder of the county in which the accumulation of solid wastes and C&DD was located.

Original signatories to environmental covenant

- Authorizes an applicable agency that is party to an environmental covenant to determine that the signature of a person who originally signed the covenant is not necessary in order to amend or terminate it.
- Eliminates the need to provide notice to an original signatory specified above when an environmental covenant is subject to termination or amendment via an eminent domain proceeding.

- Retains the ability of an original signatory to an environmental covenant who is not a current owner of the subject property in fee simple to file a civil action to enforce the covenant.

Advanced recycling

- Exempts advanced recycling conducted at an advanced recycling facility from regulation under the Solid Waste Law, rather than solely exempting the process of converting post-use polymers and recoverable feedstocks using gasification and pyrolysis as in current law.
- Specifies that “advanced recycling” generally means a manufacturing process for the conversion of post-use polymers and recovered feedstocks into basic raw materials, feedstocks, chemicals, and other products.
- Specifies that an “advanced recycling facility” generally means a manufacturing facility that stores and converts post-use polymers and recovered feedstocks it receives using advanced recycling.
- Expands the processes by which post-use polymers and recovered feedstocks may be converted to include depolymerization, catalytic cracking, reforming, hydrogenation, solvolysis, chemolysis, and other similar technologies.
- Retains pyrolysis and gasification as mechanisms by which post-use polymers and recovered feedstocks may be converted, but alters the meaning of those terms.
- Makes additional definitional changes necessary for the expanded exemption established by the bill.

Coal combustion residuals

- Requires the OEPA Director to establish a program for the regulation of coal combustion residuals (CCR) storage and disposal.
- Requires the Director to adopt rules for the program that are no more stringent than federal requirements governing CCR.
- Requires the rules to address siting criteria and ground water monitoring, financial assurance, design and construction, and closure and post-closure requirements governing CCR units, which generally include CCR landfills and CCR surface impoundments.
- Exempts CCR units from laws governing solid, hazardous, and infectious waste.
- Exempts CCR units from specific prohibitions under the water pollution control law, but allows the Director to require the owner or operator of a CCR unit to obtain a permit to install or an NPDES permit under that law.
- Authorizes the Director to cooperate with other local, state, or federal government entities to carry out the program purposes.
- Exempts rules adopted from requirements governing the elimination of existing regulatory restrictions.

E-check extension

(R.C. 3704.14)

The bill extends the motor vehicle inspection and maintenance program (E-Check) in the seven counties (Cuyahoga, Geauga, Lake, Lorain, Medina, Portage, and Summit) where this program is implemented by:

1. Authorizing the OEPA Director to request the Director of Administrative Services (DAS Director) to extend the existing contract (with the contractor that conducts the program) beginning July 1, 2023, for a period of up to 24 months through June 30, 2027; and

2. Requiring the OEPA Director, before the contract extension expires, to request the DAS Director to enter into a contract (with a vendor to operate a decentralized program) through June 30, 2027, with an option to renew the contract for up to 24 months through June 30, 2029.

The bill retains the requirement that the new contract ensure that the program achieves at least the same emissions reductions achieved under the prior contract. It also retains the requirement that the DAS Director must use a competitive selection process when entering into a new contract with a vendor. Last, the bill retains all statutory requirements governing the program, including requirements that E-Check be a decentralized program (meaning tests do not take place at dedicated testing centers) and include a new car exemption for motor vehicles that are up to four years old.

Solid waste transfer and disposal fees

(R.C. 3734.57 and 3734.579)

The bill revises and reallocates the current fees collected on the transfer or disposal of solid waste and imposes one new fee, while maintaining the current total per ton charge collected at \$4.75 per ton. The table below illustrates the revisions to each fee and the imposition of one new fee:

Fee under current law	Fee under the bill
<p>The 90¢ fee, collected until June 30, 2024, is currently allocated as follows:</p> <ul style="list-style-type: none"> 20¢ per ton, to the Hazardous Waste Facility Management Fund, which must be used by OEPA to administer the hazardous waste program; 70¢ per ton, to the Hazardous Waste Clean-Up Fund, which must be used by OEPA to administer hazardous waste clean-up programs. 	<p>The bill extends the sunset of the fee to June 30, 2026, reduces the fee to 71¢ per ton, and allocates the proceeds as follows:</p> <ul style="list-style-type: none"> 11¢ per ton to the Hazardous Waste Facility Management Fund; 60¢ per ton to the Hazardous Waste Clean-Up Fund.

Fee under current law	Fee under the bill
The 75¢ per ton fee, collected until June 30, 2024, is deposited in the Waste Management Fund, which is used by OEPA to administer and enforce laws governing solid and infectious waste and construction and demolition debris.	The bill increases the fee to 90¢ per ton and extends the sunset of the fee to June 30, 2026.
The \$2.85 per ton fee, collected until June 30, 2024, is deposited in the Environmental Protection Fund, which is used by OEPA to administer and enforce environmental protection laws.	The bill reduces the fee to \$2.81 per ton and extends the sunset of the fee to June 30, 2026.
The 25¢ per ton fee, collected until June 30, 2024, is used to provide assistance to soil and water conservation districts.	The bill maintains the 25¢ fee and extends the sunset of the fee to June 30, 2026.
Not applicable: this fee is not collected under current law.	<p>The bill imposes a new 8¢ per ton fee, until June 30, 2026, which must be deposited in the National Priority List Remedial Support Fund created by the bill.</p> <p>The OEPA Director must use the fund for the state's removal action and remedial action and long term operation and maintenance costs or applicable cost shares for actions taken under the federal "Comprehensive Environmental Response, Compensation, and Liability Act" (CERCLA). The Director may use money in the fund to contract with federal, state, or local government agencies, nonprofit organizations, colleges, and universities to carry out those responsibilities on behalf of OEPA.</p>

Construction and demolition debris (C&DD) fees

(R.C. 3714.073)

The bill reallocates the disposal fee charged for both construction and demolition debris (C&DD) and asbestos or asbestos-containing materials. Currently, the disposal fee charged to a person disposing of C&DD or asbestos is 50¢ per cubic yard or \$1 per ton and that fee is allocated as follows:

1. 12.5¢ per cubic yard or 25¢ per ton is used for soil and water conservation districts; and
2. 37.5¢ per cubic yard or 75¢ per ton is used for recycling and litter prevention.

The bill retains the overall amount charged for disposal (50¢ per cubic yard or \$1 per ton), but reallocates the proceeds distribution by:

1. Reducing the portion of the fee (currently 37.5¢ per cubic yard or 75¢ per ton) that is for recycling and litter prevention by 2.5¢ per cubic yard and 5¢ per ton, respectively; and

2. Allocating the reduced amount (2.5¢ per cubic yard and 5¢ per ton) for waste management under the solid, hazardous, and infectious waste and C&DD laws.

Environmental fee sunsets

(R.C. 3745.11 and 3734.901)

The bill extends the period of validity for various OEPA-administered fees that remain unchanged under the laws governing air pollution control, water pollution control, safe drinking water, and scrap tires. The following table sets forth each fee, its purposes, and the time period OEPA is authorized to charge the fee under current law and the bill:

Type of fee	Description	Fee under current law	Fee under the bill
Synthetic minor facility: emission fee	Each person who owns or operates a synthetic minor facility must pay an annual fee in accordance with a fee schedule that is based on the sum of the actual annual emissions from the facility of particulate matter, sulfur dioxide, nitrogen dioxide, organic compounds, and lead. A synthetic minor facility is a facility for which one or more permits to install or permits to operate have been issued for the air contaminant source at the facility that include terms and conditions that lower the facility's potential to emit air contaminants below the major source thresholds established in rules.	The fee is required to be paid through June 30, 2024.	The bill extends the fee through June 30, 2026.
Wastewater treatment works: plan approval application fee	A person applying for a plan approval for a wastewater treatment works is required to pay one of the following fees depending on the date: <ul style="list-style-type: none"> A tier one fee of \$100 plus 0.65% of the estimated project cost, up to a maximum of \$15,000; or A tier two fee of \$100 plus 0.2% of the estimated project 	An applicant is required to pay the tier one fee through June 30, 2024, and the tier two fee on and after July 1, 2024.	The bill extends the tier one fee through June 30, 2026; the tier two fee begins on or after July 1, 2026.

Type of fee	Description	Fee under current law	Fee under the bill
	cost, up to a maximum of \$5,000.		
Discharge fees for holders of NPDES permits	Each NPDES permit holder that is a public discharger or an industrial discharger with an average daily discharge flow of 5,000 or more gallons per day must pay an annual discharge fee based on the average daily discharge flow. There is a separate fee schedule for public and industrial dischargers.	The fees are due by January 30, 2022, and January 30, 2023.	The bill extends the fees and the fee schedules to January 30, 2024, and January 30, 2025.
Surcharge for major industrial dischargers	A holder of an NPDES permit that is a major industrial discharger must pay an annual surcharge of \$7,500.	The surcharge is required to be paid by January 30, 2022, and January 30, 2023.	The bill extends the fee to January 30, 2024, and January 30, 2025.
Discharge fee for specified exempt dischargers	One category of public discharger and eight categories of industrial dischargers that are NPDES permit holders are exempt from the annual discharge fees that are based on average daily discharge flow. Instead, they are required to pay an annual discharge fee of \$180.	The fee is due by January 30, 2022, and January 30, 2023.	The bill extends the fee to January 30, 2024, and January 30, 2025.
License fee for public water system license	A person is prohibited from operating or maintaining a public water system without an annual license from OEPA. Applications for initial licenses or license renewals must be accompanied by a fee, which is calculated using schedules for the three basic categories of public water systems.	The fee for an initial license or a license renewal applied through June 30, 2024, and is required to be paid annually in January.	The bill extends the initial license and license renewal fee through June 30, 2026.
Fee for plan approval to construct, install, or modify a public water system	Anyone who intends to construct, install, or modify a public water supply system must obtain approval of the plans from OEPA. The fee for the plan approval is \$150 plus 0.35% of the estimated project cost. However, continuing law sets a cap on the fee.	The cap on the fee is \$20,000 through June 30, 2024, and \$15,000 on and after July 1, 2024.	The bill extends the cap of \$20,000 through June 30, 2026; the cap of \$15,000 applies on and after July 1, 2026.

Type of fee	Description	Fee under current law	Fee under the bill
Fee on state certification of laboratories and laboratory personnel	In accordance with two schedules, OEPA charges a fee for evaluating certain laboratories and laboratory personnel. An additional provision states that an individual laboratory cannot be assessed a fee more than once in a three-year period unless the person requests the addition of analytical methods or analysts, in which case the person must pay \$500 for each additional survey requested.	The schedule with higher fees applied through June 30, 2024, and the schedule with lower fees applied on and after July 1, 2024. The \$500 additional fee applied through June 30, 2024.	The bill extends the higher fee schedule through June 30, 2026; the lower fee schedule applies on and after July 1, 2026. The bill extends the additional fee through June 30, 2026.
Fee for examination for certification as an operator of a water supply system or wastewater system	A person applying to OEPA to take an examination for certification as an operator of a water supply system or a wastewater system (class A and classes I-IV) must pay a fee, at the time an application is submitted, in accordance with a statutory schedule.	A schedule with higher fees applied through November 30, 2024, and a schedule with lower fees applied on and after December 1, 2024.	The bill extends the higher fee schedule through November 30, 2026; the lower fee schedule applies on and after December 1, 2026.
Application fee for a permit (other than an NPDES permit), variance, or plan approval	A person applying for a permit (other than an NPDES permit), a variance, or plan approval under the Safe Drinking Water Law or the Water Pollution Control Law must pay a nonrefundable fee.	If the application is submitted through June 30, 2024, the fee is \$100. The fee is \$15 for an application submitted on or after July 1, 2024.	The bill extends the \$100 fee through June 30, 2026; the \$15 fee applies on and after July 1, 2026.
Application fee for an NPDES permit	A person applying for an NPDES permit must pay a nonrefundable application fee.	If the application is submitted through June 30, 2024, the fee is \$200. The fee is \$15 for an application submitted on or after July 1, 2024.	The bill extends the \$200 fee through June 30, 2026; the \$15 fee applies on and after July 1, 2026.

Type of fee	Description	Fee under current law	Fee under the bill
Fees on the sale of tires	<p>A base fee of 50¢ per tire is levied on the sale of tires to assist in the cleanup of scrap tires.</p> <p>An additional fee of 50¢ per tire is levied to assist soil and water conservation districts.</p>	Both fees are scheduled to sunset on June 30, 2024.	The bill extends the fees through June 30, 2026.

Scrap tires

(R.C. 3734.74, 3734.822, 3734.83, and 3734.85)

The bill reduces the financial assurance amount that a person must submit to the OEPA Director to obtain a registration to transport scrap tires. Under current law, prior to the Director issuing the registration, a transporter must submit a surety bond, a letter of credit, or other financial assurance acceptable to the Director of *at least \$20,000*. The bill reduces this amount to *\$10,000 or less*. The Director, consistent with current law, determines the exact amount by considering what is necessary to cover:

1. The costs of cleanup of tires improperly accumulated or discarded by the transporter; and
2. Liability for sudden accidental occurrences that result in damage or injury to persons or property or to the environment.

The bill eliminates the (up to) \$300 fee currently charged to a person registering for and renewing a certificate to transport scrap tires. Current law requires the proceeds of the \$300 fee to be deposited in the Scrap Tire Management Fund.

It also exempts from the scrap tire transporter registration requirements any of the following entities conducting a scrap tire clean up event or community tire amnesty collection event that has received written concurrence from the OEPA:

1. A nonprofit organization;
2. A federal, state, or local government;
3. A university; or
4. Other civic organization.

In addition, it allows the Scrap Tire Grant Fund to be used for both of the following:

1. Scrap tire amnesty and cleanup events hosted or sponsored by a state agency or political subdivision (e.g., a county, municipal corporation, and township); and
2. A scrap tire amnesty and cleanup event hosted by a solid waste management district, in addition to an event sponsored by a district as under current law.

Under current law, the Scrap Tire Grant Fund may be used to support market development activities for scrap tires and synthetic rubber from tire manufacturing processes and tire recycling processes. It also may be used to support scrap tire amnesty cleanup events sponsored by solid waste management districts.

The bill removes the requirement that a person who has been issued an order by the Director to remove scrap tires do so within 120 days after the issuance of the order. Instead, it requires a person to comply with each milestone established in the order within the timeframe specified in the order. Under continuing law, if the person who has been issued the order fails to comply with the order, the Director may then perform scrap tire removal and the person is liable to the Director for the costs associated with the removal. Under the bill, the Director, when performing a scrap tire removal action, may remove, transport, and dispose of any additional solid wastes or construction and demolition debris (C&DD) that was illegally disposed of on the land named in a removal order if the removal of the waste or debris is required by the order. Accordingly, the Director may recover the costs associated with the solid waste and C&DD removal.

Finally, the bill allows, instead of requires, the Director to record scrap tire removal costs at the county recorder of the county in which the accumulation of scrap tires was located. It also allows the Director to record solid waste and C&DD removal costs at the county recorder of the county in which the accumulation of solid wastes and C&DD removed was located.

Original signatories to environmental covenant

(R.C. 5301.90 and 5301.91; R.C. 5301.89, not in the bill)

The bill authorizes an applicable agency (for example, OEPA) that is party to an environmental covenant to determine that the signature of a person who originally signed the covenant is not necessary in order to amend or terminate it. Under current law, an environmental covenant may only be amended or terminated by consent and with the signature of all of the following:

- The applicable agency;
- The current owner in fee simple of the real property that is subject to the covenant (unless waived by the agency);
- Each original signer of the covenant, unless:
 - The person waived in a signed record the right to consent; or
 - A court finds the person no longer exists or cannot be located.

As a result, the bill eliminates the need to provide notice to an original signatory (who the agency determines is not necessary to amend or terminate the environmental covenant) when the environmental covenant is subject to termination or amendment via an eminent domain proceeding. However, the bill retains the ability of an original signatory who is not a current owner of the subject property in fee simple to file a civil action to enforce the covenant.

Advanced recycling

(R.C. 3734.01)

The bill exempts advanced recycling of post-use polymers and recovered feedstocks conducted at an advanced recycling facility from regulation under the Solid Waste law. Advanced recycling generally involves a manufacturing process for the conversion of post-use polymers and recovered feedstocks into basic raw materials, feedstocks, chemicals, and other recycled products. Under the bill, the conversion of these materials may be conducted via pyrolysis, gasification, depolymerization, catalytic cracking, reforming, hydrogenation, solvolysis, chemolysis, and other similar technologies. An advanced recycling facility includes any manufacturing facility that stores and converts post-use polymers and recovered feedstocks for advanced recycling.

Under current law, only the process of converting post-use polymers and recoverable feedstocks using gasification or pyrolysis is exempt from the Solid Waste Law. Thus, the bill expands the processes by which these materials may be converted and still be exempt under that law.

Under the bill, a post-use polymer generally includes a plastic derived from industrial, commercial, agricultural, or domestic activities, and includes pre-consumer recovered materials and post-consumer materials. Its intended use must be for use as a feedstock for the manufacturing of feedstocks, raw materials, other intermediate products, or final products using advanced recycling. Finally, post-use polymers must be sorted from solid waste and other regulated waste, but may contain incidental contaminants or impurities. Under current law, post-use polymers are plastic polymers that are derived from any source and are not being used for their intended purpose. The intended use for post-use polymers must be to manufacture crude oil, fuels, other raw materials, and other products using pyrolysis or gasification. Thus, the bill appears to expand the scope of what is considered a post-use polymer.

The bill specifies that a recovered feedstock is a post-use polymer or nonwaste (as designated by USEPA) that has not been mixed with solid or hazardous waste on-site or during processing at an advanced recycling facility and has been processed for use as a feedstock in a gasification facility. A recovered feedstock does not include unprocessed municipal solid waste. Under current law, a recoverable feedstock is the same as under the bill, except that it does not include the specification that it cannot be mixed with solid or hazardous waste.

The bill alters the meaning of pyrolysis and gasification as follows:

Process changes		
Process	Current law	H.B. 33
Pyrolysis	A process through which post-use polymers are heated in the absence of oxygen until melted and thermally decomposed, and are then cooled, condensed, and converted into oil, fuel, feedstocks, diesel and gasoline blendstocks, chemicals, waxes, or lubricants.	<p>A manufacturing process that melting and thermally decomposing post-use polymers may occur either noncatalytically or catalytically.</p> <p>The bill expands the types of materials that may result from pyrolysis, including valuable raw materials, intermediate products, or final products, plastic monomers, chemicals, naphtha, waxes, or plastic and chemical feedstocks that are returned to economic utility in the form of raw materials and products.</p>
Gasification	A process through which feedstocks are heated and converted into a fuel gas mixture in an oxygen deficient atmosphere, and the mixture is converted into fuel, chemicals, or other chemical feedstocks.	<p>A manufacturing process through which post-use polymers or recovered feedstocks are heated in an oxygen-controlled atmosphere and converted into syngas.</p> <p>Following that conversion, the process involves conversion into valuable raw, intermediate, and final products, including plastic monomers, chemicals, waxes, lubricants, coatings, and plastic and chemical feedstocks that are returned to economic utility in the form of raw materials or products.</p>

Finally, the bill defines various terms for purposes of the expanded exemption established by the bill. Those changes are as follows:

Terminology added by H.B. 33	
Term	Explanation
Depolymerization	A manufacturing process where post-use polymers are broken into smaller molecules such as monomers and oligomers or raw, intermediate, or final products, plastics and chemical feedstocks, basic and unfinished chemicals, waxes, lubricants, and coatings.
Solvolysis	A manufacturing process to make useful products (products produced through solvolysis, including monomers, intermediates, valuable chemicals, plastics and chemical feedstocks, and raw materials) through which post-use polymers are purified by removing additives and contaminants with the aid of solvents and are heated at low temperatures or pressurized. "Solvolysis" includes hydrolysis, aminolysis, ammonolysis, methanolysis, and glycolysis.
Mass balance attribution	A chain of custody accounting methodology with rules defined by a third-party certification system that enables the attribution of the mass of advanced recycling feedstocks to one or more advanced recycling products.
Recycled plastic	Products that are produced from either of the following: <ol style="list-style-type: none"> 1. Mechanical recycling of pre-consumer recovered feedstocks or plastics, and post-consumer plastics; 2. The advanced recycling of pre-consumer recovered feedstocks or plastics, and post-consumer plastics via mass balance attribution under a third party certification system.
Recycled products	Products produced at advanced recycling facilities including, monomers, oligomers, recycled plastics, plastic and chemical feedstocks, basic and unfinished chemicals, waxes, lubricants, coatings, and adhesives.

Coal combustion residuals

(R.C. 3734.48)

The bill requires the OEPA Director to establish a program for the regulation of the storage and disposal of coal combustion residuals (CCR). CCR includes fly ash, boiler slag, and flue gas desulfurization materials generated from burning coal for generating electricity by electric utilities and independent power producers.

To implement the program, the Director must adopt rules governing CCR storage, treatment, and disposal sites referred to as "CCR units." These units include any CCR landfill, CCR surface impoundment (e.g., a topographic depression or manmade excavation), including

any lateral expansion of a CCR unit, or a combination thereof. A CCR landfill is an area of land that receives CCR (that is not a CCR impoundment), an underground injection well, a salt dome or salt bed formation, an underground or surface mine, or a cave. CCR landfills include sand and gravel pits and quarries that receive CCR, CCR piles (noncontainerized accumulations of solid CCR), and any practice that does not include the beneficial use of CCR.

The rules adopted by the Director must be no more stringent than federal requirements governing CCR and must address the following:

1. Siting criteria;
2. Ground water monitoring requirements;
3. Design and construction requirements;
4. Financial assurance requirements;
5. Closure and post-closure requirements; and
6. Any other requirement that the Director determines is necessary for the program, including any additional term definitions.

CCR units, as regulated under the bill, are not subject to regulation under the laws governing solid, hazardous, and infectious waste. Further, the bill exempts these units from prohibitions under the law governing water pollution control specifically related to the discharge of pollution into the waters of the state. However, it states that the Director may require the owner or operator of a unit to obtain a water pollution control facility permit-to-install and a discharge permit (known as a National Pollutant Discharge Elimination [NPDES] permit) under the Water Pollution Control Law. Thus, a violation of any of the terms and conditions of those permits could result in criminal and civil penalties under that law.

The Director must prescribe and furnish any forms necessary to administer and enforce the program. Further, the Director may cooperate with and enter into agreements with other local, state, or federal government entities to carry out the purposes of the program.

Regulatory restriction reduction requirement exemption

The bill exempts rules adopted by the Director governing CCR from continuing law requirements concerning reductions in regulatory restrictions. Currently, the OEPA must take actions to reduce regulatory restrictions, including, by June 30, 2025, reducing the amount of regulatory restrictions contained in an inventory created in 2019 in accordance with a statutory schedule. A “regulatory restriction” is any part of an administrative rule that requires or prohibits an action.

Without that exemption, the OEPA must do all of the following with respect to any regulatory restrictions contained in rules adopted under the bill:

- Until June 30, 2025, and for so long as the OEPA fails to reach the reductions required under the statutory schedule, remove two or more existing regulatory restrictions for each new restriction adopted (referred to as the “two-for-one rule”);

- Refrain from adopting a regulatory restriction when doing so would negate a previous reduction;
- Beginning July 1, 2025, refrain from adopting a regulatory restriction when doing so would cause the total number of regulatory restrictions in effect to exceed a statewide cap calculated by the Joint Committee on Agency Rule Review.⁷⁷

⁷⁷ R.C. 3734.48, by reference to R.C. 121.95 to 121.953.

FACILITIES CONSTRUCTION COMMISSION

Community School Classroom Facilities Loan Guarantee

- Abolishes the Community School Classroom Facilities Loan Guarantee Program and Community School Classroom Facilities Loan Guarantee Fund.

Accelerated School Assistance Program

- Establishes the Accelerated School Assistance Program, under which the Ohio Facilities Construction Commission (OFCC) may fund 80% of an eligible school district's classroom facilities project.

Accelerated Appalachian School Building Assistance Program

- Establishes the Accelerated Appalachian School Building Assistance Program for Appalachian school districts that have not yet received assistance under a Classroom Facilities Assistance Program.

Exceptional Needs School Facilities Assistance Program

- Requires OFCC to allocate at least 10% of its exceptional needs assistance set-aside funds for the maintenance, repair, or replacement of facilities of a school district that previously completed a project under which the maintenance funding requirement has lapsed.

Levies for school facilities projects

- Extends the time period by which electors of a school district must vote favorably on bond and tax levies related to a school facilities project from 13 months after a grant of conditional approval to 16 months after that approval.

County jail facility funding

- Creates a financing system for the state to aid counties in constructing or renovating county jail facilities, subject to the approval of OFCC and the Controlling Board.

Project process and approval

- Creates a funding formula by which the neediest counties may receive state assistance in constructing or renovating jail facilities.
- Requires the Department of Taxation to biannually conduct a financial ranking of all counties, using a specified formula, which ranks counties based on their property tax values, and an estimate of the gross amount of taxable retail sales sourced to the county for the current fiscal year, and then report the results to OFCC.
- Requires OFCC to then invite to apply for assistance a certain number of counties from among the lowest ranking counties, the number being based off of the estimated moneys available for that year.

- Requires OFCC to shortlist the applying counties and conduct an on-site assessment of existing jail facilities to determine need, using the Department of Rehabilitation and Correction's (DRC's) existing standards to evaluate construction and design, and using newly developed standards to evaluate condition of the facilities.
- Permits OFCC to waive the on-site assessment if the county already has conducted an on-site assessment, and OFCC determines the county's assessment is sufficient.
- Requires OFCC, in conjunction with DRC, to develop standards to evaluate the condition of existing jail facilities, with input from organizations representing sheriffs and boards of county commissioners.
- Requires OFCC to approve a project only if the project conforms to OFCC and DRC standards, and the project keeps with the needs of the county as determined by the assessment; exceptions to be made where topography, sparsity of population, and other factors make larger jail facilities impracticable.
- Allows renovations rather than new facility construction if the renovations equal or are less than the cost of the new facility, the facilities will be operationally efficient and adequate for the county's future needs, and it complies with DRC and OFCC standards.
- Requires OFCC to approve a project only if the county can prove that the county can generate adequate revenue to fund the basic project cost, and the operations and maintenance of the proposed jail facilities.
- Requires the county auditor to report and certify to OFCC the estimated annual, monthly, or daily cost of operating a proposed facility once it is operational.

County funding

- Allows a county to generate revenue for the project by the following means: unencumbered county funds, bonds, local donated contributions, bond issue or tax levy, and the proceeds of other tax levies that lawfully may be used for building or maintaining jail facilities.
- Prohibits counties from submitting, as evidence to OFCC that the county can adequately fund its jail facilities, any proposal to rent any portion of the jail facility or facilities to other political subdivisions.
- Specifies that a county's portion of the basic project cost is to be 1% of the basic project cost times the percentile in which the county ranks according to OFCC's funding formula.
- Prohibits the county share of the basic project cost from being above 75%.
- Prescribes a formula for projects in counties that previously had an approved project under the bill's provisions.
- Gives counties or multi-county jail facilities commissions (MCJFCs) 120 days to accept OFCC's conditional approval.

- Requires, if necessary, that the electors of the county or counties approve the bond issue or levy not later than 16 months after the date the county received OFCC's conditional approval, or else the conditional approval lapses.
- Specifies that, if the conditional approval lapses, the amount reserved and encumbered for the project is released, but also specifies that that county or those counties have first priority as additional funds become available.
- Specifies the requirements for local donated contributions, including that they may offset the required amount of bonds to be issued.

Controlling Board approval

- Specifies that if OFCC approves a project, the project is conditionally approved and then goes before the Controlling Board.
- Requires the Controlling Board to then approve or reject OFCC's determination, the amount of the state's portion of the basic project cost, and the amount of the state's portion to be encumbered in the current fiscal year.
- Prohibits the Controlling Board from approving a project for a county that has had a project approved in the last 20 years, unless the board of county commissioners demonstrates that an exceptional increase in need has occurred.

Written agreement – OFCC and county commissioners

- Requires OFCC, if the county has met its share of the basic project cost through election or otherwise, to enter into an agreement with the board of county commissioners or the MCJFC, and specifies the terms of the agreement.
- Requires the board of county commissioners or the MCJFC, after entering into the agreement, and if applicable, to issue bonds or notes in anticipation of the agreement and deposit the proceeds into the county's construction fund.
- Requires that the board of county commissioners or the MCJFC then employ a qualified professional to prepare preliminary plans, working drawings, specifications, estimates of cost, and such data as the board or MCJFC, and OFCC, consider necessary for the project.
- Provides that, once the board or MCJFC has approved the preliminary plans, the plans are submitted to OFCC for approval, modification, or rejection.
- Requires OFCC to approve the plans once the plans conform to the standards adopted by OFCC and DRC, and subsequently cause the qualified professional to prepare the drawings, specifications, and estimates of cost.
- Requires that, if the proposed facility is located within one mile of a state route or highway, the plans also be approved by the Director of Transportation.

Construction bids

- Requires the board or MCJFC to advertise for construction bids, using competitive bidding procedures, once the specifications, drawings, and estimates of cost have been approved by the board or MCJFC and OFCC.
- Requires the award to go to the lowest responsible and responsive bidder within 60 days of advertising, and requires the winning bidder to accept the contract within ten days of the award.
- Allows the board or MCJFC to reject all bids and readvertise, with OFCC's permission.

Appropriations

- Requires OFCC to determine the amount of appropriations to be encumbered for any project undertaken under the bill's provisions, based on the project's estimated construction schedule for that year.
- Requires OFCC, in subsequent fiscal years, to grant ongoing projects priority for state funds over projects for which initial state funding is sought.
- Requires OFCC to request that the Controlling Board transfer to the county's project construction fund the amount appropriated by the General Assembly and set aside for that purpose.

County construction funds

- Requires the county auditor to disburse county project construction funds upon the approval of OFCC, which then must issue vouchers against the fund as required.
- Provides that all investment earnings of the fund are credited to the fund.
- Allows the board of county commissioners, by resolution, to use all or part of the fund's investment earnings that are attributable to the county's contribution to pay the cost of jail facilities, or portions or components thereof, which are not part of the basic project cost.
- Requires, after a certificate of completion has been issued for the project, any remaining investment earnings to be retained in the county construction fund or transferred to a project maintenance fund, the county's permanent improvement fund, or OFCC, as appropriate.

Multi-county jail facilities

- Permits two or more counties to form an MCJFC pursuant to an agreement approved by OFCC, and build a multi-county jail facility.
- Sets forth the required terms of MCJFC agreements.
- Provides that if the electors of one of the counties fail to approve the funds necessary to fund the county's portion of the cost, the other contracting counties are not obliged to

pay any portion of the cost of the county in which the levy or issuance was not approved.

Jail Facility Building Fund

- Creates the Jail Facility Building Fund in the state treasury.

OFCC interest in real property

- States that OFCC has an interest in real property purchased with moneys in the county's project construction fund.
- Once obligations issued to finance a project are no longer outstanding, transfers any interest held by OFCC to the county.

Project completion

- Requires OFCC to issue a certificate of completion to the board or the MCJFC upon completion of the project, and certification that the project conforms to DRC's and OFCC's minimum standards.
- States a project is considered complete when construction is complete, the board or MCJFC has received a permanent certificate of occupancy, OFCC has completed a final accounting, litigation has been resolved, and construction management services have been delivered and OFCC has canceled any remaining related encumbrance.
- Provides that a certificate of completion may be issued without the immediately above conditions being met if the circumstances preventing the conditions from being satisfied are minor.
- Permits OFCC to issue a certificate of completion to an unwilling board, if the construction manager for the project verifies the project is complete, and OFCC determines the facilities have been occupied for a year.
- Requires any project funds, upon such issuance of a certificate of completion, to be returned to their proper place within 30 days and, if not returned within 60 days, requires the Auditor of State to recover the money from the county.
- Provides that OFCC's ownership interest in the project ceases upon the issuance of the certificate of completion.

Corrective action program

- Establishes the corrective action program to provide funding for the correction of defective or omitted work found on any project under the bill's provisions.
- Provides that the county must notify the OFCC Director of the defect or omission within five years of the project completion date to receive funding from the corrective action program.

- Requires OFCC to establish rules providing for application and granting of assistance under this program, with the requirement that remediation efforts first focus on engaging the contractors who originally worked on the project.
- Requires the county or counties to contribute a portion of the cost of corrective action, to be determined in the same manner as the basic project cost.
- Requires the state to seek recovery from the responsible party, if any, and requires any recovery to first be applied to the county's portion, and then the state portion.

Community School Classroom Facilities Loan Guarantee

(Repealed R.C. 3318.50 and 3318.52; conforming changes in R.C. 3314.08)

The bill abolishes the Community School Classroom Facilities Loan Guarantee Program and Fund.

Under current law, the Ohio Facilities Construction Commission (OFCC) is authorized to partially guarantee loans made by the governing authority of a community school to assist it in acquiring, improving, or replacing classroom facilities for the community school. Under the program, community schools may apply for loan guarantees for up to 15 years on 85% of the principal and interest on loans to acquire buildings.

Accelerated School Assistance Program

(R.C. 3318.63)

The bill establishes the Accelerated School Assistance Program, under which OFCC funds 80% of an eligible school district's classroom facilities project. A school district is "eligible" if it applies and meets the following conditions:

1. It has between 2,000 and 3,000 enrolled students;
2. Its annual percentile ranking has remained the same for at least three of the four most recent years;
3. One of its school buildings is at least 100 years old; and
4. Its master facility plan proposes to consolidate buildings.

The bill requires OFCC to establish procedures and deadlines for eligible districts to follow in applying for assistance. Applications must be considered on a case-by-case basis taking into account the amount of moneys appropriated to the program. Currently, it appears that the Canfield Local School District would qualify for assistance under this program.

Accelerated Appalachian School Building Assistance Program

(R.C. 3318.33, conforming changes in R.C. 3318.024, 3318.051, 3318.055, 3318.084, and 3318.364)

The bill establishes the Accelerated Appalachian School Building Assistance Program and qualifies for that program any school district that has any territory within the Appalachian

region that has not been approved to receive Classroom Facilities Assistance under continuing law. In accordance with the bill's provisions, OFCC must select at least three eligible school districts per biennium until all eligible districts have received some type of Classroom Facilities Assistance. OFCC must conduct an on-site visit to assess the classroom facilities needs of each school district selected for assistance. Each selected school district may then apply to OFCC for conditional approval, which application must be conditionally approved and submitted to the Controlling Board. After Controlling Board approval, OFCC and the school district must enter into an agreement in accordance with continuing law. Further, a participating district may divide its entire classroom facilities needs into discrete segments as permitted under continuing law.

Passage of levy-incentives

To incentivize a favorable vote of a district's electors, OFCC must reduce the district's portion of the basic project cost as follows:

1. By 20% if approved in the first election in which the propositions appear;
2. By 15% if approved in the second election; and
3. By 12.5% if approved in the third election.

Passage of levy – eligibility

Under the bill, a district in which the electors pass propositions in the fiscal year in which the section becomes effective, but prior to its effective date, is eligible to participate in the program.

Reduction or unavailability of funds

If the amount appropriated in any fiscal year for projects approved under the program is not adequate, the bill requires OFCC to proportionately reduce the state funds each participating district receives for that year. However, a district affected by a reduction remains eligible for continued assistance under the program until its project is completed.

If the program is not funded in any fiscal year, eligible districts that have not yet received assistance under the program retain their eligibility to receive assistance under other CFAP programs in the same order they were scheduled to receive assistance prior to becoming eligible for the bill's program.

Exceptional Needs School Facilities Assistance Program

Under the bill, OFCC must allocate at least 10% of the annual set-aside for assistance to school districts with exceptional needs for immediate classroom facilities assistance to be spent on school districts seeking facilities maintenance, repairs, or replacements, provided a school district that participates (1) has not otherwise received immediate assistance and (2) has previously completed a CFAP project under which the 23-year maintenance funding requirement has lapsed.

Under continuing law, OFCC may set aside from its full annual appropriation up to 25% for assistance to school districts under the Exceptional Needs School Facilities Assistance Program.

Background – school facilities assistance

OFCC administers several programs that provide state assistance to school districts and other public schools in constructing classroom facilities. The main program, the Classroom Facilities Assistance Program (CFAP), is designed to provide each city, exempted village, and local school district with partial funding to address all of the district's classroom facilities needs. It is a graduated, cost-sharing program where a district's portion of the total cost of the project and priority for funding are based on the district's relative wealth. Other smaller programs address the particular needs of certain types of districts and schools. These, too, are cost-sharing programs.

Levies for school facilities projects

(R.C. 3318.05, 3318.032, 3318.054, and 3318.41)

The bill extends the time period by which the electors of a local, exempted village, or city school district must vote favorably on bond and tax levies related to a school facilities project from 13 months after OFCC grants conditional approval of the project to 16 months after that approval. Similarly, it extends the time period from 13 months to 16 months in relation to a joint vocational school district project.

Jail Facility Construction Fund

This bill creates a system in which the state helps needy counties finance the cost of building or renovating jail facilities. It is loosely modeled after the school facility construction financing system found in R.C. Chapter 3318. The bill creates a funding formula that ranks counties according to their property tax values and gross amount of taxable retail sales sourced to the county for the current fiscal year. The formula is used to determine which counties have the highest priority, and for how much assistance an applying county is entitled.

Project process and approval

(R.C. 342.02 and 5120.10 with conforming changes in R.C. 307.01, 307.021, 307.93, 341.12, and 2301.51)

Funding formula – Department of Taxation calculation

The process begins when the Department of Taxation (TAX), every other year on even-numbered years, conducts its financial ranking of all 88 counties.

The formula TAX uses to rank counties is as follows:

- First, the counties are ranked by the total value of all property in the county listed and assessed for taxation on the tax list as reported by TAX in the current fiscal year, in order of total value, ascending, so that the county with the lowest value is number one on the list.

- Then TAX ranks each county based on the estimate of the gross amount of taxable retail sales sourced to the county as reported by TAX for the preceding fiscal year, computed by dividing the total amount of tax revenue received by the county during that period from sales taxes and use taxes by the aggregate sales tax rate currently levied by the county.⁷⁸ TAX lists each county in order of total value, ascending, so that the county with the lowest value is number one on the list. Any county that does not currently levy sales taxes is automatically ranked at number 88 on the list.
- Then, for each county, TAX adds the numbered rank for property values to the numbered rank for sales tax, and orders the counties according the sum of the two ranks, the county with the lowest sum being number one on the list. The percentile ranking is determined by taking the county's ranking on this final list, dividing it by 88, and multiplying it by 100. This percentile ranking not only is used to help determine which counties to invite to apply for assistance, but also is used to determine the county's basic share of the project cost (see **"County funding – county's portion of the basic project cost,"** below).

If two or more counties are tied, the county with the lowest population receives the lowest final ranking. The final ranking for the counties should be numbers one through 88. TAX must then report the ranking to OFCC.

Application process

Once OFCC receives TAX's financial rankings, OFCC must select a number of counties from among the lowest ranking counties. The number of counties selected depends on OFCC's projections of the moneys available and necessary to undertake jail facility projects for that year. OFCC then invites the selected counties to apply for assistance. Two or more counties may jointly apply for assistance as a multicounty jail facility construction commission (MCJFC) as long as at least one of the counties was invited to apply. The application is on a form and in a manner prescribed by OFCC.

Upon the counties' application, OFCC may shortlist applicants, and then must proceed with a needs assessment of the shortlisted counties, in order to determine the jail facility needs of the applicant county. The needs assessment must include an on-site assessment of applicable jail facilities identified as having jail facility needs.

Needs assessment

OFCC, as part of its needs assessment, must conduct or cause to be conducted (meaning OFCC may hire a third party) an on-site assessment of the applicable jail facilities, assessing the county's need to construct or acquire new jail facilities, or the county's need to add to, reconstruct, or renovate existing facilities. If the board of county commissioners so requests, OFCC also must examine any needs assessment the county has already conducted, and any master plans the board has developed to meet its needs. If OFCC determines that the county's

⁷⁸ See R.C. 5739.021, 5739.026, 5741.021, and 5741.023, not in the bill, for sales and use taxes.

needs assessment or master plan is sufficient for its purposes, and that any additional needs assessment is not necessary, OFCC may waive the on-site assessment.

OFCC must assess the following factors: the county's need for additional jail facilities, or renovations or improvements to existing jail facilities, based on whether and to what extent existing facilities comply with OFCC's and Department of Rehabilitation and Correction's (DRC's) standards; the number of jail facilities needed and the basic project cost of constructing, acquiring, reconstructing, or making additions to each facility; the amount of the basic project cost that the county can supply (see **"County funding – county's portion of the basic project cost"** below); the amount to be supplied by the state and the amount of the state's portion to be encumbered; and the annual, monthly, or daily cost of operating the facility once it is operational. The annual, monthly, or daily operating cost must be reported and certified by the county auditor. OFCC may determine ranking cost for each county involved in a multi-county jail facility project.

Jail facility standards

OFCC, in conjunction with the DRC, must develop a set of minimum standards to assess the condition of existing jail facilities to determine need. Standards that already exist under Ohio law must be used to assess the construction and design of the existing jail facilities. In developing these standards, OFCC and DRC must solicit input from sheriffs and boards of county commissioners, or from organizations representing sheriffs or boards of county commissioners in Ohio.

Project approval

(R.C. 342.02, 342.03, and 342.04)

OFCC, once it has conducted its needs assessment, must then choose from among the applicant counties which receive state funding, based on the financial ranking and the results of the needs assessment.

OFCC may approve a project only if it determines, based upon evidence submitted, that the project conforms to DRC's and OFCC's jail facilities standards, and that the project keeps with the needs of the county pursuant to the needs assessment. OFCC may make an exception where sparsity of population, topography, or other factors make larger facilities impracticable. If the board or OFCC is in favor of renovation rather than a new construction, the renovation's cost must be less than or equal to what the cost of a new construction would be. The renovation may only be approved if OFCC finds that it meets the requirements as stated in this paragraph, and that it will be operationally efficient.

Additionally, OFCC may approve a project only upon submission of evidence to OFCC by the board of county commissioners or, in the case of a multicounty jail facility, by an MCJFC, that the county or counties involved in the project will generate adequate revenue to fund the county portion of the basic project cost and the operations and maintenance of the proposed jail facility or facilities.

If a chosen project subsequently is denied approval by the Controlling Board, or canceled for some other reason, OFCC may choose another applicant county that applied for

assistance but was not selected. If no counties meet that description, OFCC may invite additional counties to apply for assistance.

County funding

(R.C. 342.01, 342.02, and 342.04)

The basic project cost

The “basic project cost” is determined by OFCC, according to its rules, and must take into consideration the square footage and cost per square foot necessary for the jail facilities, the variation across the state in construction and related costs, the cost of the installation of site utilities and site preparation, the cost of demolition of all or part of any existing jail facilities that are abandoned under the project, the cost of insuring the project until it is completed, any contingency reserve amount prescribed by OFCC, and the professional planning, administration, and design fees that a county may have to pay to undertake a jail facilities project. “Site utilities” include the domestic water system, site fire protection system, site gas distribution system, site sanitary system, site storm drainage system, site electrical service, site generator system, and site telephone and data system.

County’s portion of the basic project cost

The county’s portion of the basic project cost is 1% times the percentile in which the county ranks according to TAX’s ranking, for the fiscal year preceding the fiscal year in which the Controlling Board approved the project. The share is calculated as of the date of the Controlling Board’s approval. But the county’s or counties’ portion may not exceed 75% of the total basic project cost. If two or more counties’ portions of the basic project cost, under an MCJFC, would exceed 75%, their portions are reduced, and the portion of the 75% they must pay is determined pro rata (meaning proportionally).

A county’s share is calculated differently, however, if the county previously had a project approved within the last 20 years (as of the date of the Controlling Board’s approval). If the county had a previous project approved, the county share of the basic project cost is the lesser of the following:

- The portion calculated as described above; or
- The greater of the following:
 - The required percentage of the basic project costs for the new project or, if the project is a multicounty jail facility, the county’s or counties’ required percentage of the basic project costs pursuant to an MCJFC agreement; or
 - The percentage of the basic project cost paid by the county or counties for the previous project.

The county may use the following means to generate the revenue necessary to pay the basic project cost, as well as operation and maintenance of the proposed facilities: unencumbered funds, bonds, local donated contributions (see below), bond issues or property taxes levied specifically to cover the county’s portion of the basic project cost, or the proceeds of any other tax levy that may be lawfully used for that purpose, i.e., general criminal justice

service and jail facility levies that counties are authorized to levy under continuing law.⁷⁹ The county auditor must certify any evidence of this nature before it may be accepted by OFCC. The county may not submit as evidence any plan to rent out a portion of the jail facility to other political subdivisions.

Jail facility property taxes and bonds

(R.C. 342.05 and 5705.234)

The bill permits a county to levy a property tax in excess of the ten-mill limitation to fund maintenance and operating expenses of a jail facility (“operating levy”), to pay debt charges on bonds issued for the county’s share of the basic project cost (“bond levy”), or a combined question that includes both (“combined levy”). A county may only levy such a tax after it has received conditional approval from OFCC for the construction, acquisition, reconstruction, or expansion of a jail facility, and must obtain voter approval within 16 months after receiving OFCC’s conditional approval.

An operating levy proposed under the bill may be for any number of years or a continuing period of time. In contrast, a bond levy may only extend for the maximum number of years over which the principal of the issued bonds may be paid.

To levy any of these taxes, the board of county commissioners must adopt a resolution specifying not only the purpose, rate, and duration of the tax, but also the percentage of the basic project cost to be supplied by the county and by the state, and, if a multicounty jail facility is the subject of the tax, the name and the percentage of the basic project cost to be supplied by each contracting county. The procedure for submitting the tax to voters is the same as for other voted levies, i.e., levy information is certified to the board of elections, and the board prepares an election notice and ballot language. A combined levy will appear on the ballot as a single question, so voters must either approve or disapprove both the operating and the bond levy.

The county may proceed with the collection of any tax and the issuance of any bonds approved by voters. Similar to many other property tax levies, the county may anticipate a fraction of its proceeds and issue anticipation notes.

An operating levy may be renewed, increased, decreased, or replaced using the processes required under continuing law for other voted levies. If the operating levy is for a continuing period, voters may submit a petition to reduce the levy’s rate, similar to most other continuous levies.⁸⁰

⁷⁹ R.C. 5705.19(LL) and 5705.233, not in the bill.

⁸⁰ R.C. 5705.261, not in the bill.

Local donated contributions

(R.C. 342.07)

The bill allows a county to fund all or part of the basic project cost of constructing a jail facility, or operating or maintenance costs, with local donated contributions. Local donated contributions include: money donated to a board of county commissioners from an entity other than the state, which the board has the authority to spend on, and has pledged to spend on, jail facilities; an irrevocable letter of credit issued on behalf of a county that has been approved by OFCC, any cash a county has on hand that the board has encumbered for payment of the county's share, if approved by OFCC, and any moneys spent by an outside source for the purpose, provided that the board, OFCC, and the entity have entered into a written agreement requiring audits and having other provisions regarding credit.

Any local donated contribution must first be deposited into the county's project construction fund before state moneys may be released. If OFCC has approved any local donated contribution from an outside entity towards the basic project cost, the state moneys may be released even if the entity providing the contribution has not spent the moneys so dedicated as long as the agreement between the entity, county, and OFCC has been executed.

The contributions may be used to offset any amount of bonds required to be issued or taxes required to be levied, with OFCC approval.

Controlling Board approval

(R.C. 342.05)

If OFCC has determined that the project conforms to OFCC and DRC standards, and that the project keeps with the needs of the county as determined by the needs assessment, and that the county can generate adequate revenue to fund the basic project cost, operations, and maintenance, OFCC may make a determination in favor of constructing, acquiring, reconstructing, or making additions to a jail facility. When OFCC makes this determination, the project is conditionally approved. The project then must go to the Controlling Board.

The Controlling Board then must approve or reject OFCC's determination, the amount of the state's portion of the basic project cost, and the amount of the state's portion to be encumbered in the current fiscal year. If approved, OFCC must certify the approval to the board of county commissioners or the MCJFC, and then encumber the funds from the appropriations for that year. The basic cost may not exceed the cost as determined by OFCC in its specifications for plans and materials for jail facilities.

The Controlling Board may not approve a project for a county that previously has had a facility built or renovated under this process, and that has levied a tax for the purpose of qualifying for that previous assistance, within the last 20 years, unless the county demonstrates to OFCC that the county has experienced, since approval of its prior project, an exceptional increase in need beyond the county's design capacity under that prior project. If OFCC determines that current facilities are adequate to fit the county's needs, it may reject the county's application.

Once the Controlling Board's approval has been granted, the board of county commissioners has 120 days to accept the approval. Additionally, if the county must issue bonds or a levy to generate its required revenue, the voters must approve the bond issue or levy within 16 months of the Controlling Board's approval. If the approval lapses (the bond issue or levy fails, or the board fails to accept the approval), the amount reserved and encumbered for the project is released. If this happens, the county has first priority for project funding as the funds become available.

Written agreement – OFCC and county commissioners

(R.C. 342.06 and 342.08)

When the county has raised adequate funds, OFCC and the board of county commissioners, or the MCJFC if applicable, must enter into a written agreement regarding the project. The agreement must have the following provisions:

- The county's sale and issuance of bonds or notes, as soon as practicable after the agreement is executed, equal to the county's portion of the basic project cost;
- Transferring the funds to the county's project construction fund, and disposal of any balance left in the fund upon project completion;
- Dividing ownership of the project during the period of construction between OFCC and the county in proportion to their respective contributions;
- Maintenance of the state's interest in the project until any obligations issued for the project are no longer outstanding;
- The insurance of the project by the county, provided it is part of the basic project cost;
- Certification by the Director of Budget and Management that the funds are available and have been set aside;
- Authorization of the board to advertise for and receive construction bids, and award contracts in the name of the state, subject to approval by OFCC;
- Disbursement of moneys from the county's project account upon the issuance of OFCC vouchers for work done, to be certified by the county auditor to OFCC;
- Termination of the contract if the board does not deposit bond proceeds into the county's project construction fund, or if no bids have been taken within a period determined by OFCC;
- Requiring the county to maintain the project in accordance with a plan approved by OFCC;
- Requiring that the state and county spend their portion of the funds simultaneously in proportion to the county and state's respective shares (with a provision allowing the county to spend more to maintain a federal tax status, if desired);
- Stipulation that OFCC may prohibit the board from proceeding with any project if it determines that the site is not suitable for construction purposes; and

- Stipulation that, unless otherwise authorized by OFCC, any contingency reserve portion of the construction budget must be used only to pay costs resulting from unforeseen job conditions, to comply with rulings regarding building and other codes, to pay costs related to design clarifications or corrections to contract documents, and to pay the costs of settlements or judgments related to the project.

After entering into an agreement, the county must then issue its bonds or notes in anticipation of the agreement, and deposit the proceeds in the county's project construction fund.

Then, with OFCC approval, the county must employ qualified professionals to prepare preliminary plans, working drawings, specifications, estimates of cost, and other data the county or OFCC considers necessary. Once the plans are prepared and approved by the board, the board must submit the plans to OFCC for approval, modification, or rejection. OFCC may only approve the plans if the plans and materials proposed for use in the project comply with specifications and standards established by OFCC and DRC. Upon approval, the board must have the qualified professionals prepare the working drawings, specifications, and estimates of cost.

If the plans propose to locate a facility within one mile of a highway or state route, the plans must also be submitted to, and approved by, the Department of Transportation.

Construction bids

(R.C. 342.09)

Once the working drawings, specifications, and estimates of cost have been approved by the board and OFCC, the county must advertise for construction bids in accordance with competitive bidding requirements. OFCC must supply the form for bidders to use.

Once the bids are received, OFCC must prepare a revised estimate of the basic project cost based upon the lowest responsible bids received. If the revised estimate exceeds the estimated basic project cost previously approved by the Controlling Board, the project may not go forward until the Controlling Board and OFCC approves the revised project cost. The project must then be awarded to the lowest responsive and responsible bidder, subject to the approval of OFCC, not later than 60 days after the date on which the bids are opened. The successful bidder must enter into a contract not later than ten days after the successful bidder is notified of the award of the contract.

Subject to OFCC approval, the board may reject all bids and readvertise. These contracts must be executed by the board and county auditor in the name of the state.

Subcontractors, materials suppliers, laborers, mechanics, or persons furnishing material or machinery for the project are afforded the same remedies under the bill, as they are in the Uniform Commercial Code (UCC). Under the UCC in Ohio, the persons in this paragraph may

make a claim for unpaid funds by filing an affidavit with the contracting public authority. Any affidavits so filed must be filed with the board or the MCJFC, if applicable.

Notwithstanding any other bidding requirements, a county may utilize any otherwise lawful alternative construction delivery method for the construction of the project.⁸¹

Appropriations

(R.C. 342.10 and 342.11(A))

For each jail facilities project undertaken, OFCC each year must determine the amount of state appropriations to be encumbered based on the project's estimated construction schedule for that year. OFCC must grant priority to continuing projects rather than projects for which initial funding is sought.

OFCC is in charge of requesting that the Controlling Board transfer the necessary amounts, as appropriated by the General Assembly, to the county's project construction fund, from time to time as necessary. Any investment earnings of the fund is credited to the fund. The funds may also be used to pay the costs of administering the jail facilities construction program.

County construction funds

(R.C. 342.11)

The county auditor may disburse funds from the county's project construction fund, including investment revenue, only upon OFCC approval. OFCC may issue vouchers against the fund as necessary for payment of the project.

The board of county commissioners may, by resolution, use the investment earnings of the fund which are attributable to the county's contribution, to pay for costs related to, but not included in, the basic project cost. But if the county takes this option, and then subsequently the project cost unexpectedly exceeds the amount that is in the project construction fund, the board must restore any investment earnings so used back to the fund. The county may not receive any additional state funds until the board does so.

Once a certificate of completion has been issued (see "**Certificates of completion**" below), and at the board's discretion, the investment earnings may be retained in the project construction fund for future project use, transferred to a special treasury fund for use in maintaining the jail facilities, or transferred to the county's project improvement fund. Any investment earnings remaining attributable to the state's contribution to the fund goes back to OFCC for expenditures on jail facilities. Any other remaining surplus goes back to the county and OFCC, proportionate to their contributions. OFCC must likewise spend this money on jail facilities.

⁸¹ R.C. 307.86; R.C. 1311.26, not in the bill.

Multi-county jail facilities

(R.C. 342.12)

The bill also allows two or more counties to build a multi-county jail facility and, at their discretion, create an MCJFC. The counties may create an MCJFC by adding terms to the agreement between the county and OFCC, described above, or with a supplemental agreement. The agreement is subject to OFCC's approval, and must do all of the following:

- Prescribe the structure, management, and responsibilities of the MCJFC;
- Provide a process to establish the MCJFC's annual budget, including that each board of each county must approve the budget;
- Apportion the annual operating costs of the MCJFC to each member county;
- Designate the expenditure of funds from the county jail facilities construction fund of each member county;
- Provide for the timing of necessary elections in each county;
- Provide that each contracting board fulfill its obligations regarding jail facilities once an agreement is reached;
- Allocate interest in real property purchased with moneys in each county's project construction fund; and
- Address amendments to the contract.

The contracting counties may apportion the costs according to their need as ranked by OFCC, and each county must fund its portion of the cost as described in previous sections. If any necessary tax levies or bond issuances fail, or fail to materialize within 90 days of the most recent election in which a different county approved a tax levy or issuance of bonds, the other contracting counties are not obliged to pay any portion of the cost of the county in which the levy or issuance failed.

Jail Facility Building Fund

(R.C. 342.13)

The bill also creates in the state treasury the Jail Facility Building Fund, which consists of any moneys appropriated to the fund by the General Assembly, as well as any grants, gifts, or contributions received by OFCC for the purpose. All investment earnings of the fund are credited to the fund. These moneys may only be used for the purposes of the bill's provisions as the General Assembly prescribes.

OFCC interest in real property

(R.C. 342.14)

The bill also provides that OFCC has an interest in real property purchased with moneys in the county's project construction fund as long as obligations under the fund are outstanding.

Once the obligations issued to finance a jail facilities project are no longer outstanding, OFCC's interest is transferred to the county.

Project completion

(R.C. 342.15)

Once the project is completed, OFCC must issue a certificate of completion to the board or MCJFC. A project is not considered complete until all facilities are completed and the board has received a permanent certificate of occupancy for each building, OFCC has completed a final accounting of the county's project construction fund and has determined that all payments were made properly, any litigation concerning the project has been finally resolved with no chance of appeal, and OFCC has delivered all construction management services and canceled any remaining encumbrance of funds for those services.

However, OFCC may forgo these conditions and issue a certificate of completion if it determines that the circumstances preventing the conditions from being satisfied are so minor in nature that the project should be considered complete. For example, OFCC could issue a certificate if it determines that a frivolous lawsuit is minor, or if there is an existing debate about a small amount of funds.

The certificate may specify terms and conditions for the resolution of any pending lawsuits, as well as any remaining responsibilities for the construction manager, or for the board regarding any construction or work yet to be complete. Regarding the last item, OFCC must oversee remaining construction, and may require the board to report its progress and account for expenditures.

The bill also allows OFCC to issue a certificate of completion to an unwilling board or MCJFC, and close out the project. OFCC may only do this if two conditions are met: the construction manager for the project verifies that all facilities to be constructed under the project have been completed, and OFCC determines that those facilities have been occupied for at least one year. If this happens, the board must return all funds due to OFCC within 30 days after receiving the certificate. If the funds are not returned within 60 days, the Auditor of State must issue a finding for recovery against the county and request that the Attorney General commence a collection action.

Once the certificate of completion has been issued, OFCC's ownership of and interest in the project ceases, unless otherwise specified in the terms of the agreement between the board and OFCC.

Corrective action program

(R.C. 342.16)

The bill also establishes the corrective action program, which provides funding for the correction of work undertaken under the bill to correct any deficiencies or omissions discovered after occupancy of the facilities. In order to receive any funding, the county must notify the OFCC Director of any deficiencies or omissions within five years of the date of occupancy, which is likely the date of the certificate of occupancy.

OFCC must develop application procedures and deadlines for counties to apply for program assistance, as well as definitions for “defective” and “omitted.” OFCC guidelines must require that remediation efforts focus first on engaging the respective contractors that designed and constructed the areas that have design or construction-related issues. OFCC must assess the deficient work and determine who is responsible for the deficient work and, if applicable, seek cost recovery from the responsible parties, such as contractors.

The county must contribute a portion of the cost of corrective action, commensurate with county’s contribution to the project as a whole. If the county cannot contribute this much, the board may apply to OFCC for additional assistance. Any remediation expenses must first be applied to the county’s portion of the cost of the corrective action, then the state portion.

If the work needing correction or remediation is part of a project not yet completed, OFCC may increase the project budget and use corrective action funding to provide the state portion. If the project is completed and funds have already been retained or transferred, OFCC may enter into a new agreement to address the corrective action.

GOVERNOR

- Requires the Small Business Advisory Council to meet at the Director of the Common Sense Initiative Office's discretion, instead of at least quarterly as under current law.

Small Business Advisory Council meetings

(R.C. 107.63)

The bill alters when the Small Business Advisory Council must meet by requiring it to meet at the Director of the Common Sense Initiative Office's (CSIO) discretion. Current law requires the Council to meet at least quarterly. Under continuing law, the Council advises the Governor, Lieutenant Governor, and CSIO on the adverse impact that draft and existing rules might have on Ohio small businesses.

DEPARTMENT OF HEALTH

Infant mortality scorecard

- Requires the Department of Health (ODH) to automate its infant mortality scorecard to refresh data in real time on a publicly available data dashboard, as opposed to updating the scorecard quarterly.

Newborn safety incubators

- Authorizes remote monitoring of newborn safety incubators under limited circumstances.
- Permits video surveillance of newborn safety incubator locations but provides that the footage can be reviewed only when a crime is suspected to have been committed within view of the surveillance system.

Newborn screening – Duchenne muscular dystrophy

- Requires the ODH Director to specify in rule Duchenne muscular dystrophy as a disorder for newborn screening.

WIC vendors

- Requires ODH to process and review a WIC vendor contract application within 45 days of receipt under specified circumstances.

Program for Children and Youth with Special Health Care Needs

- Changes the name of ODH's Program for Medically Handicapped Children to the Program for Children and Youth with Special Health Care Needs.

Center for Community Health Worker Excellence

- Creates the Center for Community Health Worker Excellence and establishes the Center's duties.
- Provides for a board of directors to oversee the Center and requires the board to issue an annual report on the Center's activities, including any recommendations pertaining to the practice of community health workers.
- Authorizes Health Impact Ohio and Ohio University's OHIO Alliance for Population Health to assist the Center in implementing its duties.

Stroke registry database

- Requires ODH to establish a stroke registry database and requires certain hospitals to collect and transmit stroke care data for inclusion in the database.
- Authorizes ODH to establish an oversight committee to advise and assist in the stroke registry database's implementation.

Recognition of thrombectomy-capable stroke centers

- Establishes state recognition of thrombectomy-capable stroke centers under the same process used for recognition of hospitals as comprehensive stroke centers, primary stroke centers, or acute stroke ready hospitals.

Parkinson's Disease Registry

- Requires the Director to establish and maintain a Parkinson's Disease Registry.
- Requires cases of Parkinson's disease and Parkinsonisms to be reported to the Registry by health care professionals and facilities.
- Creates the Parkinson's Disease Registry Advisory Committee to assist with the development and maintenance of the Registry.
- Requires the Director to submit an annual report to the General Assembly regarding the prevalence of Parkinson's disease in Ohio by county.
- Requires the Director to create the Ohio Parkinson's Disease Research Registry website to provide information regarding Parkinson's disease and the Registry.

Plasmapheresis supervision

- Revises the law governing the operation of ODH-certified plasmapheresis centers, by expanding the types of health care providers who must attend, supervise, and maintain sterile technique during plasmapheresis.

Regulation of surgical smoke

- Requires ambulatory surgical facilities and hospitals to adopt and implement policies designed to prevent human exposure to surgical smoke during planned surgical procedures.

Admission and medical supervision of hospital patients

- Cancels the scheduled repeal of statutory law governing the admission and medical supervision of hospital patients, including admissions initiated by advanced practice registered nurses and physician assistants.

Long-term care facility discharges and transfers

- Adds to the Residents' Bill of Rights for residents of nursing homes and assisted living facilities additional protections related to certain transfers and discharges.
- Requires ODH in hearings regarding a notice of transfer or discharge to determine if the proposed transfer or discharge complies with the bill's new rights and existing notification requirements.

Nursing home change of operator

- Adds additional circumstances that constitute a change of operator of a nursing home.

- Eliminates a requirement that an individual or entity submit specified documentation to the ODH Director when a nursing home undergoes a change of operator and instead requires an entering operator to complete a nursing home change of operator license application.
- Specifies the type of information that must be provided to ODH as part of a nursing home change of operator license application and the procedures ODH must follow when granting or denying a license application.

Health care staffing support services

- Requires annual registration with the ODH Director for health care staffing support services that provide certain health care personnel to health care providers on a temporary basis.
- Specifies various requirements and prohibitions applicable to registered health care staffing support services, including a limitation on the maximum fees and charges a staffing support service may charge to a health care provider.
- Authorizes the ODH Director to take disciplinary action against the registration holder.

Certificates of need – maximum capital expenditures

- Eliminates laws that (1) prohibit the holder of a certificate of need (CON) from obligating more than 110% of an approved project's cost (without obtaining a new CON) and (2) authorize penalties of up to \$250,000 for violations.
- Specifies that the CON changes apply to currently valid CONs, pending CON applications, and pending actions for imposing sanctions.

Fees for copies of medical records

- Makes the following changes regarding costs that a health care provider may charge for copies of medical records requested by a patient or patient's personal representative:
 - Generally eliminates specific dollar caps and instead specifies that costs must be reasonable and cost-based, and can include only costs that are authorized under federal laws and regulations;
 - Adds that an individual authorized to access a patient's medical records through a valid power of attorney is subject to the same cost provisions as the patient and the patient's personal representative.

Second Chance Trust Fund Advisory Committee

- Removes the term limits for members of the Second Chance Trust Fund Advisory Committee (currently limited to two consecutive terms, whether full or partial).
- Removes the requirement that the Committee's election of a chairperson from among its members be annual, instead leaving the details of a chairperson's term to Committee rules.

Save Our Sight Fund voluntary contributions

- Requires licensing agencies to ask if applicants or individuals renewing licenses want to contribute to the Save Our Sight Fund.
- Requires all such donations to be sent to the Treasurer of State, who is required to deposit them into the fund.

Home health licensure exception

- Creates an exception from home health licensure for individuals providing self-directed services to Medicaid participants.

Smoking and tobacco

Minimum age to sell tobacco products

- Prohibits tobacco businesses from allowing an employee under 18 to sell tobacco products.

Shipment of vapor products and electronic smoking devices

- Prohibits shipment of vapor products and electronic smoking devices to persons other than licensed vapor distributors, vapor retailers, operators of customs bonded warehouses, and state and federal government agencies or employees.
- Prohibits shipping vapor products or electronic smoking devices in packaging other than the original container unless the packaging is marked with the words “vapor products” or “electronic smoking devices.”

Other tobacco law changes

- Clarifies that substances intended to be aerosolized or vaporized during the use of an electronic smoking device need not contain nicotine to be considered part of the device under the law governing the sale and distribution of tobacco products.
- Clarifies that a component or accessory used in the consumption of a tobacco product, such as filters, rolling papers, or pipes, need not contain nicotine to be considered a tobacco product under the law governing the sale and distribution of such products.
- Removes an extraneous definition for “proof of age,” which is not used anywhere in the law governing the sale and distribution of tobacco products.

Moms Quit for Two

- Continues the Moms Quit for Two grant program for the delivery of tobacco cessation interventions to women who are pregnant or living with children and reside in communities with the highest incidence of infant mortality.

Renovation, Repair, and Painting Rule

- Authorizes the ODH Director to enter into agreements with the U.S. Environmental Protection Agency for the administration and enforcement of the federal Renovation,

Repair, and Painting (RRP) Rule, which establishes requirements regarding lead-based paint hazards associated with renovation, repair, and painting activities.

- Allows the Director to both:
 - Accept available assistance in support of those agreements; and
 - Adopt rules to administer and enforce the federal RRP Rule.

Environmental health specialists

- Recodifies R.C. Chapter 4736, the law governing environmental health specialists (EHSs) and environmental health specialists in training (EHSs in training), in new R.C. Chapter 3776.
- Adds that EHSs and EHSs in training may administer and enforce the law governing tattoos and body piercing.
- Clarifies that EHSs and EHSs in training may administer and enforce the law governing hazardous waste.
- Clarifies that all fees collected under the EHS law are deposited into the ODH General Operations Fund, and eliminates a conflict in current law that requires the fees to be deposited in both that fund and the Occupational Licensing and Regulatory Fund.
- Broadens the ODH Director's rulemaking authority regarding EHSs and EHSs in training, including allowing any rulemaking that is necessary for the administration and enforcement of the EHS law.
- Requires EHSs in training to comply with the same continuing education requirements as are required for EHSs, such as biennially completing a 24-hour continuing education program in specified subjects.
- Requires the ODH Director to provide, at least once annually, to each EHS in training a list of approved courses that satisfy the continuing education program and supply a list of continuing education courses to an EHS in training upon request, in the same manner as the Director does for EHSs under current law.
- Clarifies that the ODH Director may renew an EHS or EHS in training registration 60 days prior to expiration, provided the applicant pays the renewal fee and proof of compliance with continuing education requirements.
- Specifies that an EHS in training has up to four years (with a two-year possible extension) to apply as an EHS instead of three years (with a two-year possible extension) as under current law.
- Prohibits a person who is not a registered EHS in training from using the title "registered environmental health specialist in training" or the abbreviation "E.H.S.I.T.," or representing themselves as a registered EHS in training.
- Repeals the requirements that the ODH Director assign a serial number to each certificate of registration and include it in EHS and EHS in training registration records.

- Removes the requirement that the ODH Director obtain the advice and consent of the Senate when appointing members of the Environmental Health Specialist Advisory Board.

Sudden Unexpected Death in Epilepsy Awareness Day

- Designates October 26 as “Sudden Unexpected Death in Epilepsy Awareness Day.”

Infant mortality scorecard

(R.C. 3701.953)

The Ohio Department of Health (ODH) is required to create and publish an infant mortality scorecard tracking statewide data related to infant mortality. Current law requires it to publish the scorecard on its website and update the data quarterly. The bill requires ODH instead to build and automate a publicly available data dashboard that refreshes data in real time.

Newborn safety incubators

(R.C. 2101.16, 2151.3515, 2515.3516, 2151.3517, 2151.3518, 2151.3527, 2151.3528, 2151.3532, and 2151.3533)

Regarding Ohio’s Safe Haven Law, the bill establishes an option for remote monitoring of newborn safety incubators. Under current law, ODH has rulemaking authority to set monitoring standards for newborn safety incubators. Current ODH rules require in person monitoring by an individual who is present and on duty in the facility where the incubator is located at all times, 24 hours a day, seven days a week.⁸² The bill instead permits peace officers, peace officer support employees, emergency medical service workers, and certain hospital employees to either (1) monitor an incubator directly, or (2) be designated as an alternate, to be dispatched when an infant is placed in the incubator and the incubator is not directly monitored. Additionally, the bill provides that persons authorized to take possession of a newborn from a newborn safety incubator are not liable for failure to respond to the incubator’s alarm within a reasonable time, unless the failure was willful or wanton misconduct.

The bill also provides that a facility that has installed a newborn safety incubator may use video surveillance to monitor the area where the incubator is located, but may review the footage only when a crime is suspected to have been committed within view of the video surveillance system.

Ohio’s Safe Haven Law authorizes a parent to voluntarily and anonymously surrender the parent’s newborn child – who is not more than 30 days old – by delivering the child to any of the following:

⁸² O.A.C. 3701-86-03(B) and (F).

- A law enforcement agency or peace officer employed by the agency;
- A hospital or individual practicing at or employed by the hospital;
- An emergency medical service organization or emergency medical service worker employed by or providing services to the organization;
- A newborn safety incubator provided by a law enforcement agency, hospital, or emergency medical service organization.

Newborn screening – Duchenne muscular dystrophy

(R.C. 3701.501)

The bill requires the ODH Director to specify in rule Duchenne muscular dystrophy as a disorder for newborn screening beginning 240 days after the bill's effective date. Generally, existing law requires that each newborn be screened for the disorders specified in rules adopted by the ODH Director. Statutory law requires the rules to specify Krabbe disease, spinal muscular atrophy, and X-linked adrenoleukodystrophy for screening. To assist the Director in determining other disorders for which a newborn must be screened, Ohio law has established the Newborn Screening Advisory Council (NSAC). As part of this law, the NSAC is to evaluate disorders and make recommendations to the Director.

WIC vendors

(Section 291.40)

The bill maintains a requirement in uncodified law that ODH process and review a WIC vendor contract application pursuant to existing ODH regulations within 45 days after receipt if the applicant is a WIC-contracted vendor and (1) submits a complete application and (2) passes the required unannounced preauthorization visit and completes the required in-person training within that 45-day period. If the applicant fails to meet those requirements, ODH must deny the application. After denial, the applicant may reapply during the contracting cycle of the applicant's WIC region.

WIC is the Special Supplemental Nutrition Program for Women, Infants, and Children. WIC helps eligible pregnant and breastfeeding women, women who recently had a baby, infants, and children up to five years of age. It provides nutrition education, breastfeeding education and support; supplemental, highly nutritious foods and iron-fortified infant formula; and referral to prenatal and pediatric health care and other maternal and child health and human service programs.

Program for Children and Youth with Special Health Care Needs

(R.C. 3701.023 with conforming changes in numerous other R.C. sections)

The bill changes the name of the Program for Medically Handicapped Children to the Program for Children and Youth with Special Health Care Needs.

The program is administered by ODH and serves families of children and young adults with special health care needs, including AIDS, hearing loss, cancer, juvenile arthritis, cerebral

palsy, metabolic disorders, cleft lip/palate, severe vision disorders, cystic fibrosis, sickle cell disease, diabetes, spina bifida, scoliosis, congenital heart disease, hemophilia, and chronic lung disease. The program has three core components: diagnostic, treatment, and service coordination.

Center for Community Health Worker Excellence

(R.C. 3701.0212; Sections 291.10 and 291.20)

The bill creates the Center for Community Health Worker Excellence, which is a public-private partnership to support and foster the practice of community health workers and improve access to community health workers across the state. The bill establishes the Center's duties which include: establishing an electronic platform that may be accessed statewide to connect community health workers with individuals or communities, evaluating and reporting on the state of the community health workforce in Ohio, creating and maintaining a website to coordinate resources for individuals practicing as community health workers, making continuing education hours or credits available for free to community health workers certified by the Board of Nursing, and providing financial assistance to employers that host or offer training to community health workers seeking certification by the Board of Nursing.

The bill provides for a board of directors, comprised of members of the General Assembly, various state departments and agencies, and community organizations. The Board must issue an annual report to the Governor and the General Assembly describing the activities of the Center and any recommendations pertaining to the practice of community health workers. The bill also authorizes Health Impact Ohio and the OHIO Alliance for Population Health at the Ohio University to assist the Center in implementing its duties.

Stroke registry database

(R.C. 3727.131)

The bill requires ODH to establish and maintain a process for collecting, transmitting, compiling, and overseeing data related to stroke care. As part of the process for collecting stroke care data, ODH must establish or utilize a stroke registry database to store the data, including data that aligns with nationally recognized treatment guidelines and performance measures. The bill also requires the stroke care data to be collected, transmitted, compiled, and overseen in a manner prescribed by the ODH Director.

Existing database

If, prior to the bill's effective date, ODH established or utilized a stroke registry database that meets the bill's requirements, then both of the following apply:

- The bill must not be construed to require ODH to establish or utilize another database;
- ODH must maintain both the process for collecting, transmitting, compiling, and overseeing data required by the bill as well as the stroke registry database itself, even if federal moneys are no longer available to support the process or database.

ODH rulemaking

The bill requires the Director of Health to adopt rules as necessary to implement the bill's provisions, including rules specifying both the data to be collected and the manner in which it is to be collected and later transmitted for inclusion in the stroke registry database. The rules must be adopted (1) not later than six months after the bill's effective date and (2) in accordance with the Administrative Procedure Act (R.C. Chapter 119).

Data to be collected

The data to be collected must align with stroke consensus metrics developed and approved by (1) the CDC and (2) accreditation organizations that are approved by the federal Centers for Medicare and Medicaid Services (CMS) and that certify stroke centers. In addition, the data must be consistent with nationally recognized treatment guidelines for patients with confirmed stroke. With respect to mechanical endovascular thrombectomy, the data must relate to the treatment's processes, complications, and outcomes, including data required by national certifying organizations.

Data samples

When adopting rules under the bill, the Director may specify that, of the data collected, only samples are to be transmitted for inclusion in the stroke registry database.

Stroke care performance measures

The bill requires the Director, when adopting the rules, to consider nationally recognized stroke care performance measures.

Electronic platform

The Director must designate in rule an electronic platform for the collection and transmission of data. In doing so, the Director must consider nationally recognized stroke data platforms.

Coordination

The Director, when adopting the rules, must coordinate with (1) hospitals recognized by ODH as stroke centers and stroke ready hospitals and (2) national voluntary health organizations involved in stroke quality improvement. The bill specifies that this coordination is to be done in an effort to avoid duplication and redundancy.

Patient identity

The data collected and transmitted under the bill must not identify or tend to identify a particular patient.

Duties of hospitals

Under the bill, each hospital recognized by ODH as a comprehensive stroke center, thrombectomy-capable stroke center, or primary stroke center must collect the data specified by the Director in rule and then transmit it for inclusion in the stroke registry database. In the case of a hospital that is recognized by ODH as an acute stroke ready hospital, the bill instead encourages the collection and transmission of such data.

The bill also specifies that data relating to mechanical endovascular thrombectomy, in particular the treatment's processes, complications, and outcomes, is to be collected and transmitted only by a hospital recognized as a thrombectomy-capable stroke center.

The bill authorizes a hospital to contract with a third-party organization to collect and transmit the data. If a contract is entered into, the organization must then collect and transmit the data.

Oversight committee

The bill authorizes ODH to establish an oversight committee to advise and monitor the bill's implementation and assist ODH in developing short- and long-term goals for the stroke registry database.

If established, the committee's membership must consist of individuals with expertise or experience in data collection, data management, or stroke care, including the following:

- Individuals representing organizations advocating on behalf of those with stroke or cardiovascular conditions;
- Individuals representing hospitals recognized by ODH as comprehensive stroke centers, thrombectomy-capable stroke centers, primary stroke centers, or acute stroke ready hospitals.

Recognition of thrombectomy-capable stroke centers

(R.C. 3727.11, 3727.12, 3727.13, and 3727.14)

The bill permits a hospital to obtain recognition by ODH as a thrombectomy-capable stroke center. The process for doing so is the same as the process that ODH uses under current law for recognition of hospitals as comprehensive stroke centers, primary stroke centers, or acute stroke ready hospitals.

To be eligible for ODH's recognition in this new category, a hospital must be certified as a thrombectomy-capable stroke center by either (1) an accrediting organization approved by CMS or (2) an organization acceptable to ODH by using nationally recognized certification guidelines. As with the currently recognized categories of stroke care hospitals, the bill prohibits a hospital from representing itself as a thrombectomy-capable stroke center unless it is recognized as such by ODH. The bill does not specify a penalty for violating the prohibition.

Parkinson's Disease Registry

(R.C. 3701.25 to 3701.255)

The bill requires the ODH Director to establish and maintain a Parkinson's Disease Registry for the collection and monitoring of Ohio-specific data related to Parkinson's disease and Parkinsonisms. Parkinson's disease is a chronic and progressive neurological disorder resulting from a deficiency of the neurotransmitter dopamine as a consequence of specific degenerative changes in the area of the brain called the basal ganglia. It is characterized by tremor at rest, slow movements, muscle rigidity, stooped posture, and unsteady or shuffling gait. Parkinsonisms are conditions related to Parkinson's disease that cause a combination of

the movement abnormalities seen in Parkinson's disease that often overlap with and can evolve from what appears to be Parkinson's disease. Parkinsonisms can include multiple system atrophy, dementia with Lewy bodies, corticobasal degeneration, and progressive supranuclear palsy.

The data collected by the Registry must be included in the Ohio Public Health Information Warehouse.

Health care provider reporting

The bill requires each individual case of Parkinson's disease or a Parkinsonism to be reported to the Registry by the certified nurse practitioner, clinical nurse specialist, physician, or physician assistant who diagnosed or treated the individual's Parkinson's disease or Parkinsonism, or by the group practice, hospital, or other health care facility that employs that health care professional.

When a patient is first diagnosed or treated for Parkinson's disease, the medical professional must inform the patient of the Registry and of the patient's right to not participate. If a patient chooses not to participate in the Registry, the medical professional or health care facility must report the existence of a Parkinson's disease or Parkinsonism case and no other information. The bill does not require a patient to submit to any medical examination or supervision by ODH or a researcher.

The Director or a representative of the Director may inspect a representative sample of the medical records of patients with Parkinson's disease at a health care facility.

Each medical professional or health care facility that reports to the Registry is not liable in any cause of action that originates from the submission of the report.

Timeline

Within 30 days of the bill's effective date, the Director must publish the reporting requirements on ODH's website. The Director must establish the Parkinson's Disease Registry within one year of the bill's effective date. Medical professionals and health care facilities must begin reporting data to the Registry within 30 days of the Registry's establishment, and at least quarterly thereafter.

Contracts and agreements related to the registry

The bill authorizes the Director to enter into contracts, grants, and other agreements to maintain the Registry, including data sharing contracts with data reporting entities and their associated electronic medical records system vendors. It also authorizes the Director to enter into agreements to furnish data collected in the Registry with other states' Parkinson's disease registries, federal Parkinson's disease control agencies, local health officers, or local health researchers. Before confidential information is disclosed, the requesting entity must agree in writing to maintain the confidentiality of the information. If the disclosure is to a researcher, the researcher must also obtain approval from their respective institutional review board and provide documentation to the Director that demonstrates they have established the procedures and ability to maintain confidentiality.

The Director is responsible for coordinating any contact with patients on the Registry. An individual that obtains information from the Registry may not contact a patient in the Registry, or a patient's family, unless the Director obtains permission from the patient or the patient's family.

Confidentiality of information

Generally, all information collected pursuant to the bill is confidential. The Director must establish a coding system that removes individually identifying information about an individual with Parkinson's disease. The bill provides that an authorized disclosure must include only the data and information necessary for the stated purpose of the disclosure, be used only for the approved purpose, and not be further disclosed. Each patient or patient's guardian must have access to their own data.

The Director is required to maintain an accurate record of all persons who are given access to confidential information under the bill. The record must include (1) the name of the person authorizing access, (2) the name, title, address, and organizational affiliation of any person given access, (3) the access dates, and (4) the specific purpose for which information is being used. The record of access must be open to public inspection during normal ODH operating hours.

Confidential information is not available for subpoena or disclosed, discoverable, or compelled to be produced in any civil, criminal, administrative, or other tribunal or court for any reason.

The bill does not prevent (1) the Director from publishing reports and statistical compilations that do not identify or tend to identify individual cases or individual sources of information or (2) a facility or individual that provides diagnostic or treatment services to individuals with Parkinson's disease from maintaining a separate Parkinson's disease registry.

Advisory committee

The bill creates in ODH a Parkinson's Disease Registry Advisory Committee. The Director must appoint the following as members: (1) a neurologist, (2) a movement disorder specialist, (3) a primary care provider, (4) a physician informaticist, (5) a public health professional, (6) a population health researcher with disease registry experience, (7) a Parkinson's disease researcher, (8) a patient living with Parkinson's disease, and (9) any other individuals deemed necessary by the Director.

Meetings and compensation

The first meeting must be held within 90 days after the bill's effective date. Thereafter, meetings must be twice a year at the call of the Director, who is the chairperson. Meetings may take place in person or virtually at the discretion of the Director. Members serve without compensation except to the extent that serving on the committee is considered part of the member's employment responsibilities. ODH must provide meeting space, staff, and other administrative support to the Committee.

Duties

The Committee is required to do all of the following:

1. Assist the Director in developing and implementing the Registry;
2. Determine the data to be collected and maintained, based on patient demographics, geography, diagnosis, and information that enables de-duplication of patient records in the Registry;
3. Determine the information to be included on ODH's Ohio Parkinson's Disease Research Registry website (see below);
4. Advise the Director on maintaining and improving the Registry;
5. Conduct a review of the Registry within five years of the effective date of the bill assessing how it is being used, whether it is fulfilling its intended purpose, and recommending necessary changes.

Report

The bill requires the Director to submit a Parkinson's disease report to the General Assembly within six months of the establishment of the Registry and annually thereafter. The report must include (1) the incidence and rates of Parkinson's disease in Ohio by county, (2) the number of new cases reported to the Parkinson's disease registry in the previous year, and (3) demographic information, including age, gender, and race.

Ohio Parkinson's Research Registry website

The bill requires the Director to create and maintain the Ohio Parkinson's Research Registry website within one year of the bill's effective date. The website must describe the Registry and provide any relevant or helpful information determined by the Advisory Committee. Additionally, the Director must publish the annual report described above to the website.

Rules

The Director is required to adopt rules that (1) specify the data to be collected and the format in which it is to be submitted, in collaboration with the Advisory Committee, (2) develop guidelines and procedures for requesting and granting access to data, and (3) create a coding system to remove individually identifying information from the Registry data. The bill exempts the rules adopted under it from existing law that limits regulatory restrictions adopted by certain agencies. The Director is responsible for periodically reviewing data collection requirements to adapt to new knowledge and technology regarding Parkinson's disease and health data collection.

Plasmapheresis supervision

(R.C. 3725.05)

The bill revises the law governing the operation of ODH-certified plasmapheresis centers, by expanding the types of health care providers who must attend, supervise, and

maintain sterile technique during plasmapheresis. Current law limits the providers to medical technologists approved by the ODH Director, physicians, and registered nurses. Under the bill, the providers also include other qualified medical staff persons approved by the Director, licensed practical nurses, emergency medical technicians-intermediate, and emergency medical technicians-paramedic. In the case of an emergency medical technician (EMT), the bill specifies that the individual is not attending or supervising the procedure or maintaining sterile technique in the individual's capacity as an EMT.

Regulation of surgical smoke

(R.C. 3702.3012 and 3727.25)

The bill requires ambulatory surgical facilities and hospitals offering surgical services to adopt and implement policies designed to prevent human exposure to surgical smoke during planned surgical procedures likely to generate such smoke. "Surgical smoke" is defined by the bill as the airborne byproduct of an energy-generating device used in a surgical procedure, including smoke plume, bioaerosols, gases, laser-generated contaminants, and dust.

The policy, which must be in place not later than one year after the provision's effective date, must include the use of a surgical smoke evacuation system. The system required by the bill is described as equipment designed to capture, filter, and eliminate surgical smoke at the point of origin, before the smoke makes contact with the eyes or respiratory tract of an individual.

The ODH Director is authorized by the bill to adopt rules to implement the bill's requirements. The rules must be adopted in accordance with the Administrative Procedure Act (R.C. Chapter 119).

Admission and medical supervision of hospital patients

(Section 130.56, primary; sections 130.54 and 130.55, amending Sections 130.11 and 130.12 of H.B. 110 of the 134th G.A.; conforming changes in Sections 130.50 to 130.53)

The bill cancels the repeal – scheduled for September 30, 2024 – of statutory law governing the admission and medical supervision of hospital patients, including admissions initiated by advanced practice registered nurses and physician assistants, and makes conforming changes in related statutes.⁸³ Under H.B. 110, the main operating budget of the 134th General Assembly, this law is scheduled to be repealed as part of H.B. 110's provisions requiring each hospital to hold a license issued by the ODH Director by September 30, 2024.

Long-term care facility discharges and transfers

(R.C. 3721.13, 3721.16, 3721.161, and 3721.162)

The bill adds several rights for long-term care facility residents. Under continuing Ohio law, residents of nursing homes, assisted living facilities (referred to in Ohio law as residential

⁸³ R.C. 3727.06, not in the bill. See also R.C. 3701.351, and R.C. 3727.70 and 4723.431, not in the bill.

care facilities), and other homes for the aging have various enumerated rights. A resident who believes that any of those rights have been violated may file a grievance with the grievance committee that each facility is required to establish.

Some of the existing rights include a guarantee of a safe and clean living environment, participation in decisions that affect the resident's life, the right to privacy in certain situations, and the right not to be transferred or discharged from the home unless the transfer is necessary for one of several reasons, including the resident's needs cannot be met in the home, the safety of individuals in the home is endangered, or the resident has failed to pay after reasonable and appropriate notice. Regarding transfer and discharge, the bill adds the following rights:

- The right not to be transferred or discharged to a location that cannot meet the health and safety needs of the resident.
- The right not to be transferred or discharged without adequate preparation in order to conduct a safe and orderly transfer or discharge, including proper arrangements for medication, equipment, health care services, and other necessary services.
- All other rights regarding transfers or discharges provided under federal law.

The bill also requires ODH in hearings regarding a notice of transfer or discharge to determine if the proposed transfer or discharge complies with the transfer and discharge rights mentioned above, as well as notification requirements in existing law.

Nursing home change of operator

(R.C. 3721.01, 3721.026, and 5165.01)

Actions that constitute a change of operator

The bill adds several circumstances that, upon their occurrence, constitute a nursing home change of operator. The bill eliminates the specification that a transfer of all of an operator's ownership interest in the operation of a nursing home constitutes a change of operator of the nursing home, and instead specifies that a change in control of a nursing home operator constitutes a change in operator. A change in control of a nursing home is defined as either (1) any pledge, assignment, or hypothecation of or lien or other encumbrance on any of the legal or beneficial equity interests in an entity operating a nursing home, or (2) a change of 50% or more in the legal or beneficial ownership or control of the outstanding voting equity interests of the entity operating the nursing home necessary at all times to elect a majority of the board of directors or similar governing body and to direct the management policies and decisions.

Under existing law, the dissolution of a partnership constitutes a change of operator. The bill specifies that a merger of a partnership into another entity, or a consolidation of a partnership and at least one other entity also constitute a change of operator. Similarly, the bill adds that the dissolution of a limited liability company, a merger of a limited liability company with another entity, or consolidation of a limited liability company with another entity all

constitute a change of operator. Finally, the bill provides that a contract for an individual or entity to manage a nursing home as an operator's agent constitutes a change of operator.

Conversely, the bill specifies that an employer stock ownership plan established under federal law and an initial public offering for which the Securities and Exchange Commission has declared a registration statement to be effective do not constitute a change of operator. Similarly, the bill specifies that the continuing law specifying that a change of one or more members of a corporation's governing body or transfer of ownership of one or more shares of a corporation's stock does not constitute a change of operator applies only if the corporation has publicly traded securities.

Nursing home change of operator license application

The bill modifies the existing law requirement that an individual or entity who is assigned or transferred the operation of a nursing home submit documentation to the ODH Director of certain information before a change of operator may occur to instead require that the individual or entity taking over the operation of a nursing home following a change of operator first complete a nursing home change of operator license application and pay a licensing fee. ODH is required to prescribe the form for the application and make the application available on its website. As part of the application, an applicant must provide all of the following:

- Full and complete disclosure of all direct and indirect owners that own at least five percent of:
 - The applicant, if the applicant is an entity;
 - The owner of the nursing home, if the owner is a different individual or entity from the applicant;
 - The manager of the nursing home, if the manager is a different individual or entity from the applicant;
 - Each related party that provides or will provide services to the nursing home, whether through contracts with the applicant, owner, or manager of the nursing home.
- Full and complete disclosure of the direct or indirect ownership interest that an individual identified above has in a current or previously licensed nursing home in Ohio or another state, and whether any identified nursing home had any of the following occur during the five years immediately preceding the date of application:
 - Voluntary or involuntary closure of the nursing home;
 - Voluntary or involuntary bankruptcy proceedings;
 - Voluntary or involuntary receivership proceedings;
 - License suspension, denial, or revocation;
 - Injunction proceedings initiated by a regulatory agency;

- The nursing home was listed in Table A, Table B, or Table D on the SFF list under the Special Focus Facilities program administered by the U.S. Secretary of Health and Human Services;
- A civil or criminal action was filed against the nursing home by a state or federal entity.
- Submission of all fully executed contracts with related parties, lease agreements, and management agreements pertaining to the nursing home.
- Any additional information the ODH Director considers necessary to determine the ownership, operation, management, and control of the nursing home.

Additional requirements

Bond or other financial security

Under existing law, an individual assuming the operation of a nursing home must provide to the ODH Director evidence of a bond or other financial security. Under the bill, this requirement applies to all applicants for a change of operator license except those that demonstrate that they own at least 50% of the nursing home and its assets or at least 50% of the entity that owns the nursing home and its assets. For individuals and entities to which the bond or other financial security requirements apply, the bill specifies that the bond or other financial security must be for an amount not less than the product of the number of licensed beds in the nursing home, multiplied by \$10,000.

The required bond or other financial security must be renewed or maintained for a period of five years following the effective date of a change of operator. If a bond or other financial security is not maintained, the ODH Director is required to revoke a nursing home operator's license. The Director may utilize a bond or other financial security if any of the following occur during the five-year period following the change of operator for which the bond or other financial security is required:

- The nursing home is voluntarily or involuntarily closed;
- The nursing home or its owner or operator is the subject of voluntary or involuntary bankruptcy proceedings;
- The nursing home or its owner or operator is the subject of voluntary or involuntary receivership proceedings;
- The license to operate the nursing home is suspended, denied, or revoked;
- The nursing home undergoes a change of operator and the new applicant does not submit a bond or other financial security;
- The nursing home appears in Table A, Table B, or Table D on the SFF list under the Special Focus Facilities program administered by the U.S. Secretary of Health and Human Services.

If none of the events described above occur in the five years immediately following the effective date of the change of operator, the ODH Director is required to release the bond or other financial security back to the applicant.

Experience

The bill further requires an applicant to provide information detailing that a person who is a direct or indirect owner of 50% or more of the applicant must have at least five years of experience as (1) an administrator of a nursing home located in Ohio or another state or (2) be a direct or indirect owner of at least 50% in an operator or manager of a nursing home located in Ohio or another state.

Policies and insurance

Under continuing law unchanged by the bill, an individual or entity assuming control of a nursing home must submit to the ODH Director copies of plans for quality assurance and risk management and general and professional liability insurance of \$1 million per occurrence and \$3 million in aggregate. Additionally, the bill requires an applicant to submit copies of the nursing home's policies and procedures and demonstrate that the nursing home has sufficient numbers of qualified staff who will be employed to properly care for the type and number of nursing home residents.

License denial and penalty

The bill requires the ODH Director to conduct a survey of a nursing home not later than 60 days after the effective date of the change of operator. Additionally, the bill requires the Director to deny a change of operator license application if any of the requirements described above are not satisfied or if the applicant has or had 50% or more direct or indirect ownership in the operator or manager of a current or previously licensed nursing home in Ohio or another state for which any of the following occurred within the five years immediately preceding the date of application:

- Involuntary closure of the nursing home by a regulatory agency or voluntary closure in response licensure or certification action;
- Voluntary or involuntary bankruptcy proceedings that are not dismissed within 60 days;
- Voluntary or involuntary receivership proceedings that are not dismissed within 60 days;
- License suspension, denial, or revocation for failure to comply with operating standards.

If an application is denied, the bill authorizes an applicant to appeal the denial in accordance with the Administrative Procedure Act.

Under the bill, an applicant is required to notify the ODH Director within ten days of any change in the information or documentation that is required to be submitted before a change of operator may be effective. This notice is required whether the change in information occurs before or after the effective date of a change of operator. If an applicant fails to notify the Director of a change in information as required, the bill requires the Director to impose a civil penalty of \$2,000 per day for each day of noncompliance.

Similarly, if the Director becomes aware that a change of operator has occurred but the entering operator failed to submit a change of operator license application or did submit an application but provided fraudulent information, the bill requires the Director to impose a civil penalty of \$2,000 per day for each day of noncompliance after the date on which the Director became aware of the information. If the entering operator fails to submit an application or a new application within 60 days of the ODH Director becoming aware of a change of operator taking place, the Director is required to begin the process of revoking the nursing home's license.

Rulemaking

The bill authorizes the ODH Director to adopt any rules necessary to implement these requirements. The rules must be adopted in accordance with the Administrative Procedure Act (R.C. Chapter 119).

Legislative intent

The bill specifies that it is the intent of the General Assembly in establishing a nursing home change of operator license application process to require full and complete disclosure and transparency with respect to the ownership, operation, and management of each licensed nursing home located in Ohio.

Health care staffing support services

(R.C. Chapter 3724, primary; R.C. 3701.83; Section 737.30)

The bill requires health care staffing support services to annually register with the ODH Director. As defined by the bill, "health care staffing support service" is a person that is regularly engaged in the business of providing, procuring, or matching, for a fee, certain health care personnel to serve as temporary staff for certain health care providers, including an online health care staff matching service and a health care worker platform. For purposes of this definition and the bill:

- "Health care personnel" is defined as any licensed health care professional or unlicensed health care personnel who provides care, support, or services directly to patients.
- "Health care provider" is defined as nursing homes, residential care facilities, home health agencies, hospice care programs, residential facilities,⁸⁴ community addiction services providers, community mental health services providers, and Medicaid providers of waiver services.
- "Online health care staff matching service" is defined as a person that operates or offers an electronic platform or application on which health care personnel employed by the service may be listed as available to serve as temporary staff for health care providers.

⁸⁴ See R.C. 5119.34 and 5123.19 for a description of residential facilities licensed by the Department of Mental Health and Addiction Services and Department of Developmental Disabilities.

- “Health care worker platform” is defined as a person that operates or offers an electronic platform or application on which health care personnel who are independent contractors may be listed as available to serve as temporary staff for health care providers.

The bill excludes from the definition of “health care staffing support service” and, as a result, from the requirement for annual registration, both of the following: (1) individuals who provide their own services to health care providers as temporary employees or contractors and (2) government entities.

Prohibition

(R.C. 3724.06 and 3724.99)

The bill prohibits any person from knowingly operating a health care staffing support service unless the service is registered. Anyone who violates this prohibition is guilty of a second degree misdemeanor for the first offense, and a first degree misdemeanor for subsequent offenses.

In the case of a health care staffing support service that is operating at the time the bill becomes effective, the service is required to submit an application for registration within 30 days. If the application is submitted within that time period, the service may continue to operate without being registered until the earlier of the date the registration is denied or 120 days after the bill’s effective date.

Registration application requirements and procedures

(R.C. 3724.02 and 3724.03)

The bill requires each physical location of a health care staffing support service to separately register. Each application must include a nonrefundable \$2,000 fee and all of the following:

- Information about company ownership and, if applicable, copies of associated articles of incorporation, bylaws, and officer and director information;
- Copies of the staffing support service’s policies and procedures designed to ensure compliance with the bill;
- Certification that the staffing support service has not had a health care staffing support service registration revoked by the ODH Director within the past three years.

The ODH Director is required to establish registration application forms and procedures. The Director must review each application received and must register an applicant if the application is complete, the fee is paid, and the Director is satisfied that the bill’s registration requirements are met.

Period of registration validity

(R.C. 3724.04)

Registration of a health care staffing support service is valid for one year, unless earlier revoked or suspended. Also, registration is no longer valid if the staffing support service is sold or its ownership or management is transferred. A transfer includes a transfer of ownership or management such that 40% or more of the owners or management were not previously registered.

Registration renewal

(R.C. 3724.05)

To be eligible for its annual registration renewal, a health care staffing support service must provide documentation demonstrating that it provided staffing services during the year preceding the renewal date, and must describe any changes regarding the information provided in the initial registration application. An eligible staffing support service must apply to the ODH Director using forms and procedures established by the Director. The Director must renew a registration for one year if an applicant has paid the \$2,000 renewal fee and continues to meet requirements for registration.

The bill requires renewal applicants to pay the renewal fee during the month of the renewal date. If the renewal fee is not paid during that month, the applicant must pay a late fee of \$200. If the renewal fee or any late fee is not paid by the 30th day after the renewal date, the ODH Director may, in accordance with the Administrative Procedure Act, revoke the staffing support service's registration.

A staffing support service that has not provided staffing services during the year preceding the service's registration renewal date is not eligible for renewal. It may, however, apply for a new registration.

Health care staffing support service obligations and prohibitions

Obligations

(R.C. 3724.07)

Health care staffing support services registered under the bill must do all of the following:

- Ensure that when the staffing support service provides health care personnel to a health care provider for a specific shift or time period, the personnel or a substitute works for the agreed time period at no additional charge to the provider, except for health care worker platforms, discussed below;
 - A health care worker platform that utilizes independent contractors must instead (1) use its best efforts to secure a substitute, (2) prohibit, through contract, its independent contractors from failing to work an assigned shift except for good cause or with 24-hours or more notice, and (3) exclude from the platform any independent contractor who violates that contractual provision.

- Establish and provide to health care providers a schedule of fees and charges that cannot be modified except with written notice 30 days in advance, or shorter notice if the health care provider agrees in writing;
- Employ as employees of the staffing support service the health care personnel provided to a health care provider, except for health care worker platforms;
- Verify, maintain, and furnish on request supporting documentation that each temporary employee or contractor provided to a health care provider meets (1) minimum licensing, training, and continuing education standards for the position, (2) criminal records check requirements of the provider, (3) requirements for reviewing registries of persons with findings of abuse or neglect, (4) requirements for determining whether exclusions from Medicare or Medicaid exist, (5) any health requirement of the provider, including requirements related to drug testing and infectious disease testing and vaccination, and (6) any other qualification or requirement mandated by law for a health care provider's employees and temporary workers;
- Prohibit staffing support service employees and contractors from recruiting employees of the health care provider and instruct staffing support service employees and contractors about the prohibition;
- Make staffing support service records available to the ODH Director during normal business hours;
- Retain staffing support service records for at least five years;
- Carry professional liability insurance of at least \$1 million per occurrence and \$3 million aggregate, except for health care worker platforms that require independent contractors to carry equivalent insurance;
- Secure and maintain workers' compensation coverage in accordance with Ohio law, except for health care worker platforms that require independent contractors to carry occupational accident insurance;
- Carry a surety bond for employee dishonesty of at least \$100,000, except for health care worker platforms that require independent contractors to carry an equivalent bond.

Prohibitions

(R.C. 3724.08, primary and 3724.07(B))

Health care staffing support services are prohibited under the bill from doing the following:

- Restricting employee or contractor employment opportunities, including by requiring noncompete agreements or employment buyouts;
- Requiring the payment of liquidated damages, employment fees, or other compensation related to an employee or contractor being hired as a permanent employee of the health care provider;

- Recruiting, soliciting, or enticing an employee of a health care provider to leave the employee's employment; however, the bill specifies that it does not prohibit a health care staffing support service from generally advertising to the public that the staffing support service is seeking workers or may pay a signing bonus, or from offering or paying a signing bonus to an individual who was or is an employee of a health care provider, so long as the staffing support service did not initiate contact related to employment while the individual was actively employed by a health care provider;
- Paying or making a gift to the employees of a health care provider;
- Contracting with health care personnel as independent contractors, except for health care worker platforms.

Additionally, the bill prohibits a health care staffing support service from attempting to require a health care provider, by contract or otherwise, to waive any of the requirements of the bill or related rules that will be adopted. Any waiver of the requirements that may result from such an attempt is void and unenforceable.

Maximum charges for wages and other fees

(R.C. 3724.09)

The bill limits the total amount a health care staffing support service can charge a health care provider for employees, including for all wages and other fees or charges associated with each employee. Under the bill, health care staffing support services are prohibited from billing or receiving payments from health care providers for any category of health care personnel listed in the Medicaid cost reports submitted under existing law at a rate that is higher than 150% of the statewide direct care median hourly wage for that category of personnel, as that wage is determined by the Ohio Department of Medicaid (ODM), and adjusted for inflation in accordance with the Employment Cost Index for Total Compensation, Health Care and Social Assistance Component, published by the U.S. Bureau of Labor Statistics. ODM is required to calculate and publish statewide direct care median hourly wages for all personnel categories reported on the cost reports as soon as practicable after receiving the reports. The Medicaid Director may establish median hourly wages for any category of personnel not on the cost reports, based on data submitted by health care providers that utilize that category of personnel. If such wages are established, they must be used to set a maximum charge for that category of personnel.

A maximum rate established under the bill must include all charges for administrative fees, contract fees, shift bonuses, or any other charges in addition to the hourly rates of the health care personnel supplied to a health care provider. The bill specifies, however, that the staffing support service may charge the provider an additional hourly amount not exceeding 10% of the maximum rate for the individual, if providing care to patients with an infectious disease for which a declared public health emergency is in effect.

Disciplinary actions

(R.C. 3724.10)

The ODH Director may deny, refuse to renew, revoke, or suspend a health care staffing support service's registration for any of the following:

- Lack of financial solvency or suitability;
- Inadequate treatment and care or criminal activity by personnel supplied by the support service or by any person managing the service, except that the Director cannot revoke the registration of a health care worker platform solely for the conduct of independent contractors that are on the platform;
- Interference with a survey or other inspection conducted by the Director;
- Failure to comply with the conditions or requirements that must be met to obtain and retain a registration;
- Failure to comply with any other requirement of the bill or related rules.

Additionally, the ODH Director must revoke the registration of a health care staffing support service that knowingly provides to a health care provider a person with an illegally or fraudulently obtained or issued diploma, registration, license, certificate, criminal records check, or other item required for employment by a health care provider. All of the above disciplinary actions, and the imposition of fines discussed below, must be taken in accordance with the Administrative Procedure Act (R.C. Chapter 119).

The bill provides that a controlling person of a health care staffing support service whose registration has not been renewed or has been revoked is not eligible to apply for or to be granted a registration for five years following the date that the registration is terminated for failure to renew or the date of the final order of revocation. Further, the ODH Director is prohibited from issuing or renewing a registration to such a person during the five-year period immediately preceding the date the application for registration or renewal under consideration was submitted. "Controlling person" is defined as a business entity, officer, program administrator, or director whose responsibilities include directing the management or policies of a health care staffing support service and individuals who, directly or indirectly, own an interest in such a business entity.

Fines

A health care staffing support service that violates the bill's maximum charge provisions, as discussed above, must be fined 200% of the amount billed or received in excess of the maximum. A health care staffing support service is authorized by the bill to request a reconsideration by the ODH Director if such a fine is imposed.

Complaint reporting

(R.C. 3724.11)

The ODH Director is required to establish a system for reporting complaints against health care staffing support services and their employees and contractors. The Director must investigate all complaints.

Inspections

(R.C. 3724.12)

As part of overseeing the operation of health care staffing support services, the ODH Director must conduct surveys and other inspections. The Director may take other actions the Director considers necessary to ensure compliance by staffing support services.

Rules

(R.C. 3724.13; Section 737.30)

The ODH Director is required to adopt rules as necessary to implement the bill's provisions. The rules must be adopted in accordance with the Administrative Procedure Act (R.C. Chapter 119). The Director may begin implementing the bill's requirements, including issuing registrations, prior to adopting the rules.

Deposit of fees and civil fines

(R.C. 3724.14 and 3701.83)

The bill requires all registration application and renewal fees and civil fines collected to be deposited into the existing General Operations Fund to be used to administer and enforce the bill's provisions.

Certificates of need – maximum capital expenditures

(R.C. 3702.511 and 3702.52; repealed R.C. 3702.541; Section 803.110; related and conforming changes in other sections)

Under Ohio's Certificate of Need (CON) Program, certain activities involving long term care facilities can be conducted only if a CON has been issued by the ODH Director. One activity that requires a review under the CON Program is an expenditure of more than 110% of the maximum capital expenditure specified in a CON concerning long-term care beds.

The bill eliminates the 110% capital expenditure limitation and, as a result, it eliminates the need to obtain a new CON based on a project's cost after a CON has been approved. Related to this change, the bill also does the following:

- Prohibits CON rules from specifying a maximum capital expenditure that a certificate holder may obligate under a CON;
- Eliminates a requirement that rules be adopted to establish procedures for Director-review of CONs where the certificate holder exceeds maximum capital expenditures;

- Eliminates law authorizing civil penalties up to \$250,000 for violations of CON maximum capital expenditure limits;
- Specifies that the CON changes apply to currently valid CONs, pending CON applications, and pending actions for imposing sanctions;
- Repeals uncodified law enacted in H.B. 371 of the 134th General Assembly that, for 24 months, prohibits imposition of civil monetary penalties against CON holders who obligate up to 150% of an approved project's cost.

Fees for copies of medical records

(R.C. 3701.741)

The bill makes several changes to current law regarding costs that a health care provider or medical records company may charge for copies of medical records. In setting fee caps, current law distinguishes between record requests made by the patient or the patient's personal representative and requests made by anyone else. The bill modifies the law pertaining to the first category.

First, the bill adds that a request from an individual who is authorized to access a patient's medical record through a valid power of attorney is in the same category as a request from the patient or the patient's personal representative.

Second, related to costs that may be charged for those requests, the bill generally eliminates specific dollar caps based on the number of pages, and instead specifies that costs for such records must be reasonable and cost-based, and can include only costs that are authorized to be charged to the patient under federal law and regulations. The federal Health Insurance Portability and Accountability Act of 1996 (HIPAA) authorizes reasonable, cost-based fees, including only costs for copying labor, supplies for creating the record, postage if applicable, and preparing an explanation or summary.⁸⁵

Second Chance Trust Fund Advisory Committee

(R.C. 2108.35)

The bill makes changes to the Second Chance Trust Fund Advisory Committee. First, it removes the term limits for members, who currently are limited to two consecutive terms, whether full or partial. Second, it removes the requirement that the Committee annually elect a chairperson from among its members, instead leaving the details of a chairperson's election and term to the rules of the Committee.

Under continuing law, the Committee makes recommendations to the ODH Director regarding how to spend proceeds of the Second Chance Trust Fund. The fund consists of voluntary contributions and its own investment earnings, used to promote organ donation in

⁸⁵ 45 C.F.R. 164.524(c)(4).

Ohio through public education and awareness campaigns, outreach to legal and medical organizations, and recognition of donor families.

Save Our Sight Fund voluntary contributions

(R.C. 4745.05; Section 291.10)

The bill requires each licensing agency to ask all applicants or individuals renewing a license whether that individual wants to make a voluntary donation to the Save Our Sight Fund. All donations collected during each calendar quarter must be sent to the Treasurer of State, who must deposit them into the fund. The Save Our Sight Program was established in 1999 to provide early detection of vision problems and promote eye health and safety for Ohio's children. Under existing law, Ohio vehicle owners may donate to the Save Our Sight Fund when applying for or renewing motor vehicle registrations.⁸⁶

Home health licensure exception

(R.C. 3740.01)

The bill creates an exception in the home health licensure law for individuals who provide self-directed services⁸⁷ to Medicaid participants, including individuals who are certified by the Department of Aging or registered as self-directed individual providers through an area agency on aging. Under the bill, such providers are not required to be licensed as home health providers.

Smoking and tobacco

Minimum age to sell tobacco products

(R.C. 2927.02(B)(7), (E)(2), and (G))

The bill expands the offense of illegal distribution of tobacco products by prohibiting any person from allowing an employee under 18 to sell tobacco products. A violation is a fourth degree misdemeanor for a first offense, and a third degree misdemeanor on subsequent offenses.

The bill clarifies that it is not a violation of either of the following for an employer to permit an employee age 18, 19, or 20 to sell a tobacco product:

- The prohibition against distributing tobacco products to any person under 21;

⁸⁶ R.C. 3701.21 and 4503.104, not in the bill.

⁸⁷ Self-directed Medicaid services means that participants have decision making authority over certain services and take direct responsibility to manage their services with the assistance of a system of available supports. Self-direction is a service delivery model that is an alternative to traditionally delivered and managed services. [Self-Directed Services](#), available by searching “self-direction” at [medicaid.gov](#).

- The prohibition against distributing tobacco products in a place lacking required signage relating to the underage sale of tobacco products.

Shipment of vapor products and electronic smoking devices

(R.C. 2927.02 and 2927.023)

Continuing law makes each of the following a criminal offense, punishable by a fine of up to \$1,000 for each violation:

- For any person to cause cigarettes to be shipped to a person in Ohio other than an authorized recipient of tobacco products;
- For a common carrier, contract carrier, or other person to knowingly transport cigarettes to a person in Ohio that the carrier or other person reasonably believes is not an authorized recipient of tobacco products;
- For any person engaged in the business of selling cigarettes to ship cigarettes or cause cigarettes to be shipped in any container or wrapping other than the original container or wrapping without first marking the exterior with the word “cigarettes.”

The bill extends the same offenses to vapor products and electronic smoking devices, except that, for the third offense, the container or wrapping must instead be marked with the words “vapor products” or “electronic smoking devices.” In addition, the bill specifies that the following persons are “authorized recipients of vapor products or electronic smoking devices”: licensed tobacco or vapor distributors, vapor retailers (if all taxes have been paid), operators of customs bonded warehouses, state and federal government agencies and employees, and political subdivision agencies and employees.

Other tobacco law changes

(R.C. 2927.02(A)(5), (6), and (7))

Continuing law prohibits giving, selling, or otherwise distributing cigarettes, tobacco products, vapor products, or electronic smoking devices to a person under 21, and includes numerous related prohibitions and requirements that make it more difficult for a person under 21 to obtain those products. The bill specifies that both of the following are subject to these prohibitions and requirements, regardless of whether they contain nicotine:

- Substances intended to be aerosolized or vaporized during the use of an electronic smoking device;
- Components or accessories used in the consumption of a tobacco product, such as filters, rolling papers, or pipes.

The bill also corrects a technical error by removing a definition for “proof of age,” which is not used anywhere in the law governing the sale and distribution of tobacco products.

Moms Quit for Two grant program

(Section 291.30)

The bill continues Moms Quit for Two. Authorized in each biennium since 2015, it is a grant program administered by ODH that awards funds to government or private, nonprofit entities demonstrating the ability to deliver evidence-based tobacco cessation interventions to women who are pregnant or living with a pregnant woman and reside in communities that have the highest incidence of infant mortality, as determined by the ODH Director.

Renovation, Repair, and Painting Rule

(R.C. 3742.11)

The bill authorizes the ODH Director to enter into agreements with the U.S. Environmental Protection Agency (USEPA) for the administration and enforcement of the federal Renovation, Repair, and Painting (RRP) Rule. Under the RRP Rule, firms performing renovation, repair, and painting projects that disturb lead-based paint in homes, child care facilities, and pre-schools built before 1978 must be certified by USEPA (or a USEPA-authorized state), use certified renovators who are trained by USEPA-approved training providers, and follow lead-safe work practices.

The bill also allows the Director to accept available assistance in support of the agreements. The Director may adopt rules to administer and enforce the federal RRP Rule. If the Director adopts rules, the rules must specify the following:

1. Provisions governing applications for certification to undertake renovation, repair, and painting projects;
2. Provisions governing the approval and denial of certification and the renewal, suspension, and revocation of certification;
3. Fees for any certification issued or renewed under the Rule;
4. Requirements for training and certification, which must include levels of training and periodic refresher training for certifications issued under the Rule;
5. Procedures to be followed by a person certified under the Rule to undertake renovation, repair, and painting projects and to prevent public exposure to lead hazards and ensure worker protection during renovation, repair, or painting projects;
6. Provisions governing the imposition of civil penalties (up to \$5,000 per violation) for violations of procedures adopted under the Rule;
7. Record-keeping and reporting requirements for a person certified under the Rule;
8. Procedures for the approval of training providers under the Rule, including specific training course requirements; and
9. Any other procedures and requirements that the Director determines necessary for implementation of the Rule.

Environmental health specialists

(R.C. 4736.01 (renumbered to R.C. 3776.01), 4736.02 (renumbered to 3776.02), 4736.03 (renumbered to 3776.03), 4736.07 (renumbered to 3776.04), 4736.08 (renumbered to 3776.05), 4736.09 (renumbered to 3776.06), 4736.11 (renumbered to 3776.07), 4736.12 (renumbered to 3776.08), 4736.13 (renumbered to 3776.09), 4736.14 (renumbered to 3776.10), and 4736.15 (renumbered to 3776.11); R.C. 4736.05 (repealed), 4736.06 (repealed), and 4736.10 (repealed); R.C. 4736.17 (renumbered only) and 4736.18 (renumbered only); and R.C. 2925.01, 3701.33, 3701.83, 3717.27, 3717.47, 3718.011, 3718.03, 3742.03, 4743.05, 4776.20, and 5903.12 (conforming changes only))

The bill recodifies R.C. Chapter 4736, the law governing environmental health specialists (EHSs) and environmental health specialists in training (EHSs in training), in new R.C. Chapter 3776. EHSs and EHSs in training are registered professionals who engage in the practice of environmental health. They typically are employed by or contracted to work for local health districts, ODH, or the Department of Agriculture because of their specialized knowledge, training, and experience in the field of environmental health science.

Under current law, an EHS or EHS in training engages in the practice of environmental health by administering and enforcing various laws, including laws governing swimming pools, retail food establishments, food service operations, household sewage treatment systems, solid waste, and construction and demolition debris. The bill adds that EHSs and EHSs in training may administer and enforce the law governing tattoos and body piercing. It also clarifies that EHSs and EHSs in training may administer and enforce the law governing hazardous waste.

Rulemaking authority

The bill broadens the ODH Director's rulemaking authority regarding EHSs and EHSs in training. Under current law, the Director must adopt rules governing certain EHS requirements, such as the examination verification procedures, the application form, criteria for determining what science courses qualify towards EHS education requirements, and the determination of continuing education program requirements. The bill expands the Director's rulemaking authority by authorizing the Director to adopt rules of a general application throughout Ohio for the practice of environmental health that are necessary to administer and enforce the EHS law, including rules governing all of the following:

1. The registration, advancement, and reinstatement of applicants to practice as EHSs or EHSs in training;
2. Educational requirements necessary for the qualification for registration as an EHS or an EHS in training, including criteria for determining what courses may be included toward fulfillment of the science course requirements;
3. Continuing education requirements for EHSs and EHSs in training, including the process for applying for continuing education credits; and
4. Any other rule necessary for the administration and enforcement of the EHS law.

Continuing education

The bill requires EHSs in training to comply with the same continuing education requirements as are required for EHSs. The continuing education program requires EHSs (and EHSs in training under the bill) to biennially complete 24 hours of continuing education in subjects relating to the practice of the profession. An EHS (and EHS in training under the bill) cannot renew their registration without submitting proof of completing the 24-hour continuing education requirement.

In addition, it adds that the Director must do both of the following for EHSs in training, in the same manner as the Director does for EHSs under current law:

1. Provide, at least once annually, to each EHS in training a list of approved courses that satisfy the continuing education program; and
2. Supply a list of continuing education courses to an EHS in training upon request.

EHS and EHS in training registration

The bill clarifies that the ODH Director may renew an EHS or EHS in training registration 60 days prior to expiration, provided the applicant pays the renewal fee and submits proof of compliance with continuing education requirements. Current law is silent on the amount of time the Director may begin to renew registrations prior to their expiration date.

It also specifies that an EHS in training has up to four years, with a two-year possible extension, to apply as an EHS. Under current law, an EHS in training has three years to apply to register as an EHS. The Director may allow the two-year extension only for an EHS in training who provides sufficient cause for not applying for registration as an EHS within the normal time period.

Additionally, the bill eliminates the requirement that the Director annually prepare a list of the names and addresses of every registered EHS and EHS in training and a list of every EHS and EHS in training whose registration has been suspended or revoked within the previous year. It also eliminates the requirement that the Director assign a serial number to each certificate of registration and include it in the registration records. However, the bill retains other record-keeping requirements, such as the names and addresses of each applicant, the name and address of the employer or business connection of each applicant, application dates, an applicant's educational and employment qualifications, and the action taken by the Director on each application.

The bill prohibits a person who is not a registered EHS in training from using the title "registered environmental health specialist in training" or the abbreviation "E.H.S.I.T.," or representing themselves as a registered EHS in training. Whoever violates this prohibition is guilty of a fourth degree misdemeanor. This prohibition mirrors current law's prohibiting a person who is not a registered EHS from using the title "registered environmental health specialist" or the abbreviation "R.E.H.S.," or representing themselves as a registered EHS.

Advisory Board

The bill removes the requirement that the ODH Director obtain the advice and consent of the Senate when appointing members of the Environmental Health Specialist Advisory Board. The Advisory Board, which is made up of seven appointees who are all EHSs, advises the Director regarding the registration of EHSs and EHSs in training, continuing education requirements, EHS examinations, the education and employment criteria for EHS and EHS in training applicants, and any other matters as may be of assistance to the Director.

Out-of-state reciprocity

The bill eliminates standard license reciprocity provisions that are scheduled to take effect on December 29, 2023, and restores and retains current law, which generally requires out-of-state applicants to have at least the same qualifications as that of in-state EHS or EHS in training applicants.

Sudden Unexpected Death in Epilepsy Awareness Day

(R.C. 5.2320; Section 700.10)

The bill designates October 26 as “Sudden Unexpected Death in Epilepsy Awareness Day” and names this provision Brenna’s Law.

DEPARTMENT OF HIGHER EDUCATION

Restriction on instructional fee increases

- For the 2023-2024 and 2024-2025 academic years, prohibits state universities, and university branch campuses from increasing instructional and general fees over those charged in the prior academic year, except as otherwise permitted in an undergraduate tuition guarantee program.
- For the 2023-2024 and 2024-2025 academic years, permits community colleges, state community colleges, and technical colleges to increase instructional and general fees by not more than \$5 per credit hour over the previous academic year.
- Excludes from the fee restrictions: student health insurance, auxiliary goods or services fees provided to students at cost, pass-through fees for licensure and certification exams, study abroad fees, elective service charges, fines, and voluntary sales transactions.

Ohio College Opportunity Grant program

- Beginning with students who first enroll in the 2023-2024 academic year, generally limits eligibility for an Ohio College Opportunity Grant Program (OCOG) award to students enrolled at a state university main campus, a private nonprofit university or college, or a private for-profit career college.
- Increases the income eligibility threshold for an OCOG award from an expected family contribution (EFC) of \$2,190 or less to \$10,000 or less, beginning with students who first enroll in the 2023-2024 academic year.
- Prescribes OCOG award amounts in statute for students who first enroll in the 2023-2024 academic year or later, but authorizes the Chancellor of Higher Education to determine award amounts for the biennium if the amounts appropriated to support OCOG are inadequate to provide grants to all eligible students.

Second Chance Grant Program

- Increases the award amount for the Second Chance Grant Program from \$2,000 to \$3,000.
- Increases, from one-time, to each academic year until the student completes their degree, the frequency a grant may be awarded under specified conditions.
- Expands eligibility for the program to students who enroll in a qualifying institution within ten, rather than five, years of disenrollment.
- Designates eight months as the metric for determining a student's disenrollment period for eligibility purposes for the program for institutions that do not operate on a semester calendar.

Ohio Work Ready Grant Program

- Requires the Chancellor to establish the Ohio Work Ready Grant Program to award grants of up to \$3,000 to eligible students enrolled in qualified programs at community, state community, or technical colleges, state university branch campuses, or Ohio technical centers.

Extend Ohio National Guard Scholarship Program eligibility

- Extends eligibility for the Ohio National Guard Scholarship to include individuals who are enrolled in a master's degree program.

War Orphans and Severely Disabled Veterans scholarship and veterans' tuition waiver

- Disqualifies children of World War I veterans from receiving a War Orphans and Severely Disabled Veterans' Children Scholarship.
- Disqualifies World War I veterans from receiving a tuition waiver from any state-supported school, college, or university, and instead qualifies World War II veterans for such a waiver.

Grow Your Own Teacher College Scholarship program

- Establishes the Grow Your Own Teacher College Scholarship program to award four-year scholarships for up to \$7,500 per year to qualifying high school seniors and other qualifying employees.
- Requires the Chancellor and Department of Education to oversee the program, including developing the application process and repayment procedures for failure to meet program requirements.

Computer Science Education

- Creates the Ohio Computer Science Promise Program, the Ohio Computer Science Council, and the Ohio Computer Science Council Gifts and Donations Fund, collectively establishing a Computer Science Education Framework within the system of higher education.

Direct Admissions Pilot Program

- Establishes the Direct Admissions Pilot Program to notify students in participating high schools if they meet the admissions criteria for participating postsecondary institutions.

State institution policies and rules

Notice regarding access to transcript and institutional debts

- Requires each state institution of higher education, private nonprofit college or university, and private for-profit career college to post on its website:

- An explanation that students have a right to access transcripts for employment-seeking purposes, regardless of whether the student owes an institutional debt; and
- A list of resources for students who owe an institutional debt.

College transcripts

- Requires each state institution of higher education to adopt a resolution determining whether to end the practice of transcript withholding by December 1, 2023.
- Requires the Chancellor to provide a copy of each resolution to the Governor, the Speaker of the House, and the Senate President by January 1, 2024.

Administrative rules

- Exempts state institutions of higher education from complying with the rule adoption procedures of the Administrative Procedure Act or R.C. 111.15 when adopting administrative rules that currently must be posted on the institution's website and are exempt from the Joint Committee on Agency Rule Review's review, unless the institution is specifically required to follow either procedure.
- Requires the Director of the Legislative Service Commission to remove from the electronic Administrative Code any rules adopted by a state institution of higher education before the provision's effective date that the institution posted on its website under continuing law.

Community college housing and dining facilities

- Permits a community college district to acquire, lease, or construct housing and dining facilities if it is located within one-quarter mile of a facility that rented at least 75 rooms to students at the district on January 1, 2023.

Teacher preparatory programs

- Requires that metrics for educator preparation programs ensure specific coursework and preparation in effective literacy instruction and strategies aligned with instructional materials selected by the Department of Education.
- Requires the Chancellor to do all of the following:
 - Consult with, instead of working jointly with, the Superintendent of Public Instruction in establishing metrics for educator preparation programs.
 - Develop an auditing process that clearly documents the degree to which each institution of higher education offers educator training programs in alignment with the above literacy requirements.
 - By December 31, 2023, complete an initial survey of educator preparation program, establish metrics for the audits, and update standards to reflect these new requirements.

- Grant a one-year grace period to all institutions of higher education to meet the new standards and requirements, to begin on January 1, 2024. Requires the Chancellor to then begin conducting audits on January 1, 2025.
- In conjunction with ODE, complete and publicly release summaries of these audits by March 31 of each year; identify a list of approved vendors who can provide professional development experiences consistent with the science of reading; and develop a public dashboard that reports first time passage rates of students on the Foundations of Reading Licensure test.

In-demand jobs list

- Requires the Department of Job and Family Services to update the list of in-demand jobs to include teachers.

College Credit Plus Program

- Permits the Chancellor, in consultation with the state Superintendent, to take action as necessary to ensure that public colleges and universities and school districts are fully engaging and participating in the College Credit Plus Program (CCP).
- Requires the Chancellor and Superintendent to work with public secondary schools and partnering public colleges and universities to encourage the establishment of model pathways that prepare participants to successfully enter the workforce in certain fields.

CCP statewide innovative waiver pathways

- Permits the Chancellor to approve a proposal submitted by a public or private college, in collaboration with an industry partner, to establish a CCP statewide innovative waiver pathway.
- Requires a pathway to allow a student who does not meet traditional college readiness criteria to participate in CCP and earn an industry-recognized credential or certificate aligned with an in-demand job.

Board of Regents

- Abolishes the Ohio Board of Regents.

Obsolete reports and programs

- Abolishes the Ohio Instructional Grant Program.
- Abolishes the OhioCorps Pilot Program.
- Eliminates a requirement for the Chancellor to develop and implement a statewide plan permitting high school students to receive college credit for approved career-technical education courses.
- Eliminates an obsolete requirement that the Ohio Articulation and Transfer Network Oversight Board issue a report to the General Assembly by March 2, 2022, regarding college credit transfer rules for state institutions of higher education.

DEPARTMENT OF HIGHER EDUCATION

As used in this chapter of the analysis:

A **state institution of higher education** means any of the 14 state universities and each community college, state community college, technical college, and university branch campus. The state universities are the University of Akron, Bowling Green State University, Central State University, University of Cincinnati, Cleveland State University, Kent State University, Miami University, Northeast Ohio Medical University, Ohio University, Ohio State University, Shawnee State University, University of Toledo, Wright State University, and Youngstown State University.

Ohio technical centers are career-technical centers and schools that provide adult education and are recognized as such by the Chancellor of Higher Education.

Restriction on instructional fee increases

(Section 381.260)

In-state undergraduate instructional and general fees

State universities

Under law unchanged by the bill, each state university is required to establish an undergraduate tuition guarantee program. Under that program, each entering cohort of undergraduate students pays an immediate increased rate for instructional and general fees, but that rate is guaranteed not to increase again for that particular cohort for the next four years. That increase is the sum of the average rate of inflation for the past 36 months and the percentage amount the General Assembly restrains increases on in-state undergraduate instructional and general fees for the fiscal year.⁸⁸

For FY 2024 and FY 2025 (the 2023-2024 and 2024-2025 academic years), the bill prohibits each state university and each university branch campus from increasing its in-state undergraduate instructional and general fees over what the institution charged in the prior academic year. Therefore, a state university may only increase those fees in each of those years by the average rate of inflation in the prior 36 months.

Community, state community, and technical colleges

For the same years as state universities, each community college, state community college, and technical college may not increase its instructional and general fees more than \$5 per credit hour over what it charged in the previous academic year.

Special fees

Increases for all other special fees, including newly created ones, are subject to the approval of the Chancellor.

⁸⁸ R.C. 3345.48, not in the bill.

Exclusion

The bill's limits on fee increases explicitly *exclude*:

- Student health insurance;
- Fees for auxiliary goods or services provided to students at the cost incurred to the institution;
- Fees assessed to students as a pass-through for licensure and certification exams;
- Fees in elective courses associated with travel experiences;
- Elective service charges;
- Fines; and
- Voluntary sales transactions.

As in previous biennia when the General Assembly capped tuition increases, the bill's provisions do not apply to increases required to comply with institutional covenants related to the institution's obligations or to meet unfunded legal mandates or legally binding prior obligations or commitments. Further, the Chancellor, with Controlling Board approval, may approve an increase to respond to exceptional circumstances identified by the Chancellor.

Ohio College Opportunity Grant Program

(R.C. 3333.122; Section 381.490)

The bill makes several changes to the Ohio College Opportunity Grant Program (OCOG) regarding student eligibility and award amounts. OCOG is the state's sole need-based financial aid program for Ohio residents pursuing an undergraduate education at an institution of higher education in Ohio.

For more information on OCOG, see the LSC [Ohio College Opportunity Grant: Q&A \(PDF\)](#) Members Brief, which is available at LSC's website: lsc.ohio.gov/publications.

Eligibility

Beginning with students who first enroll in the 2023-2024 academic year, the bill revises eligibility requirements to receive an OCOG award. It increases the income eligibility threshold for an award from an expected family contribution (EFC) of \$2,190 or less to \$10,000 or less. It also generally limits eligibility for an award to students enrolled at the main campus of a state university, a private nonprofit college or university, or a private for-profit career college.

Under current law, which under the bill continues to apply to students who first enrolled prior to the 2023-2024 academic year, students at university branch campuses, community colleges, state community colleges, and technical colleges also may qualify for OCOG awards. However, in practice, few students in those institutions receive awards due to the state's "Pell-first" policy. For a further discussion of the "Pell-first" policy, see the LSC Ohio College Opportunity Grant: Q&A Members Brief linked above.

Award amount

Current law requires the Chancellor to determine the OCOG award amount for each institutional sector by subtracting the maximum Pell grant and maximum EFC from a sector's average instructional and general fees.

The bill maintains current law for students who first enrolled prior to the 2023-2024 academic year. However, for students who first enroll in the 2023-2024 academic year or later, the bill establishes award amounts in statute. As a result, the bill provides students with the same award amount for each fiscal year in which they receive a grant. Generally, in the past, OCOG award amounts have changed each fiscal year for all students receiving awards.

The tables below include the award amounts prescribed under the bill.

OCOG award amounts based on first enrollment in FY 2024 or later			
State university main campus students	FY 2024	FY 2025	Future fiscal years
In the 2023-2024 academic year	\$4,000	\$4,000	\$4,000
In the 2024-2025 academic year or later	N/A	\$6,000	\$6,000
Private nonprofit college or university students	FY 2024	FY 2025	Future fiscal years
In the 2023-2024 academic year	\$5,000	\$5,000	\$5,000
In the 2024-2025 academic year or later	N/A	\$6,000	\$6,000
Private for-profit career college students	FY 2024	FY 2025	Future fiscal years
In the 2023-2024 academic year	\$1,600	\$1,600	\$1,600
In the 2024-2025 academic year or later	N/A	\$1,600	\$1,600

However, the bill stipulates that, if the Chancellor determines the amounts appropriated to support OCOG are inadequate to provide grants to all eligible students in the amount prescribed in statute, the Chancellor must determine a method to calculate award amounts for students based on the bill's appropriations.

Institutional financial aid requirements

The bill establishes new requirements regarding scholarship and financial aid programs for state universities, private nonprofit colleges or universities, and private for-profit career colleges that enroll students receiving OCOG awards.

Specifically, it prohibits those institutions from making any change to their scholarship or financial aid programs with the goal or net effect of shifting the cost burden of the programs to OCOG. It also requires them to provide at least the same level of needs-based financial aid to their students as in the immediately prior academic year, on either an aggregate or per student basis. Even so, the bill authorizes the Chancellor to grant a temporary waiver from that requirement if the Chancellor determines exceptional circumstances make it necessary. The Chancellor must determine the waiver's terms.

Miscellaneous

The bill eliminates the prohibition against an OCOG award exceeding the state cost of attendance. Instead, it prohibits an award exceeding an individual student's cost of attendance. For a further discussion of the state cost of attendance prohibition, see the LSC Ohio College Opportunity Grant: Q&A Members Brief linked above.

The bill also authorizes the use of a measure of student financial need established under federal law that is different from EFC to determine student eligibility. According to a U.S. Department of Education press release, EFC is being replaced by a new measure of student financial need, the student aid index.⁸⁹

Second Chance Grant Program

(R.C. 3333.127)

The bill makes changes to the Second Chance Grant Program. It increases the award amount and frequency, under specified conditions, expands eligibility, and makes other changes.

First, the bill increases the award amount for the Second Chance Grant Program from \$2,000 to \$3,000. Second, it increases the frequency of grant awards from one-time to each academic year until the student completes their degree. A student may receive the subsequent awards if the Chancellor, in consultation with the institution of higher education, determines that subsequent awards beyond the first are an essential element of student success and degree completion.

The bill further expands eligibility to students who enroll in a qualifying institution within ten, rather than five, years of disenrollment. Thus, a person who has been disenrolled for a longer period of time may qualify for the award.

Finally, to qualify for the grant, a student must have been disenrolled for at least two semesters. The bill designates eight months of disenrollment as the metric for institutions that do not operate on a semester calendar.

⁸⁹ See [Beginning Phase Implementation of the FAFSA Simplification Act](#), which is also available at the U.S. Department of Education's Federal Student Aid website: fsa.partners.ed.gov.

Background

The Second Chance Grant Program was established in 2022 by S.B. 135 of the 134th General Assembly. Under the program, the Chancellor must award a one-time grant of up to \$2,000 to students who previously had disenrolled from higher education. To be approved, a student must enroll in a qualifying Ohio institution and have a remaining cost of attendance, as defined under federal law, after all other financial aid has been applied to the applicant's account.

A student is eligible for the program if the student:

1. Is an Ohio resident;
2. Has not attained a bachelor's degree;
3. Disenrolled from a qualifying institution, while being in good standing including with respect to academics and the student's disciplinary record, and did not transfer to a "qualifying institution" or an institution of higher education in another state in the two semesters immediately following disenrollment;
4. Enrolls in a "qualifying institution" within five years of disenrollment;
5. Is not enrolled in the College Credit Plus Program; and
6. Meets any other eligibility criteria determined necessary by the Chancellor.

Ohio Work Ready Grant Program

(R.C. 3333.24; Section 381.160)

Operation

The bill requires the Chancellor to establish the Ohio Work Ready Grant Program. Under the program, the Chancellor must award grants of up to \$3,000 to eligible students who are enrolled in qualified programs at a community, state community, or technical college, a state university branch campus, or an Ohio technical center.

Students may apply to participate in the program in a form and manner prescribed by the Chancellor. The Chancellor must adopt rules about how to compute grant award amounts for full- or part-time students. The Chancellor also must determine the form and manner of payments. A student cannot receive a grant for more than six semesters or the equivalent of three academic years.

The program must be funded in a manner designed by the General Assembly, though the Chancellor may receive funds from other sources to support the program. If the amounts available for the program are inadequate to provide grants to all students in an academic year, the Chancellor may establish different grant amounts based on the number of applicants and the amount of the program's funds.

Student eligibility

The bill qualifies a student to participate in the program if the student:

1. Is an Ohio resident;

2. Has completed the Free Application for Federal Student Aid (FAFSA); and
3. Is enrolled in a qualified program.

For the purposes of the program, a qualified program is a credit or noncredit program that leads to an industry-recognized credential, certificate, or degree and which prepares a student for a job that is either:

1. Identified as an “in-demand” or “critical” job, as determined by the Office of Workforce Transformation; or
2. Submitted by a community, state community, or technical college, state university branch campus, or Ohio technical center and will meet regional workforce needs, as approved by the Chancellor.

Report

The bill requires the Chancellor, in consultation with qualified program providers, to collect and report program metrics, including:

1. Demographics of recipients, including:
 - a. Age, disaggregated as follows:
 - i. 24 years old or younger;
 - ii. 25 to 34 years old;
 - iii. 35 to 49 years old;
 - iv. 50 years or older;
 - b. Gender;
 - c. Race and ethnicity;
 - d. Enrollment status as full- or part-time;
 - e. Pell grant status.
2. Success rate of recipients, including program retention and completion;
3. Total number of industry-recognized credentials awarded, disaggregated by subject or program area.

Extend Ohio National Guard Scholarship Program eligibility

(R.C. 5919.34)

The bill extends eligibility for the Ohio National Guard Scholarship to include individuals who are enrolled in a master’s degree program. Under current law, to be eligible for the Ohio National Guard Scholarship, an applicant may not possess a bachelor’s degree but must be actively enrolled as a full-time or part-time student in a two-year or four-year program. The bill maintains the 96 eligibility unit cap that recipients may accumulate under the scholarship.

War Orphans and Severely Disabled Veterans scholarship

(R.C. 5910.01)

The bill disqualifies the children of World War I veterans from receiving a War Orphans and Severely Disabled Veterans' Children Scholarship.

A child is eligible for the War Orphans and Severely Disabled Veterans' Children Scholarship if the child's parent is deceased or disabled veteran and the child: (1) is between the ages of 16 and 25, (2) at the time of applying for the scholarship, is a child of a "veteran," as defined for purposes of the scholarship, who entered the armed forces as either (a) a legal resident of Ohio who resided in the state for the last preceding year or (b) not as a legal resident of Ohio and having resided in Ohio for the year preceding the year the scholarship application is made, in addition to any other four of the last ten years, and (3) is in financial need, as determined by the Ohio War Orphans and Severely Disabled Veterans' Children Scholarship Board.⁹⁰

Veterans' tuition waiver

(R.C. 3333.26)

The bill disqualifies World War I veterans from receiving a tuition waiver from any state-supported school, college, or university and instead qualifies World War II veterans for the waivers. The bill does this by changing the time period of eligibility from veterans who served between April 6, 1917, and November 11, 1918, to veterans who served between September 1, 1939, and September 2, 1945.

In addition to having served during that period, to qualify for the tuition waiver, a veteran must be a citizen of Ohio who has resided within the state for at least one year, who was in the active service of the United States as a soldier, sailor, nurse, or marine, and who has been honorably discharged from that service. The waiver requires that the veteran be admitted to any school, college, or university that receives state funding without being required to pay any tuition or matriculation fees. The waiver does not exempt the veteran from paying laboratory or similar fees.

Grow Your Own Teacher College Scholarship program

(R.C. 3333.393 and 3333.394)

The bill establishes the Grow Your Own Teacher College Scholarship program to provide scholarships to eligible high school seniors and district employees who commit to teach in a "qualifying school" operated by their school district after becoming a teacher. If a scholarship recipient does not fulfill that obligation, the scholarship is converted into a loan.

Specifically, the Chancellor and the Department of Education must award a four-year scholarship for up to \$7,500 per year to an eligible applicant. To receive a scholarship, the

⁹⁰ R.C. 5910.03, not in the bill.

applicant must commit to teaching in a “qualifying school” for at least four years within six years of completing a teacher training program. The teacher training program may be at a state institution of higher education or a private, nonprofit college or university in Ohio.

Under the bill, a “qualifying school” is a school building:

1. Identified as “high need” by the Chancellor;
2. That has difficulty attracting and retaining classroom teachers who hold valid educator licenses; and
3. Operated by the same school district from which the scholarship recipient graduated high school or was employed.

Eligibility

To be eligible for a scholarship under the program, an applicant must be either:

1. A “low-income” high school senior who must receive a high school diploma to be awarded the scholarship; or
2. An individual who:
 - a. Is employed at a qualifying school; and
 - b. Holds any of the following:
 - i. An educational aide permit;
 - ii. An educational paraprofessional license; or
 - iii. A substitute teacher license.

The bill expressly permits a qualifying employee to complete coursework associated with a teacher training program on evenings or weekends as necessary while maintaining employment at a qualifying school.

The bill further permits a teacher training program, in consultation with the Department, to grant credit to a qualifying employee who has commensurate work experience at a qualifying school for completion of a teacher training program.

Application process

The bill requires the Chancellor and the Department to develop an application process for awarding scholarships under the program, including appointing a highly qualified and diverse application committee to assist in the selection of scholarship recipients. As part of that process, the Chancellor must require that all applicants file a statement of service status in compliance with continuing law, if applicable. Additionally, the Chancellor must require that all applicants have not been convicted of, plead guilty to, or adjudicated a delinquent child for any violation listed under continuing law.

Promissory note

The bill requires any scholarship recipient to sign a promissory note payable to the state if the recipient either does not satisfy the four-year teaching commitment within six years of completing the teacher training program or if the scholarship is terminated.

The bill requires that the amount payable under the note be the amount of total scholarships accepted by the recipient under the program.

The bill further stipulates that each recipient be awarded up to \$7,500 at the beginning of each school year in which the recipient begins or maintains qualifying employment. Upon completion of that school year, the amount the recipient received at the beginning of the year is forgiven. Failure to complete a full school year of employment converts the above award into a loan to be repaid. The bill requires that the loan to be repaid be the amount of the award made at the beginning of that school year.

The bill requires that an award be forgiven in the event that the recipient dies, becomes totally and permanently disabled, or is unable to complete the commitment as a result of a reduction in force at the recipient's school of employment before the end of the academic year.

For any scholarship that is converted to a loan, the bill specifies that the Chancellor and the Attorney General must collect payment on the loan in accordance with continuing law but may not charge an interest rate on such payments.

Termination of scholarship

Under the bill, a scholarship is considered "terminated" if a recipient withdraws from school or fails to meet standards as determined by the Department and the Chancellor. The scholarship is then converted to a loan to be repaid.

Computer Science Education

Ohio Computer Science Promise Program

(R.C. 3322.20 and 3322.24; conforming changes in R.C. 3314.03 and 3326.11)

The bill establishes the Ohio Computer Science Promise Program. Beginning with the 2024-2025 school year, under the program, an Ohio student in any of grades 7-12 may enroll in one computer science course per school year that is not offered by the student's school. Students cannot be charged for tuition, textbooks, or other fees related to participating in the program.

Any eligible student enrolled in a public secondary school or participating nonpublic secondary school may participate. To participate, a student must be accepted into an eligible course offered by an approved provider. The Department of Education, in consultation with the Chancellor, must approve eligible courses and providers. The Department also must publish a list of providers and courses annually.

The Chancellor, in consultation with the state Superintendent, must adopt rules governing the program. But, in a separate provision enacted in the bill, the Ohio Computer Science Council (see below) is authorized to adopt rules for the administration of the program.

High school credit

Public and participating nonpublic schools must award high school credit toward graduation and subject area requirements for successful completion of program courses. If a completed course offered by an approved provider is comparable to one offered by the school, the school must award comparable credit. If no comparable course is available, the school must grant an appropriate number of elective credits. Evidence of completion of each course and the number of credits awarded must be indicated on the student's record with a designation that they were earned through the program and the name of the approved provider.

The bill creates an appeals process for disputes regarding the credits granted for approved courses. The Department makes the final decision regarding any appeal.

“Computer science” defined

Under the bill, “computer science” includes logical reasoning computing systems, networks and the internet, data and data analysis, algorithms and programming, impacts of computing, web development, and structured problem solving skills related to these disciplines. A similar definition for “computer science” that applies generally to education law.

Ohio Computer Science Council

(R.C. 3322.01, 3322.02, 3322.03, 3322.04, 3322.05, and 3322.06)

The bill creates the Ohio Computer Science Council to foster and encourage increased participation in computer science education across all counties through afterschool programs, summer camps, and other educational enrichment partnerships.

Council members – terms of office

The Council consists of:

1. Eleven voting members appointed by the Governor, with the advice and consent of the Senate;
2. Two nonvoting members of the House, who cannot be from the same political party, appointed by the Speaker of the House; and
3. Two nonvoting members of the Senate, who cannot be from the same political party, appointed by the Senate President.

Voting members will serve five-year terms beginning on July 2 and ending on July 1. They must continue in office after the expiration of the member's term until the successor takes office, or until a 60-day period has elapsed, whichever occurs first. Nonvoting members must be appointed within ten days of the first regular session of each General Assembly and must serve through December 31 of the following year.

The Governor selects the Council's chair and vice-chair. Council members serve without compensation, but may be reimbursed for expenses incurred in connection with the official business. The Council must meet at least once per year; however, Council members may not receive expenses for attendance at more than four meetings each year.

Members appointed by the Governor must have broad knowledge and experience in computer science, business, primary education, secondary education, or postsecondary education.

The Chancellor must provide staff and other administrative services for the Council.

Council powers and duties

The Council must:

1. Survey the computer science educational resources and needs of the state;
2. Develop a plan for and fund grants for afterschool, summer, and related enrichment programs; and
3. Create and maintain records on the distribution of funds awarded through the Council.

The Council may:

1. Award and administer grants for afterschool, summer, and other enrichment programs that support the objectives of the Council using appropriated state funds;
2. Receive and administer federal funds for purposes compatible with the mission of the Council and Computer Science Promise Program;
3. Establish advisory committees to assist in the performance of its functions;
4. Contract with consultants to facilitate its work;
5. Adopt rules necessary for administration of its programs and the Ohio Computer Science Promise Program; and
6. Accept and administer any gifts, donations, or bequests made to it for the encouragement and development of its programs.

Ohio Computer Science Council Gifts and Donations Fund

The bill establishes the Ohio Computer Science Council Gifts and Donations Fund in the state treasury. The fund will consist of gifts, donations, and fees paid for conferences the Council sponsors. The fund may be used to pay for the Council's operating expenses. All moneys must be spent pursuant to the Council's duty to foster and encouraged increased participation in computer science education across all counties through afterschool programs, summer camps, and other educational enrichment partnerships.

Direct Admissions Pilot Program

(R.C. 3333.302)

Purpose

The bill requires the Chancellor, in consultation with the state Superintendent, to establish the Direct Admissions Pilot Program. Under the pilot program, the Chancellor must determine whether high schools seniors in participating schools meet the admissions criteria for participating postsecondary institutions. The Chancellor then must notify participating

seniors of the determination. The bill expressly prohibits requiring any student, school, or institution from participating in the pilot program.

Operation

To facilitate the pilot program, the Chancellor must establish a process that uses a student's academic record to determine whether the student meets the admissions requirements. To the extent practicable, and in accordance with applicable law, the Chancellor must use existing student information systems to automate the process. The Chancellor also must use information held by the student's school to minimize the need for a student to provide additional information.

The bill authorizes the Chancellor to establish eligibility requirements for students, schools, and postsecondary institutions who elect to participate in the pilot program. The Chancellor also may consult with stakeholders and form advisory councils as necessary to design and operate the pilot program.

The Chancellor must "endeavor" to implement the pilot program so students graduating in the 2024-2025 school year may participate in it. Conversely, the bill also authorizes the Chancellor to terminate the pilot program if it is impracticable to operate.

Participating schools and institutions

The bill permits any school district, community school, STEM school, or chartered nonpublic school to apply to participate in the pilot program. Similarly, any state institution of higher education, private nonprofit college or university, or Ohio technical center may apply to participate. The Chancellor must approve the application of any school or institution that meets any eligibility requirements established by the Chancellor.

The governing body of a participating district or school may adopt a policy authorizing any high school it operates to participate in the pilot program. Within 90 days of adopting a policy, the governing body must transmit it to the Chancellor and the state Superintendent. The governing body also must develop a procedure to determine whether a student who wants to participate in the pilot program meets any eligibility requirements established by the Chancellor.

Report

The Chancellor, in consultation with the state Superintendent, must issue a report on the pilot program at least once each school year by a date set by the Chancellor. The report must include information about the number of students who participate in the program. It also must evaluate, to the extent practicable, the impact of the pilot program on postsecondary outcomes for students from populations traditionally underserved in higher education. The Chancellor must submit the report to the Governor, the Senate President, and the Speaker of the House.

State institution policies and rules

Notice regarding access to transcript and institutional debts

(R.C. 3345.60)

The bill addresses information each state institution of higher education, private nonprofit college or university, and for-profit career college must post on its website about college transcripts and institutional debts. It requires those institutions to explain on their websites that a student has a right to access a transcript for the purposes of seeking employment, regardless of whether the student owes an institutional debt. Institutions also must post a list of resources for students who owe an institutional debt, including payment plans, settlement opportunities, and other dropout prevention programs.

Continuing law prohibits a state institution from withholding a student's official transcripts from a potential employer because the student owes the institution money, if the student authorizes transmission of the transcripts and the employer affirms the transcripts are a prerequisite of employment.⁹¹ Neither private nonprofit colleges and universities or private for-profit career colleges are subject to that prohibition.

College transcripts

(R.C. 3345.027)

The bill requires the board of trustees of each state institution of higher education to adopt a resolution by December 1, 2023, determining whether to end the practice of transcript withholding. The board must submit a copy of the resolution to the Chancellor. When adopting the resolution, each board must consider and evaluate all of the following factors:

1. The extent to which ending the practice will promote the state's postsecondary education attainment and workforce goals;
2. The rate of collection on overdue balances resulting from the historical practice of transcript withholding, as documented by the Attorney General;
3. The extent to which ending the practice will help students who disenroll from the state institution complete an education at the same or a different state institution.

If the board resolves to maintain transcript withholding, the board must include a summary of its evaluation of the required factors.

Finally, the Chancellor must provide a copy of each resolution to the Governor, the Speaker of the House, and the Senate President by January 1, 2024.

Current law prohibits state institutions from withholding a student's official transcripts from a potential employer because the student owes money to the institution, provided the student has authorized the transcripts to be sent to the employer and the employer affirms to

⁹¹ R.C. 3345.027.

the institution that the transcripts are a prerequisite of employment, but has no other prohibitions against state institutions withholding transcripts.

Administrative rules

(R.C. 3345.033 and 111.15; Section 701.20; conforming changes in R.C. 124.14, 1506.01, 1521.01, 3345.033, 3345.14, 3345.57, 3345.69, and 3798.12)

The bill exempts a state institution of higher education from complying with the administrative rule adoption procedures of the Administrative Procedure Act (APA) (R.C. Chapter 119) or R.C. 111.15, unless the law requiring or permitting rule adoption requires the institution to use one of the procedures. Currently, a state institution of higher education adopts administrative rules through the R.C. 111.15 rulemaking procedure (the APA requires notice and a hearing before adopting proposed rules; R.C. 111.15 does not).

Continuing law exempts a state institution of higher education's rules from review by, or a recommendation of invalidation from, the Joint Committee on Agency Rule Review (JCARR). Continuing law also requires an institution of higher education to post an adopted rule to its official website. The institution may not rely on a rule that is not officially posted.

The bill directs the LSC Director to remove from the electronic Administrative Code any rule adopted by an institution and posted to its website before the provision's effective date.

Community college housing and dining facilities

(R.C. 3354.121)

The bill permits a community college district to acquire, lease, or construct housing and dining facilities if the district is located within one-quarter mile of a facility that, on January 1, 2023, rented at least 75 rooms to students at the district.

Under continuing law, a community college district that is located within one mile of a four-year private, nonprofit institution of higher education may acquire, lease, or construct housing and dining facilities.

Teacher preparatory programs

(R.C. 3333.048)

The bill requires the Chancellor, in consultation with the Superintendent of Public Instruction, rather than in conjunction with the state Superintendent, to establish metrics to ensure that educator training programs include evidence-based strategies for effective literacy instruction aligned to the science of reading, including phonics, phonemic awareness, fluency, comprehension, and vocabulary development, and is part of a structured literacy program.

The bill further requires the Chancellor to develop an auditing process that clearly documents the degree to which each institution of higher education that offers an educator training program is aligned with the bill's literacy requirements. The Chancellor, by December 31, 2023, must complete an initial survey of educator preparation program, establish metrics for the audits, and update standards to reflect these new requirements. The bill further requires the Chancellor to grant a one-year grace period to all institutions of higher education

to meet the new standards and requirements, to begin on January 1, 2024. The Chancellor must begin conducting audits on January 1, 2025.

Upon completion of an audit, the bill requires the Chancellor to revoke approval for programs that are found not to be in alignment and do not address the findings of the audit within a year. All programs must be reviewed every four years thereafter to ensure continued alignment. The Chancellor also annually must create a summary of literacy instruction strategies and practices in place for all educator preparation programs based on the program audits, including institution level summaries, until all programs reach the required alignment.

In conjunction with the Department of Education, the bill further requires the Chancellor to do all of the following:

1. Complete and publicly release summaries of audits by March 31 of each year;
2. Identify a list of approved vendors who can provide professional development experiences that are consistent with the science of reading to educators who are responsible for teaching reading, including faculty in educator preparation programs; and
3. Develop a public dashboard that reports the first-time passage rates of students, by institution, on the Foundations of Reading Licensure test.

Under continuing law, the Chancellor jointly with the state Superintendent must establish metrics and preparation programs for educators and other school personnel and the higher education institutions that offer the programs. The Chancellor must, based on the metrics and preparation programs, approve institutions with preparation programs that maintain satisfactory training procedures and records of performance.

In-demand jobs list

(R.C. 6301.113)

The bill requires the Department of Job and Family Services to update the list of in-demand jobs it must compile under continuing law⁹² to include teachers. The bill does not apply the required methodology used to identify in-demand jobs to the addition of teachers to the list.

The current [In-Demand Jobs List](http://www.topjobs.ohio.gov) may be accessed at: www.topjobs.ohio.gov.

College Credit Plus Program

(Section 381.720)

The bill permits the Chancellor, in consultation with the Superintendent of Public Instruction, to take action as necessary, to ensure that public colleges and universities and school districts are fully engaging and participating in the College Credit Plus Program (CCP).

⁹² R.C. 6301.11, not in the bill.

These actions may include publicly displaying program participation data by district and institution.

For the “model pathways” required under continuing law, the bill requires the Chancellor and state Superintendent to work with public secondary schools and partnering public colleges and universities, as necessary, to encourage the establishment of model pathways that prepare participants to successfully enter the workforce in certain fields – which may include any of the following:

1. Engineering technology and other fields essential to the superconductor industry;
2. Nursing, with particular emphasis on models that facilitate a participant’s potential progression through different levels of nursing;
3. Teaching and other related education professions;
4. Social and behavioral or mental health professions;
5. Law enforcement or corrections; and
6. Other fields as determined appropriate by the Chancellor and state Superintendent, in consultation with the Governor’s Office of Workforce and Transformation.

Under current law, each public secondary school, in consultation with at least one public partnering college, is required to develop two model pathways for courses offered under CCP. One model pathway must be a 15-credit hour pathway and one must be a 30-credit hour pathway. Pathways may be organized by desired major or career path and may include various core courses required for a degree or professional certification by the college. Current law does not prescribe specific professional fields for model pathways.⁹³

CCP statewide innovative waiver pathways

(R.C. 3365.131)

The bill permits one or more public or private colleges, in collaboration with at least one industry partner, to submit to the Chancellor a proposal to establish a CCP statewide innovative waiver pathway. Under a pathway, a student who does not meet traditional college readiness criteria may participate in CCP and earn an industry-recognized credential or certificate aligned with an in-demand job. The bill authorizes the Chancellor to approve a pathway. It also permits any public or nonpublic secondary school or public or private college to use an approved pathway.

The Chancellor, in consultation with the Superintendent of Public Instruction, may adopt guidelines and procedures regarding statewide innovative waiver pathways.

⁹³ R.C. 3365.13, not in the bill.

Board of Regents

(R.C. 3333.01, 3333.012, 3333.032, 3333.04, 3333.045, and 3333.70; repealed R.C. 3333.01, 3333.011, and 3333.02)

The bill abolishes the Ohio Board of Regents. Under current law, the Board is an advisory body for the Chancellor of Higher Education, consisting of nine members who are appointed by the Governor with the advice and consent of the Senate.

In 2007, the General Assembly transferred most of the Board's powers and duties to the Chancellor.⁹⁴ That act specified that when the Board is referred to in any statute, rule, contract, grant, or other document, it must be construed to mean the Chancellor, except in specific circumstances. Subsequent legislation renamed the administrative office of the Board of Regents as the Department of Higher Education.⁹⁵ As a result, the only responsibility that the Board retained was to submit an annual report on the condition of higher education in Ohio, including the performance of the Chancellor, to the General Assembly and the Governor. The bill transfers that responsibility to the Chancellor, but removes the requirement that the report include the performance of the Chancellor.

Obsolete reports and programs

Ohio Instructional Grant Program

(Repealed R.C. 3333.12; conforming changes in R.C. 3315.37, 3332.092, 3333.04, 3333.044, 3333.28, 3333.375, 3333.38, 3345.32, and 5107.58)

The bill abolishes the Ohio Instructional Grant Program (OIG).

OIG paid grants to full-time Ohio resident students pursuing an undergraduate degree at a public, private nonprofit, or private for-profit institution of higher education in Ohio. In 2005, H.B. 66 of the 126th General Assembly phased out OIG and established the Ohio College Opportunity Grant Program (OCOG) to replace it. OIG was last funded in FY 2009.

OhioCorps

(Repealed R.C. 3333.80, 3333.801, and 3333.802)

The bill abolishes the OhioCorps Pilot Program.

Enacted in 2018, OhioCorps was designed to guide at-risk high school and middle school students toward higher education through mentorship programs, operated by state institutions of higher education in the 2019-2020 and 2020-2021 school years, and future \$1,000 college scholarships upon meeting specified criteria.

In 2021, H.B. 110 of the 134th General Assembly prohibited the addition of new students to OhioCorp after the 2020-2021 academic year and terminated its operation at the end of the

⁹⁴ H.B. 2 of the 127th General Assembly.

⁹⁵ H.B. 64 of the 131st General Assembly.

2021-2022 academic year. Each student otherwise eligible to receive a scholarship under OhioCorps instead received a \$1,000 payment.⁹⁶

Statewide plan on college credit for career-tech courses

(Repealed R.C. 3333.167)

The bill eliminates a requirement for the Chancellor to develop and, if appropriate, implement a statewide plan permitting high school students to receive college credit for approved career-technical education courses. The Chancellor was required to submit the completed plan to the Governor, the President and Minority Leader of the Senate, and the Speaker and Minority Leader of the House by July 31, 2020.⁹⁷

The Chancellor submitted the completed plan in a report on July 31, 2020. As is explained in the report, the Career-Technical Credit Transcript workgroup determined that the plan would not be implemented because the “Higher Learning Commission regulations make the transcription of CTPD coursework in a manner comparable to CCP not viable.”⁹⁸

College credit transfer study

(R.C. 3333.16)

The bill eliminates the requirement that the Ohio Articulation and Transfer Network Oversight Board issue a report to the General Assembly by March 2, 2022, regarding college credit transfer rules for state institutions of higher education, as the deadline for the report has passed.

The Board was established by the Chancellor to study current rules regarding the transfer of college credit between state institutions of higher education. It was required to submit to the General Assembly by March 2, 2022, a report including the findings of the study, as well as any recommendations regarding changes to the rules.

⁹⁶ Section 381.460 of H.B. 110 of the 134th General Assembly.

⁹⁷ Section 17 of H.B. 197 of the 133rd General Assembly, not in the bill.

⁹⁸ See the Ohio Department of Higher Education [Career-Technical Credit Transcript Workgroup Report \(PDF\)](#), also accessible on the Legislative Service Commission’s website: lsc.ohio.gov.

OHIO HISTORY CONNECTION

- Allows the Ohio History Connection to work with American Indian tribes to select, manage, and use burial sites for the repatriation of American Indian human remains.

American Indian burial sites

(R.C. 149.3010)

The bill allows the Ohio History Connection to use land for repatriation of American Indian human remains. The land must be either owned by the Ohio History Connection, owned by the state and in the Ohio History Connection's custody and control, leased by the Ohio History Connection, or leased from the Ohio History Connection to another entity or organization.

The Ohio History Connection must work with and cooperate with federally recognized Indian tribal governments in the selection, management, and use of the burial sites. And it must implement reasonable standards for the use and maintenance of the burial sites. If the Ohio History Connection disposes of or no longer has custody and control of a burial site, the agency must retain access and authority to maintain the site or must assign its right of access and maintenance to the person acquiring the site.

The Ohio History Connection is not required to register a burial site as a cemetery and is not otherwise subject to the laws that apply to cemetery operators, including, for instance, maintenance standards and a complaints process.

OFFICE OF INSPECTOR GENERAL

- Expands the qualifications for appointment as Inspector General or deputy inspector general to include individuals with at least five years of experience as a deputy inspector general in Ohio or any other state.

Deputy inspector general qualifications

(R.C. 121.49)

The bill expands the qualifications to become Inspector General or a deputy inspector general in Ohio. It permits an individual with at least five years of experience as a deputy inspector general in Ohio or another state to become Inspector General, and permits an individual with at least five years of experience as a deputy inspector general in another state to become a deputy inspector general in Ohio. Current law requires deputy inspector generals of transportation and workers compensation to meet the same qualifications as the Inspector General.⁹⁹

Under continuing law, the Governor appoints, with the advice and consent of the Senate, the Inspector General every four years.¹⁰⁰ An individual is eligible to be appointed if the individual meets one or more of the following qualifications: at least five years' experience as a law enforcement officer in Ohio or any other state, admission to the bar of Ohio or any other state, certification as a certified public accountant in Ohio or any other state, or at least five years' service as the comptroller or similar officer of a public or private entity in Ohio or any other state.

⁹⁹ See. R. C. 121.51 and 121.52, neither in the bill.

¹⁰⁰ See R.C. 121.48, not in the bill.

DEPARTMENT OF INSURANCE

Fees for insurer examinations

- Abolishes the Superintendent's Examination Fund and the Captive Insurance Regulation and Supervision Fund and transfers the activities of these funds to the Department of Insurance Operating Fund.

Coverage for donor breast milk and milk fortifiers

- Requires the health insurance plans to cover medically necessary pasteurized donor human milk and human milk fortifiers for inpatient and home use.
- Permits the Superintendent of Insurance to make rules as needed to implement donor human milk and human milk fortifier coverage.

Fees for insurer examinations

(R.C. 1739.10, 1751.34, 1761.16, 3901.021, 3901.07, 3901.071, 3919.19, 3921.28, 3930.13, 3931.08, 3964.03, 3964.13, and 3964.15)

Existing law, unchanged by the bill, requires the Superintendent of Insurance to conduct financial examinations of insurance companies at least once every five years. The Department of Insurance monitors the financial solvency of insurance companies by reviewing financial statements and other records, and by conducting regular onsite examinations. Existing law, changed in part by the bill, requires the Department's expenses from conducting an examination of a company to be paid by the insurance company to the Superintendent of Insurance and deposited into the Superintendent's Examination Fund.

The bill eliminates the Superintendent's Examination Fund and instead requires the assessments to be paid to the Department of Insurance Operating Fund.

The bill also eliminates the Captive Insurance Regulation and Supervision Fund, which is used by the Superintendent for expenses related to the oversight of captive insurers. The bill requires the license fees and other fees paid to the fund under existing law to instead be redirected to the Department of Insurance Operating Fund.

Coverage for donor breast milk and milk fortifiers

(R.C. 3902.63)

The bill requires health insurance plans to cover pasteurized donor human milk and human milk fortifiers in both hospital and home settings in specified circumstances. The milk or fortifier must be determined medically necessary by a licensed health professional for an infant whose gestationally corrected age is less than 12 months. The milk or fortifier is medically necessary when any of the following apply:

- The infant has a body weight below healthy weight levels;
- The infant was less than 1,800 grams at birth;

- The infant was born at or before 34 weeks gestation;
- The infant has any congenital or acquired condition that a licensed health professional indicates would be supported by human milk or fortifier.

Additionally, the bill requires coverage for donor human milk and fortifier only when the infant is unable to receive maternal breast milk because either the infant is unable to participate in breast feeding or the mother cannot produce enough calorically sufficient milk. The mother and infant must participate in lactation support before donor human milk or fortifier may be covered.

The bill permits the Superintendent of Insurance to make any rules necessary to implement these provisions.

DEPARTMENT OF JOB AND FAMILY SERVICES

CHILD WELFARE

Continuous ODJFS licensure

- Eliminates renewal requirements for ODJFS licenses for institutions, associations, foster caregivers, and private nonprofit therapeutic wilderness camps, resulting in continuous licensure unless revoked.

Background checks

- Requires the ODJFS Director, rather than an agency director or association or institution as in current law, to request background checks, review them, and determine employment or certification eligibility for adoptive parents working with an adoption agency, foster caregivers, and association or institution employees or appointees.
- Recodifies, but (except as noted above) largely maintains the substance of, laws governing background checks for those individuals.
- Adds offenses that the Bureau of Criminal Identification and Investigation (BCII) Superintendent must check for on receipt of a request for a criminal records check from the ODJFS Director, a qualified organization that arranges temporary child housing, an attorney who arranges adoptions, or the appointing or hiring officer of an out-of-home care entity that is not an association or institution.

Electronic reporting of child abuse or neglect

- Allows an individual to make a report of child abuse or neglect to a public children services agency (PCSA) or peace officer electronically, in addition to the existing law options of making a report by telephone or in person.

Referrals for prevention services

- Requires a PCSA to make a referral to an agency providing prevention services if the PCSA determines that the child is a candidate for those services.
- Allows a PCSA to disclose confidential information discovered during an investigation to an agency providing prevention services.
- Requires a PCSA to enter into a contract with an agency providing prevention services.

Child abuse or neglect report disposition appeal and registry

- Requires a PCSA that investigated a report of child abuse or neglect to give the alleged perpetrator written notification of the investigation's disposition and of the person's right to appeal the disposition.
- Requires ODJFS to adopt rules to implement the above requirement, including the stages at which the PCSA must provide notification, the method for appeal, time limits for appeal and response, and sanctions.

- Requires, when a person requests ODJFS to conduct a search of whether that person's name is in the alleged perpetrator registry in the Statewide Automated Child Welfare Information System (SACWIS), that ODJFS send a letter to the person indicating that a "match" exists if a search reveals a "substantiated" disposition.
- Requires ODJFS to expunge "substantiated" dispositions of abuse or neglect from the alleged perpetrator registry in SACWIS after ten years.

Definition of "abused child"

- Expands the definition of "abused child" by adding a child who is the victim of disseminating, obtaining, or displaying materials or performances that are harmful to juveniles if the activity would constitute a criminal sexual offense.
- Modifies the definition of "abused child" by stating that if a child exhibits evidence of physical disciplinary measures by a "caretaker" the child is not an abused child if the measure is not prohibited under the offense of endangering children.
- Modifies the definition of "abused child" by including a child who because of the acts of the child's "caretaker" suffers physical or mental injury that harms or threatens the child's health or welfare.

Records of former foster children

- Requires a PCSA to allow an adult who was formerly placed in foster care to inspect records pertaining to the time in foster care upon request.
- Allows the PCSA's executive director or the director's designee to redact information that is specific to other individuals if that information does not directly pertain to the adult.

Ohio Child Welfare Training Program (OCWTP) changes

- Eliminates the requirements that PCSA caseworkers and PCSA caseworker supervisors complete a specified number of hours of in-service training during the first year of employment and domestic violence training during the first two years of employment.
- Eliminates the requirements that ODJFS establish eight child welfare training regions in Ohio and that each region contain only one training center, but maintains the requirement that ODJFS designate and review training regions.
- Repeals and recodifies various provisions governing the OCWTP.

Family and Children First Cabinet Council

County councils

- Removes enumerated focuses for the indicators and priorities that measure progress towards increasing child well-being in Ohio.
- Expands the types of council contracts that are exempt from competitive bidding requirements.

- Clarifies that a council's role in service coordination does not override the decisions of a PCSA regarding child placement.

Ohio Automated Service Coordination Information System

- Requires the Cabinet Council state office to establish and maintain the Ohio Automated Service Coordination Information System (OASCIS).
- Requires county councils to enter all information in OASCIS regarding funding sources and families seeking services from the county councils, and specifies that failure to do so may result in the loss of state funding.
- Establishes that all information in OASCIS is confidential, and requires county councils to establish administrative penalties for inappropriate access, disclosure, and use of information.
- Limits OASCIS access to personnel with training in confidentiality requirements and prohibits researchers from directly accessing it.

Substitute care provider licensing rules

- Repeals a law that established an office to review rules for licensing substitute care providers to minimize differing certification and licensing requirements across various agencies.

Wellness Block Grant Program

- Repeals the Wellness Block Grant Program, an obsolete program formerly overseen by the Ohio Family and Children First Cabinet Council.

Multi-system youth action plan

- Repeals a requirement for the Ohio Family and Children First Council to develop a comprehensive multi-system youth action plan, to be submitted to the General Assembly (the Council submitted the plan in January 2020).

Children's Trust Fund Board

Membership

- Specifies that a public board member of the Children's Trust Fund Board may serve two consecutive terms after serving the remainder of a term for which the member was appointed to fill a vacancy.
- Changes the number of Board members required to be present to have a quorum from eight to a majority of the members appointed to the Board.

Acceptance of federal funds

- Eliminates a requirement that the Board's acceptance of federal or other funds must not require the state to commit funds.

Children's advocacy centers

- Eliminates the annual report submitted to the Board by each children's advocacy center that receives funds from the Board.
- Removes a requirement that the Board develop and maintain a list of all state and federal funding that may be available to children's advocacy centers.

Child abuse and child neglect regional prevention councils

- Adds parent advocates to the list of county prevention specialists who may be appointed to a child abuse and child neglect regional prevention council.
- Removes from each child abuse and child neglect regional prevention council a nonvoting member who is a representative of each council's regional prevention coordinator.
- Requires each council's regional prevention coordinator to select a council chairperson from among the county prevention specialists serving on the council.
- Requires members to elect a vice-chairperson at the first regular meeting of each year.
- Requires the chairperson to either preside over council meetings or call upon the vice-chairperson to do so.
- Specifies that the vice-chairperson functions as the chairperson and becomes a nonvoting member when presiding over council meetings.

Kinship Guardianship Assistance Program

- Regarding the Ohio Kinship Guardianship Assistance Program (KGAP), designates ODJFS the responsible party in entering into an agreement with a relative seeking assistance, instead of a PCSA as under current law.
- Requires the PCSA that had custody of the child before the court granted legal custody or guardianship to a relative to make specific eligibility determinations and authorizes the PCSA to make other eligibility determinations.
- Changes the frequency of review for a child's continuing need for services under the State Adoption Maintenance Subsidy Program and KGAP from annually to a frequency determined by ODJFS.

State Adoption Assistance Loan Fund

- Repeals the law governing administration of adoption assistance loans from the State Adoption Assistance Loan Fund.

Interstate Compact for the Placement of Children

- Conforms the current Interstate Compact for the Placement of Children (ICPC) governing interstate placement of abused, neglected, dependent, delinquent, or unmanageable

children and children for possible adoption with the proposed new ICPC that makes changes primarily to jurisdiction and placement requirements.

CHILD CARE

Publicly funded child care – reimbursement rates

- Maintains the requirement that the ODJFS Director establish by rule in each odd-numbered year reimbursement rates for publicly funded child care providers, but also requires the Director to contract with a third-party entity to analyze child care price information for the subsequent even-numbered year.
- Authorizes the Director, based on the information analyzed, to adjust provider reimbursement rates for the even-numbered year and requires adjustments to be made by rule.
- Authorizes a third-party entity under contract with the Director, when analyzing child care price information, to consider the most recent market rate survey.

Child Care Advisory Council

- Increases the Council's membership by adding three voting and three nonvoting members.
- Removes unlicensed type B home providers and parents of children receiving child care in those homes from a list of providers and parents included on the Council.
- Expands the Council's duties to include advising the ODJFS Director about the approval of child day camps, publicly funded child care, and Step Up to Quality.

Child care licensure exemption – programs operated by nonchartered, nontax-supported schools

- Exempts any program caring for children operated by a nonchartered, nontax-supported school from the law requiring certain child care providers to be licensed by ODJFS.

Child care terminology

- Changes terminology from "day-care" or "child day-care" to "child care."

CHILD SUPPORT

Paternity acknowledgments

- Allows a child support enforcement agency (CSEA), a local registrar of vital statistics, and hospital staff the option to electronically file an acknowledgment of paternity, in addition to existing law options of filing the acknowledgment in person or by mail.
- Allows each signature of a party to an acknowledgment of paternity to be witnessed by two adult witnesses, in addition to the existing law option of notarizing each signature.

- Requires a CSEA or local registrar to provide witnesses to witness, or a notary public to notarize, an acknowledgment of paternity if the natural mother and alleged father sign an acknowledgment.
- Requires a contract between a hospital and ODJFS to include a provision requiring the hospital to provide witnesses to witness, or a notary public to notarize, an acknowledgment of paternity signed by the mother and father, when an unmarried woman gives birth in or en route to that hospital.
- Requires each hospital to provide staff to notarize or witness the signing of an acknowledgment of paternity.
- Eliminates statutory requirements for incorrectly completed acknowledgments of paternity received by ODJFS's Office of Child Support, and instead requires ODJFS to adopt rules on how to handle them, including a requirement that it provide a new form and a notice describing the errors to the parties.

Repeal information required for paternity determination

- Repeals law that requires certain information about the alleged father, the mother, and the child to be included in a request for an administrative determination of paternity.

Redirecting and issuing child support to nonparent caretakers

- Permits child support under existing child support orders to be redirected, and under new child support orders to be issued, to a nonparent caretaker who is the primary caregiver of a child.
- Allows a caretaker to file an application for Title IV-D services with the CSEA to obtain support for the care of the child.
- Requires the CSEA to investigate whether the child is the subject of an existing child support order, and if so, requires an investigation and certain determinations regarding support for the child.
- Establishes, if a CSEA determines that an existing support order should be redirected, requirements for notice, objection, and effective dates of redirection orders or recommendations.
- Requires, if no child support order exists, the CSEA to determine whether a child support order should be imposed.
- Establishes procedures that a CSEA must follow if it receives notice that a caretaker is no longer the primary caregiver of a child, including what to do in specified circumstances.
- Requires the impoundment of any funds received on behalf of a child pursuant to a child support order while the CSEA investigates whether a caretaker is no longer the primary caregiver of a child.

- Authorizes the ODJFS Director to adopt rules, exempt from the regulatory restriction reduction requirements under Ohio law, to implement the redirection process required by the bill.
- Amends several laws regarding the establishment of parentage and bringing an action for child support to permit caretakers to receive child support.
- Adds a statement that appears to attempt to clarify that a parent's duty to support the parent's minor child may be enforced by a child support order.
- Requires, if a child who is the subject of a child support order resides with a caretaker and neither parent is the residential parent and legal custodian of the child, the court to issue a child support order requiring each parent to pay that child's child support obligation.
- Repeals language in the power of attorney form and caretaker authorization affidavit form regarding grandparents caring for their grandchildren that provides that the power of attorney or affidavit does not allow a CSEA to redirect child support payments to the grandparent.
- Adds redirection to a list of notices under existing law that must be included in each support order or modification.
- Repeals law that generally provides that when a support order is issued or modified, the court or CSEA may issue an order requiring payment to a third person that is agreed upon by the parents.
- Delays the effective date of these provisions for six months, during which time ODJFS may take action to implement them.

Fatherhood programs

- Codifies the authorization of the Ohio Commission on Fatherhood to recommend the ODJFS Director provide funding to fatherhood programs in Ohio that meet at least one of the four purposes of the Temporary Assistance for Needy Families block grant.

PUBLIC ASSISTANCE

TANF spending plan

- Extends the time that ODJFS has to submit a TANF spending plan to the General Assembly from 30 days to 60 days after the end of the first state fiscal year of the fiscal biennium (that is, from July 30 to August 29 of even-numbered years).

Ohio Works First

- Expands eligibility for cash assistance under the Ohio Works First program to include any eligible pregnant woman, rather than only those who are at least six months pregnant.
- Replaces "fugitive felon" with "fleeing felon," in a provision identifying categories of individuals who are ineligible for Ohio Works First.

- Clarifies that workers' compensation premiums for participants in the Ohio Works First Work Experience Program (WEP) only need to be paid for those participating in WEP.

A HAND UP pilot program

- Requires ODJFS to establish a two-year pilot program known as the Actionable Help and New Dignity for Upward Progression (A HAND UP) pilot program to assist individuals transitioning to the workforce as they become ineligible for public assistance benefits.

Self-employment income and SNAP eligibility

- Requires ODJFS to use the same income verification criteria for households with income from self-employment when conducting initial eligibility determination, quarterly review, and recertification.

SNAP and WIC benefit trafficking

- Prohibits Supplemental Nutrition Assistance Program (SNAP) benefit trafficking.
- Prohibits the solicitation of SNAP and WIC benefits by an individual.
- Prohibits organizations from allowing an employee to violate the above prohibitions.

Agreement with Ohio Association of Foodbanks

- Requires ODJFS to enter into an agreement with the Ohio Association of Foodbanks regarding food distribution, transportation of meals, and capacity building equipment for food pantries and soup kitchens.
- Requires the Association to purchase food, support capacity building, purchase equipment for partner agencies, and submit quarterly and annual reports to ODJFS.

Disclosure of public assistance recipient information

- Eliminates the general prohibition on a person using or permitting the use of public assistance recipients' information, and instead specifies that it is the responsibility of ODJFS and county departments of job and family services (CDJFSs) to keep that information confidential.
- Specifies that information that does not identify an individual may be released in summary, statistical, or aggregate form.
- Prohibits information regarding a public assistance recipient from being disclosed for solicitation of contributions or expenditures to or on behalf of a candidate for public office or a political party.
- Permits, instead of requires, ODJFS to share public assistance recipient information with public agencies for use in fulfilling their duties and with others for research purposes.
- Expands the list of entities with whom ODJFS may share such information.

- Expands ODJFS and county agency authority to release such information by permitting the release to anyone identified in writing by the recipient, instead of only to an authorized representative, a legal guardian, or the recipient's attorney.
- Eliminates the immunity granted to ODJFS, CDJFSs, and PCSAs and their officers and employees for injury, death, or loss to person or property that results from releasing such information.
- Clarifies that ODJFS, CDJFSs, and their employees are not prohibited from reporting any known or suspected child abuse or neglect, rather than only abuse or neglect of a child receiving public assistance.

ODJFS disclosure definitions

- Replaces the current term "fugitive felon" with the new term "fleeing felon" in law pertaining to public assistance, and modifies the definitions of "law enforcement agency" and "public assistance."

UNEMPLOYMENT

Identity verification for unemployment benefits

- Requires an individual filing an application for determination of benefit rights for unemployment benefits to furnish proof of identity at the time of filing in the manner prescribed by the ODJFS Director.
- Requires the Director to adopt rules to prescribe the manner in which an applicant must furnish proof of identity.

Benefit reductions based on receiving certain pay

- Reduces unemployment benefits otherwise payable by the full amount of holiday pay paid to a claimant for that week.
- Reduces unemployment benefits otherwise payable to a claimant who receives bonus pay by the amount of the claimant's weekly benefit amount in the first and each succeeding week following separation from employment with the employer paying the bonus, until the total bonus amount is exhausted.

Disclosure of information

- Eliminates statutory exemptions from the prohibition on disclosure of information maintained by the ODJFS Director or the Unemployment Compensation Review Commission, and instead requires the Director to adopt rules to allow for these disclosures and additional disclosures that conform to federal law.

Participation in certain federal programs

- Specifies that a current law provision does not require the ODJFS Director to participate in, nor precludes the Director from ceasing to participate in, any voluntary, optional,

special, or emergency program offered by the federal government to address exceptional unemployment conditions.

Acceptable collateral from certain reimbursing employers

- Makes surety bonds the only acceptable form of collateral that a nonprofit employer wishing to be a reimbursing employer under the Unemployment Compensation Law may submit.

Notification to exempt nonprofit employees

- Requires a nonprofit organization with fewer than four employees that is exempt from Ohio's Unemployment Compensation Law to notify its employees upon hiring that the organization and the employee's employment with the organization are exempt from the Law.

OTHER PROVISIONS

Workforce report for horizontal well production

- Eliminates the requirement that the Office of Workforce Development prepare an annual workforce report for horizontal well production.

Office of the Migrant Agricultural Ombudsperson

- Eliminates the Office of the Migrant Agricultural Ombudsperson established under the authority of the ODJFS Director.
- Requires reports of violations regarding agricultural labor camps to be made to the State Monitor Advocate appointed under federal law, instead of the Migrant Agricultural Ombudsperson as under current law.

CHILD WELFARE

Continuous ODJFS licensure

(R.C. 5103.02, 5103.03, 5103.0313, 5103.0314, 5103.032, 5103.0322, 5103.0323, 5103.0326, 5103.033, and 5103.05)

The bill eliminates the requirement that ODJFS-certified institutions, associations, foster caregivers, and private nonprofit therapeutic wilderness camps renew their certificates and licenses every two years. Instead, licensure is continuous unless ODJFS revokes it for failure to meet continuing law requirements.

Under the bill, public children services agencies (PCSAs) and private child placing agencies (PCPAs) must provide ODJFS with evidence of an independent financial statement audit by a licensed public accounting firm no more than two years from the date of initial certification and at least every two years thereafter (rather than, as in current law, when seeking renewal of the certificate).

Background checks

(R.C. 109.572, 2151.86, 3107.033, 5103.25 to 5103.259; conforming changes in numerous other R.C. sections; repealed R.C. 5103.037, 5103.0310, 5103.18, 5103.181, and 5103.51)

Under the bill, the ODJFS Director is required to (1) request the Bureau of Criminal Identification and Investigation (BCII) Superintendent to conduct a criminal records check, (2) search the Central Registry of Abuse and Neglect within the Uniform Statewide Automated Child Welfare Information System (SACWIS), and (3) inspect the Ohio Registry of Sex Offenders and Child Victim Offenders and the National Sex Offender Registry for all of the following:

- An administrator, president, officer, or member of a board of an ODJFS-certified association or institution;
- A prospective foster parent or an adult resident of the prospective foster parent's home, and a minor resident of the prospective adoptive parent's home once the minor turns 18;
- A prospective adoptive parent or an adult resident of the prospective adoptive parent's home, and a minor resident of the prospective adoptive parent's home once the minor turns 18;
- An employee, subcontractor, intern, or volunteer of an association or institution.

The bill requires the ODJFS Director to review the results of the criminal records check and registry searches and determine whether the individual is eligible to be a foster caregiver; adoptive parent; or an employee, appointee, subcontractor, intern or volunteer with an institution or association. Under current law, background check-related duties are conducted by the administrative director of the recommending agency for prospective and current foster and adoptive parents or the appointing or hiring officer of an out-of-home care entity that is an association or institution. Continuing law requires an attorney who arranges an adoption for a prospective adoptive parent to conduct background check-related duties.

The bill permits the ODJFS Director to delegate to any private or public entity any of the background check-related duties imposed on ODJFS by the bill. Additionally, the bill recodifies, but (except as discussed above) largely maintains the substance of, laws governing background checks for those individuals.

Under the bill, on receipt of a criminal records check request from the ODJFS Director, a qualified organization that arranges temporary child hosting, an attorney who arranges adoption, or the appointing or hiring officer of an out-of-home care entity that is not an association or institution, the BCII Superintendent must conduct a criminal records check in accordance with continuing law to determine whether any information exists that indicates that the person who is the subject of the request previously has been convicted of or pleaded guilty to certain violations.

The bill adds the following offenses for which the BCII Superintendent must determine if information exists:

- Failure to report child abuse or neglect as a mandatory reporter;

- Reckless homicide;
- Aggravated vehicular homicide, vehicular homicide, or vehicular manslaughter;
- Aggravated vehicular assault or vehicular assault;
- Female genital mutilation;
- Human trafficking;
- Commercial sexual exploitation of a minor;
- Unlawful possession of dangerous ordnance;
- Illegally manufacturing or processing explosives;
- Improperly furnishing firearms to a minor;
- Illegal assembly or possession of chemicals for manufacture of drugs;
- Permitting drug abuse;
- Deception to obtain a dangerous drug;
- Illegal processing of drug documents;
- Tampering with drugs;
- Abusing harmful intoxicants;
- Trafficking in harmful intoxicants;
- Improperly dispensing or distributing nitrous oxide;
- Illegal dispensing of drug samples;
- Counterfeit controlled substance offenses;
- Ethnic intimidation;
- Any violation of the Ohio Criminal Code that is a felony.

Electronic reporting of child abuse or neglect

(R.C. 2151.421)

The bill allows an individual to make a child abuse or neglect report electronically, in addition to the existing law options of making a report by telephone or in person. This applies to both mandatory and voluntary reporters under existing law.

Referrals for prevention services

(R.C. 2151.421, 2151.423, 5153.16, 5153.161, and 5153.162)

The bill requires that when a PCSA makes a report and determines after investigation that a child is a candidate for prevention services, the PCSA must make efforts to prevent neglect or abuse, enhance a child's welfare, and preserve the family unit intact by referring the

report to an agency providing prevention services for assessment and services. The law currently specifies that any child abuse or neglect report (except for one made to the State Highway Patrol) must result in the PCSA making protective services and emergency supportive services available on behalf of the children about whom the report is made, in an effort to prevent further neglect or abuse, enhance the child's welfare, and, whenever possible, to preserve the family unit intact. The bill removes these goals under existing law and applies them to referrals for prevention services.

The bill allows a PCSA to disclose confidential information discovered during an investigation to an agency providing prevention services to the child. Existing law, unchanged by the bill, also allows a PCSA to disclose confidential information to any federal, state, or local government, including any appropriate military authority that needs the information to carry out its responsibilities to protect children from abuse or neglect.

Finally, the bill requires a PCSA to enter into a contract with an agency providing prevention services in an effort to prevent neglect or abuse, enhance a child's welfare, and preserve the family unit intact.

Child abuse or neglect report disposition appeal and registry

(R.C. 2151.421, 5101.136, and 5101.137)

Investigation disposition notice and appeal

The bill establishes a five-business-day deadline for a PCSA that investigated a report of child abuse or neglect to give the person alleged to have inflicted the abuse or neglect written notification of the investigation's disposition, after determination of the disposition. This notice must be made in a form designated by ODJFS and must inform the person of the right to appeal the disposition.

The bill also requires ODJFS to adopt rules in accordance with R.C. Chapter 119 to implement a notice and appeal process for an alleged perpetrator of abuse or neglect. The rules must include all of the following:

- A requirement for the PCSA to provide an initial notification to the alleged perpetrator that: (1) the PCSA has received a good faith report that has been screened in for investigation that the person has been identified as an alleged perpetrator of abuse or neglect, (2) the PCSA has initiated an investigation of that report, (3) the person's name will be entered into the Statewide Automated Child Welfare Information System (SACWIS), and (4) the person will receive written notification of the investigation disposition and instructions on how to appeal the disposition, if the person chooses to do so.
- A requirement that the PCSA provide the person written notice of the investigation disposition and the right to appeal it, no later than five days after the disposition is issued.
- Procedures to ensure that the above two notification requirements are successfully provided to the person.

- The method and time limit for a person to file an appeal with the PCSA.
- A time limit for the PCSA to respond to a request for an appeal and issue a decision.
- Sanctions that may be applied against a PCSA for failing to take action within the required time limits.

The rules must be adopted no later than 180 days after the effective date of this provision. The rules are also exempt from the regulatory restriction reduction requirements under Ohio law.

SACWIS alleged perpetrator search

The bill specifies that if a person requests ODJFS to search whether that person's name has been placed or remains in the SACWIS "Alleged Perpetrator" registry as an alleged perpetrator of child abuse or neglect, and a search reveals that a "substantiated" disposition exists, ODJFS must send a letter to that person indicating that there has been a "match."

Expungement of SACWIS alleged perpetrator records

The bill requires ODJFS to expunge from the SACWIS "Alleged Perpetrator" registry "substantiated" dispositions of child abuse or neglect that are older than ten years.

Definition of "abused child"

(R.C. 2151.031)

The bill expands the definition of "abused child" by adding a child who is the victim of disseminating, obtaining, or displaying materials or performances that are harmful to juveniles if the activity would constitute a criminal sexual offense, except that the court need not find that any person has been convicted of a sexual offense in order to find that the child is an abused child.

The bill further modifies the definition of "abused child" by including a child who because of the acts of the child's "caretaker" suffers physical or mental injury that harms or threatens the child's health or welfare.

The bill states that if a child exhibits evidence of physical disciplinary measures by a "caretaker" the child is not an abused child if the measure is not prohibited under the offense of endangering children.

Records of former foster children

(R.C. 5153.17)

The bill allows an adult who was formerly placed in foster care to request that a PCSA allow the adult to inspect records that the PCSA maintains pertaining to the adult's time in foster care. These records may include medical, mental health, school, and legal records and a comprehensive summary of reasons why the adult was placed in foster care. However, the bill allows the PCSA's executive director or director's designee to redact information that is specific to other individuals, if that information does not directly pertain to the requesting adult's records or the comprehensive summary.

Under existing law, these records are confidential and only open to inspection by the PCSA, the ODJFS Director, county job and family services directors, and other persons with written permission of the PCSA executive director. The bill simply adds adults who were formerly in foster care to those who are allowed to inspect these records.

Each PCSA is required under existing law to prepare and keep written records of:

- Investigations of families, children and foster homes;
- The care, training, and treatment afforded to children; and
- Other records that ODJFS requires.

Ohio Child Welfare Training Program (OCWTP) changes

(R.C. 5103.37, 5103.41, 5103.422 (5103.42), 5153.122, and 5153.123, with conforming changes in R.C. 5103.391, 5153.124, and 5153.127; repealed R.C. 5103.301, 5103.31, 5103.33, 5103.34, 5103.35, 5103.36, 5103.361, 5103.362, 5103.363, 5103.38, 5103.42, and 5103.421)

PCSA caseworker and supervisor training hours

The bill eliminates the requirements that PCSA caseworkers must complete at least 120 hours, and PCSA caseworker supervisors must complete at least 60 hours, of in-service training during the first year of continuous employment as a PCSA caseworker or PCSA caseworker supervisor. It also eliminates the requirement that they complete at least 12 hours of training in recognizing the signs of domestic violence and its relationship to child abuse during the first two years of continuous employment, and that the 12 hours may be in addition to the training required during the caseworker's first or second years of employment.

Under continuing law, PCSA caseworkers and PCSA caseworker supervisors must still complete in-service training during the first year of continuous employment and domestic violence training during the second year of continuous employment.

OCWTP regional training centers

The bill eliminates the requirements that ODJFS designate eight training regions in Ohio and that each region contain only one training center. Under continuing law, ODJFS, in consultation with the OCWTP Steering Committee, must still designate and review the composition of training regions in Ohio and provide recommendations on changes.

The bill amends a regional training *staff's* (regional training *center's*, under current law) responsibility under continuing law to analyze the training needs of PCSA caseworkers and PCSA caseworker supervisors employed by PCSAs in the training region to also include the training needs of assessors, prospective and current foster caregivers, and case managers and supervisors.¹⁰¹

The bill repeals laws governing the OCWTP that do the following:

¹⁰¹ R.C. 5103.30, not in Section 101.01 of the bill.

- Require the ODJFS Director to adopt rules for implementation of the OCWTP and that the training comply with ODJFS rules;
- Require ODJFS to monitor and evaluate the OCWTP to ensure that it satisfies all the requirements established by law and rule;
- Require ODJFS to contract with an OCWTP coordinator each biennium and govern the development, issuance, and responses to requests for proposals to serve as the OCWTP coordinator;
- Require ODJFS to oversee the OCWTP coordinator's development, implementation, and management of the OCWTP;
- Require PCSAs in Athens, Cuyahoga, Franklin, Greene, Guernsey, Lucas, and Summit counties to establish and maintain regional training centers and each executive director of those counties to appoint a manager of the training center;
- Require that the preplacement and continuing training be made available to foster caregivers without regard to the type of recommending agency from which the foster caregiver seeks a recommendation.

Finally, the bill recodifies laws that do the following:

- Require the OCWTP Coordinator to (1) identify the competencies needed to do the jobs that the training is for so that the training helps the development of those competencies, and (2) ensure that the training provides the knowledge, skill, and ability needed to do those jobs;
- Permit ODJFS to make a grant to a PCSA that establishes and maintains a regional training center for the purpose of wholly or partially subsidizing the center's operation.

Family and Children First Cabinet Council

County councils

(R.C. 121.37 and 121.381)

County council child well-being indicators and priorities

The bill removes the focus on select indicators and priorities in the indicators to measure child well-being. The Ohio Family and Children First Cabinet Council is responsible for developing and implementing an interagency process to select indicators to be used to measure child well-being in Ohio, and county family and children first councils are responsible for identifying local priorities to increase child well-being. Current law requires that these indicators and priorities focus on expectant parents and newborns thriving, infants and toddlers thriving, children being ready for school, children and youth succeeding in school, youth choosing healthy behaviors, and youth successfully transitioning into adulthood. The bill removes the requirement to focus on these specific indicators and priorities.

County council grant agreements

The bill expands the categories of council contracts that are exempt from competitive bidding requirements so that contracts and agreements are exempt if they are to purchase services for families and children. Current law only exempts agreements and contracts to purchase family and child welfare, child protection services, or other social or job and family services for children. The bill also requires that a council's administrative agent be responsible for ensuring that all expenditures are handled in accordance with applicable grant agreements.

Out-of-home placement service coordination

Current law requires that each county's service coordination mechanism include a procedure for conducting a service coordination plan meeting for each child who is receiving or being considered for an out-of-home placement. The bill expands the current law clarifying that this plan does not override or affect the decisions of a juvenile court regarding out-of-home placement, to also clarify that the service coordination plan does not override or affect the decisions of a PCSA.

Rulemaking

The bill allows the Cabinet Council to adopt rules governing the responsibilities of county councils.

Technical correction

The bill corrects an incorrect cross-reference to reflect that the responsibility for administering early intervention services rests with the Department of Developmental Disabilities not the Department of Health.

Ohio Automated Service Coordination Information System

(R.C. 121.376 and 121.37)

The bill requires the Cabinet Council state office to establish and maintain the Ohio Automated Service Coordination Information System (OASCIS) to contain county council records detailing funding sources and information regarding families seeking services from county councils. The information includes demographics, financial resource eligibility, health histories, names of insurers and physicians, individualized plans, case file documents, and any other information related to families served, services provided, or financial resources. New information must be updated within five business days of obtaining the information, or the county council may be at risk of losing state funding.

All information in OASCIS is confidential. Release of information is limited to those with whom a county council is permitted by law to share, and access and use is limited to only the extent necessary to carry out duties of the Cabinet Council and county councils. Personnel accessing the system must be educated on confidentiality requirements and security procedures, and penalties for noncompliance, which are to be established by each county council. Each county council must monitor access to the system to prevent unauthorized use, and may not approve access for any researcher.

The Cabinet Council may adopt rules regarding access to, entry of, and use of information in OASCIS. The rules must be adopted in accordance with the Administrative Procedure Act (R.C. Chapter 119).

Substitute care provider licensing rules

(Repealed R.C. 121.372)

The bill eliminates a law requiring the Cabinet Council, in 1999, to establish an office to review rules governing certification and licensure of substitute care providers. The purpose of the office was to minimize the number of differing certification or licensing requirements for substitute care providers between ODJFS, OhioMHAS, and the Department of Developmental Disabilities.

Wellness Block Grant Program

(Repealed R.C. 121.371)

The bill repeals the inactive Wellness Block Grant Program that ended in 2009, which was overseen by the Cabinet Council and administered by ODJFS. The program provided funds to county councils for prevention services addressing issues of broad social concern.

Multi-system youth action plan

(Repealed R.C. 121.374)

The bill repeals a requirement for the Ohio Family and Children First Council to develop a comprehensive multi-system youth action plan, in an effort to cease the practice of relinquishing custody of a child for the sole purpose of gaining access to child-specific services for multi-system children and youth. The Council submitted the plan to the General Assembly in January 2020. The plan is available on the Family and Children First Council website, at fcf.ohio.gov.

Children's Trust Fund Board

Membership

(R.C. 3109.15)

The bill specifies that a public member of the Children's Trust Fund Board may serve two consecutive terms after serving the remainder of a term for which the member was appointed to fill a vacancy. Under continuing law, public board members are appointed by the Governor and must have a demonstrated knowledge in programs for children, represent Ohio's demographic composition, and represent the educational, legal, social work, or medical community, voluntary sector, and professionals in child abuse and child neglect services. The public Board members serve terms of three years.

Additionally, the bill changes the number of Board members required to be present to have a quorum from eight to a majority of the members appointed to the Board. Under continuing law, the Board consists of 15 appointed members. Because vacancies on the Board may occur, the bill permits the quorum to be determined by a majority of the members appointed at the time the Board is meeting, which may not be all 15 members.

Under continuing law, the Board must meet at least quarterly to conduct its official business and a quorum is required to make all decisions.

Acceptance of federal funds

(R.C. 3109.16)

The bill eliminates the requirement that the Children's Trust Fund Board's acceptance and use of federal and other funds must not entail commitment of state funds, permitting the Children's Trust Fund Board to accept such funds.

Children's advocacy centers

(R.C. 3109.17 and 3108.178)

The bill removes the requirement that each children's advocacy center that receives funds from the Children's Trust Fund Board submit an annual report to the Board. The Board is responsible for specifying the report's content.

The bill also removes the requirement that the Board maintain a list of all state and federal funding that may be available to children's advocacy centers.

Child abuse and child neglect regional prevention councils

(R.C. 3109.172)

Ohio is divided into eight child abuse and child neglect prevention regions. Each region must establish a child abuse and child neglect regional prevention council. Current law permits each board of county commissioners to appoint up to two county prevention specialists to the council representing the county. The bill adds parent advocates with relevant experience and knowledge of services in the region to the list of county prevention specialists who may be appointed.

Currently, the chairperson of a council is a nonvoting member who is a representative of the council's regional prevention coordinator. The bill removes the representative of the council's regional prevention coordinator from the council, and instead requires each council's regional prevention coordinator to select a chairperson from among the county prevention specialists serving on the council. The chairperson continues to be a nonvoting member, and presides over council meetings.

At the chairperson's discretion, the bill allows the vice-chairperson to preside over council meetings. The vice-chairperson is elected by majority vote at the first regular meeting of each year. When presiding over a council meeting, the vice-chairperson functions in the same capacity as the chairperson and becomes a nonvoting member.

Kinship Guardianship Assistance Program administration

(R.C. 5153.163)

The bill specifies that ODJFS may enter into an agreement with a child's relative under which ODJFS may provide assistance as needed under the Kinship Guardianship Assistance Program (KGAP) on behalf of a child, when funds are available. Current law specifies that a

PCSA, instead of ODJFS, may enter into the agreement and provide assistance. Existing law, unchanged by the bill, includes the following eligibility requirements for KGAP:

- The relative has cared for the eligible child as a foster caregiver for at least six consecutive months;
- A juvenile court issued an order granting legal custody of the child to the relative, or a probate court issued an order granting guardianship of the child to the relative, and the order is not a temporary court order;
- The relative has committed to care for the child on a permanent basis;
- The relative signed a kinship guardian assistance agreement before assuming legal guardianship or legal custody of the child.

The bill also requires the PCSA that had custody of a child before the court granted legal custody or guardianship to a relative to make specific eligibility determinations. Under current law, these determinations are additional requirements that must be met to be eligible for KGAP and are unchanged by the bill:

- The child was removed from home under a voluntary placement agreement or because of a judicial determination that staying in the home would be contrary to the child's welfare;
- Returning the child home or adoption are not appropriate permanency options;
- The child demonstrates a strong attachment to the relative and the relative has a strong commitment to permanently caring for the child;
- If the child is 14 or older, the child has been consulted on the KGAP arrangement;
- The child is not eligible for Title IV-E kinship guardianship assistance.

In addition to the above determinations that the PCSA is required to make, the PCSA also may determine the eligibility requirements provided in the first bulleted list above, as well as any relevant determination provided for in rules that ODJFS adopts.

Rulemaking

The bill requires ODJFS to adopt rules regarding the frequency that ODJFS must redetermine a child's continuing need for services under KGAP and payments under the State Adoption Maintenance Subsidy. Existing law requires ODJFS to make redeterminations annually. The rules are exempt from the regulatory restriction reduction requirements under Ohio law.

State Adoption Assistance Loan Fund

(Repealed R.C. 3107.018; R.C. 5101.143)

The bill repeals the law governing administration of adoption assistance loans from the State Adoption Assistance Loan Fund. It retains the fund and its purpose, but repeals statutory

requirements addressing the loans. This appears to leave loan administration governed by rules.

Under current law, money in the fund is used to make state adoption assistance loans to prospective adoptive parents who apply for them. The fund is established in the state treasury and is administered by ODJFS. ODJFS may approve or deny, in whole or in part, a loan to a prospective adoptive parent for up to \$3,000 if the child being adopted resides in Ohio, or up to \$2,000 if the child does not reside in Ohio. Loan recipients may use the disbursement only for adoption-related expenses.

Interstate Compact for the Placement of Children

(R.C. 5103.20)

The bill makes changes to the current Interstate Compact for the Placement of Children (ICPC), primarily regarding jurisdiction and placement requirements. The ICPC is a statutory agreement among all 50 states, Washington, DC, and the U.S. Virgin Islands that governs the placement of children from one state to another. It establishes requirements for placing a child out-of-state and seeks to ensure that prospective placements are safe and suitable before approval and that the individual or entity placing the child remains legally and financially responsible for the child following placement.¹⁰²

Jurisdiction

(Article IV)

Under the existing ICPC, the sending state retains jurisdiction over a child regarding all matters of custody and disposition that it would have had if the child had remained in the sending state, including the power to order the return of the child to the sending state. The bill makes the following exceptions to this:

- The substantive laws of the state where an adoption will be finalized will solely govern all issues relating to the adoption of the child, and the court in which the adoption proceeding is filed has subject matter jurisdiction on all substantive issues relating to the adoption, except:
 - When the child is a ward of another court that established jurisdiction over the child before the placement;
 - When the child is in the legal custody of a public agency in the sending state;
 - When a court in the sending state has otherwise appropriately assumed jurisdiction over the child, before the submission of the request for approval of placement.
- The second and third bullets under **“Assessments and Placements”** (below) regarding private and independent adoptions;

¹⁰² [“ICPC FAQ’s,”](#) The American Public Human Services Association, available at aphsa.org.

- In interstate placements in which the public child placing agency is not a party to a custody proceeding.

The bill also allows, in court cases subject to the ICPC, testimony for hearings before any judicial officer to occur in person or by telephone, audio-video conference, or any other means approved by the rules of the Interstate Commission (IC). Judicial officers may communicate with other juridical officers and persons involved in the interstate process as permitted by their canons of judicial conduct and any rules promulgated by the IC.

Finally, the bill specifies that a final decree of adoption cannot be entered in any jurisdiction until the placement is authorized as an “approved placement” by the public child placing agency in the receiving state.

Assessments and placement

(Article V)

The bill makes extensive changes with regard to assessments and placement. First, it specifies that for placements by a private child placing agency, a child may be sent or brought into a receiving state, upon receipt and immediate review of the required content in a request for approval of a placement in both the sending and receiving state public child placing agency. The required content to accompany a request for approval must include all of the following:

- A request for approval identifying the child, birth parent(s), the prospective adoptive parent(s), and the supervising agency, signed by the person requesting approval;
- The appropriate consents or relinquishments signed by the birth parents in accordance with the laws of the sending state or, where permitted, the laws of the state where the adoption will be finalized;
- Certification by a licensed attorney or authorized agent of a private adoption agency that the consent or relinquishment is in compliance with the laws of the sending state or, where permitted, the laws of the state where finalization of the adoption will occur;
- A home study;
- An acknowledgment of legal risk signed by the prospective adoptive parents.

The existing ICPC specifies that before sending, bringing, or causing a child to be sent or brought into the receiving state, the private child placing agency must: (1) provide evidence that the laws of the sending state have been complied with, (2) certify that the consent or relinquishment is in compliance with law of the birth parent’s state of residence or, where permitted, the laws of the state where finalization of the adoption will occur, (3) request through the public child placing agency in the sending state an assessment to be conducted in the receiving state, and (4) upon completion of the assessment, obtain the approval of the public child placing agency in the receiving state. The bill repeals these requirements.

Second, the bill allows the sending state and the receiving state to request additional information or documents before finalizing an approved placement; however, they may not delay the prospective adoptive parents’ travel with the child if the required content for

approval has been submitted, received, and reviewed by the public child placing agency in both the sending state and receiving state. Approval from the public child placing agency in the receiving state for a provisional or approved placement is required as specified in the IC rules.

Third, the bill requires that a public child placing agency in the receiving state must approve a provisional placement and complete or arrange for the completion of the assessment within the timeframes established by the IC rules. Current law does not require the approval of a provisional placement.

Finally, the bill specifies that for a placement by a private child placing agency, the sending state cannot impose any additional requirements to complete the home study that are not required by the receiving state, unless adoption is finalized in the receiving state.

Applicability

(Article III)

The bill specifies that the ICPC does not apply to the interstate placement of a child in a custody proceeding in which a public child placing agency is not a party, if the placement is not intended to effectuate adoption. Existing law also specifies that the ICPC does not apply to the placement of a child with a noncustodial parent, provided that the court in the sending state dismisses its jurisdiction over the child's case. The bill changes this to when the court dismisses its jurisdiction in interstate placements in which the public child placing agency is a party to the proceeding.

Placement authority

(Article VI)

The ICPC grants any interested party standing to seek an administrative review of a receiving state's disapproval of a proposed placement. The bill requires this review and any further judicial review associated with the determination to be conducted in the receiving state pursuant to its Administrative Procedure Act. The existing ICPC simply requires for it to be conducted pursuant to the receiving state's administrative procedures.

State responsibility

(Article VII)

The bill repeals an existing requirement that a private child placing agency be responsible for any assessment conducted in the receiving state and any supervision conducted by the receiving state at the level required by the laws of the receiving state or IC rules.

Enforceability

(Article XI, XII, and XVII)

The bill specifies that rules promulgated by the IC have the force and effect of administrative rules and are binding in the compacting states to the extent and in the manner provided in the Compact. The existing ICPC specifies that the rules have the force and effect of statutory law and supersede any conflicting state laws, rules, or regulations.

Participation by nonmembers

(Article XIV)

The bill requires that executive heads of the state human services administration with ultimate responsibility for the child welfare program of nonmember states or their designees be invited to participate in IC activities on a nonvoting basis before the adoption of the compact by all states. The ICPC currently specifies that governors may be invited.

Definitions

(Article II)

The bill makes numerous changes to definitions of terms used in the ICPC.

Changes to existing definitions

- Under the existing ICPC, “**approved placement**” means that the receiving state has determined after an assessment that the placement is both safe and suitable for the child and is in compliance with the laws of the receiving state governing the placement of children. The bill clarifies that the public child placing agency in the receiving state has made the determination. It also repeals the provision about being in compliance with the receiving state’s laws.
- The existing ICPC defines “**assessment**” as an evaluation of a prospective placement to determine whether it meets the individualized needs of the child. The bill clarifies that it is an evaluation made by a public child placing agency in the receiving state and only applies to a placement by a public child placing agency.
- The existing ICPC defines “**provisional placement,**” in part, to mean that the receiving state has determined that the proposed placement is safe and suitable and, to the extent allowable, the receiving state has temporarily waived its standards or requirements that otherwise apply to prospective foster or adoptive parents so as to not delay the placement. Again, the bill clarifies this to mean a determination made by the public child placing agency in the receiving state.
- The bill changes the term, “service member’s state of local residence,” to “service member’s state of *legal* residence.” The definition remains the same – it is the state in which the active duty Armed Services member is considered a resident for tax and voting purposes.

New definitions

- The bill defines “certification” to mean to attest, declare, or swear to before a judge or notary public.
- The bill defines “home study” as an evaluation of a home environment conducted in accordance with the requirements of the state in which the home is located, and documents the preparation and the suitability of the placement resource for placement of a child in accordance with the laws and requirements of the state in which the home is located.

- The bill defines “legal risk placement” (or “legal risk adoption”) as a placement made preliminary to an adoption where the prospective adoptive parents acknowledge in writing that a child can be ordered returned to the sending state or the birth mother’s state of residence, if different from the sending state, and a final decree of adoption cannot be entered in any jurisdiction until all required consents are obtained or are dispensed with in accordance with applicable law.

CHILD CARE

Publicly funded child care – reimbursement rates

(R.C. 5104.30 and 5103.302 (primary))

The bill maintains the requirement that the ODJFS Director establish by rule by July 1 of each odd-numbered year reimbursement rates for publicly funded child care providers. But, it also requires the Director to contract with a third-party entity to analyze child care price information for the subsequent even-numbered year.

The bill then authorizes the ODJFS Director – based on the information analyzed – to adjust provider reimbursement rates for the even-numbered year. Under the bill, any adjustment must be made by rule.

The bill also authorizes the third-party entity under contract with the ODJFS Director, when analyzing child care price information, to consider the most recent market rate survey. About every two years, ODJFS, or an entity under contract with ODJFS, surveys child care providers – across geographic locations and child care settings – to determine market rates throughout the state.

Child Care Advisory Council

(R.C. 5104.08)

The bill adds three nonvoting members to the Council: the Ohio Head Start Collaboration Director, a member appointed by the ODJFS Director representing child care, and a member appointed by the Director representing child welfare. It also adds three voting members to the Council: a member representing approved child day camps, a member representing Head Start programs, and a member representing PCSAs from a county department of job and family services (CDJFS) or county children services board. Unlicensed type B homes and parents of children receiving child care in those homes are removed as members represented on the Council.

The bill also expands the Council’s duties to include advising the ODJFS Director about the approval of child day camps, publicly funded child care, and Step Up to Quality.

Child care licensure exemption – programs operated by nonchartered, nontax-supported schools

(R.C. 5104.02)

The bill exempts all programs caring for children operated by nonchartered, nontax-supported schools from the law requiring certain child care providers to be licensed by ODJFS.

This replaces existing law with respect to such schools that exempts only the preschool programs that they operate.

The bill maintains existing law conditions that a nonchartered, nontax-supported school must satisfy in order to be eligible for an exemption, including compliance with health, fire, and safety laws and current law reporting requirements.

Child care terminology

(R.C. Chapter 5104; conforming changes in numerous other R.C. sections)

The bill changes the terms “day-care” and “child day-care” to “child care” throughout the Revised Code.

CHILD SUPPORT

Paternity acknowledgments

(R.C. 3111.23 and 3111.24, with conforming changes in R.C. 3111.21, 3111.22, 3111.31, 3111.44, 3111.71, 3111.72, 3705.091, and 3727.17)

Electronic filing of an acknowledgment

The bill allows a child support enforcement agency (CSEA), a local registrar of vital statistics, and hospital staff the option to electronically file an acknowledgment of paternity with ODJFS’s Office of Child Support. The bill retains the existing options to file in person or by mail. The bill also does not change the existing requirement for the natural mother, the man acknowledging he is the natural father, or another custodian or guardian of a child to file an acknowledgment in person or by mail only.

Witnessing signatures on an acknowledgment

The bill allows each signature of a party to an acknowledgment of paternity to be witnessed by two adult witnesses, in addition to the existing option of having each signature notarized. The mother and man acknowledging that he is the natural father may sign the acknowledgment and have the signature notarized or witnessed outside of each other’s presence.

The bill also requires each CSEA, local registrar of vital statistics, and hospital to provide a witness to witness, or a notary public to notarize, the signing of an acknowledgment if the natural mother and alleged father sign an acknowledgment at the relevant location. Existing law requires these places only to provide a notary public. In addition, the bill requires a contract between ODJFS and a hospital to include a provision requiring the hospital to provide a notary public to notarize, or witnesses to witness, an acknowledgment of paternity affidavit signed by the mother and father, when an unmarried woman gives birth in or en route to that hospital. Again, existing law only requires the contract to include a provision to require a notary public.

The bill makes additional conforming changes in Revised Code sections where the notarization of paternity acknowledgments is mentioned.

ODJFS rules – incorrectly filed acknowledgments

The bill repeals requirements for the Office of Child Support regarding acknowledgments that are completed incorrectly. The bill instead requires ODJFS to adopt rules regarding the management of an incorrectly completed acknowledgment. The rules must specify that ODJFS is to provide a new acknowledgment and a notice describing the errors to the parties who filed it. The rules must be adopted not later than 180 days after the effective date of this provision and are exempt from the regulatory restriction reduction requirements under Ohio law.

The repealed statutory requirements direct the Office to return the acknowledgment to the person or entity that filed it and provide a notice stating what needs to be corrected and that the person or entity has ten days to make the corrections and return the acknowledgment. Upon receiving a corrected acknowledgment, the Office must examine it again to ensure that it was correctly completed. If the acknowledgment is still incorrect or not returned on time, it is invalid, and the Office must return it to the person or entity and cannot enter it in the Office's birth registry. If the Office returns the acknowledgment a second time, it must state the errors and specify that the acknowledgment is invalid.

Information required for paternity determination

(Repealed R.C. 3111.40)

The bill repeals a requirement that a request for an administrative determination of whether a parent and child relationship exists include the following information:

- The name, birthdate, current address, and last known address of the alleged father of the child;
- The name, Social Security number, and current address of the mother of the child;
- The name and birthdate of the child.

Redirecting and issuing child support to nonparent caretakers

(R.C. 3119.95 to 3119.9541 and 3119.01, with conforming changes in other R.C. sections; repealed R.C. 3121.46; Section 812.11)

Redirecting child support to caretakers

The bill establishes a process to redirect existing child support orders to a caretaker of a child and allows for new child support orders to be directed to the caretaker. It makes changes to several laws to clarify these rights for caretakers. A child support order subject to the process includes both health care coverage and cash medical support required for the child.

The bill defines a "caretaker" as any of the following, other than a parent:

- A person with whom the child resides for at least 30 consecutive days, and who is the child's primary caregiver;
- A person who is receiving public assistance on behalf of the child;
- A person or agency with legal custody of the child, including a CDJFS or a PCSA;

- A guardian of the person or the estate of a child;
- Any other appropriate court or agency with custody of the child.

The definition does not include a “host family” caring for a child at the request of a parent or other individual under an agreement under existing law. “Caretaker” replaces the terms “guardian,” “custodian,” and “person with whom the child resides” in certain laws addressing parentage and child support (see “**Establishing parentage and bringing a child support action**,” below).

Filing a request

Under the bill, in order to obtain support for the care of the child, the child’s caretaker may file an application for Title IV-D services with the CSEA in the county where the caretaker resides.

CSEA determination of whether a child support order exists

The bill requires that upon receipt of an application from the caretaker, or a Title IV-D services referral regarding the child, the CSEA must determine whether the child is the subject of an existing child support order.

When a child support order exists

Investigation

If the CSEA determines that there is an existing child support order, it must determine if any reason exists for the order to be redirected to the caretaker. If the CSEA determines that the caretaker is the primary caregiver for the child, the CSEA must determine that a reason exists for redirection.

If a CSEA determines that a reason for redirection exists, it must determine all of the following not later than 20 days after the application or referral for Title IV-D services is received:

- The amount of each parent’s obligation under the existing child support order;
- Whether any prior redirection has been terminated under the process established in the bill;
- Whether any arrearages are owed, and the recommended payment amount to satisfy the arrears;
- If more than one child is subject to the existing child support order, whether the child support order for all or some of the children must be subject to redirection.

If the CSEA determines that more than one child is the subject of a support order and the order for fewer than all of the children should be redirected, it must determine the amount of child support to be redirected. That amount must be the pro rata share of the child support amounts for each such child under the child support order. The CSEA must also make a similar determination regarding health care coverage and cash medical support that may be redirected.

Order for redirection

Under the bill, not later than 20 days after completing an investigation, the CSEA must determine, based on the information gathered, whether the child support order is or is not to be redirected.

If the CSEA determines that the child support order should be redirected, it must either issue a redirection order (for an administrative child support order) or recommend to the court with jurisdiction over the court child support order (which is a child support order issued by a court) to issue a redirection order to include the child support amount to be redirected, as well as provisions for redirection regarding health care coverage and cash medical support.

Notice

Upon issuing a redirection order or making a redirection recommendation to the court, the CSEA must provide notice to the child's parent or caretaker and include it as part of the redirection order or recommendation. The notice must include the following:

- The results of its investigation;
- For an administrative child support order:
 - That the CSEA has issued a redirection order regarding the child support order and a copy of the redirection order;
 - The right to object to the redirection order by bringing an action for child support without regard to marital status, not later than 14 days after the order is issued;
 - That the redirection order becomes final and enforceable if no timely objection is made;
 - The effective date of the redirection order (see "**Effective date**," below).
- For a court child support order:
 - That the CSEA has made a recommendation for a redirection order to the court with jurisdiction over the court child support order, and a copy of the recommendation;
 - The right to object to the redirection by requesting a hearing with the court that has jurisdiction over the court child support order no later than 14 days after the recommendation is issued;
 - That the recommendation will be submitted to the court for inclusion in a redirection order, unless a request for a court hearing is made not later than 14 days after the recommendation is issued;
 - The effective date of the redirection order (see "**Effective date**," below).

Objection

A parent or caretaker may object to an administrative redirection order by bringing an action for a child support order without regard to marital status, not later than 14 days after the redirection order is issued. If no timely objection is made, the redirection order is final and enforceable.

Similarly, a parent or caretaker may object to a redirection recommendation by requesting a hearing with the court with jurisdiction over the court child support order not later than 14 days after the CSEA issued the recommendation to the court. The redirection recommendation must be submitted to the court for inclusion in a redirection order, unless a request for a court hearing is made.

Effective date of redirection

Both an administrative redirection order that has become final and enforceable and a court-issued redirection order based on a recommendation for redirection must take effect as of, and relate back to, the date the CSEA received the Title IV-D services application or referral that initiated the proceedings.

When a child support order does not exist

The bill provides that if a CSEA determines that the child under the care of a caretaker is not the subject of an existing child support order, it must determine whether any reason exists for which a child support order should be imposed. The CSEA must make the determination not later than 20 days after receiving the Title IV-D services application or referral, and the determination must include whether the caretaker is the child's primary caregiver.

If the CSEA determines that a reason exists for a child support order to be imposed, it must comply with existing law regarding issuing an administrative child support order.

CSEA action re: notice caretaker is no longer primary caregiver

If a CSEA receives notice that a caretaker is no longer the primary caregiver for a child subject to a redirection order or recommendation, it must: (1) investigate if that is the case, and (2) take action depending on whether the CSEA determines that the child remains under the primary care of the caretaker, is under the care of a new caretaker, is under the care of a parent, or is not under anyone's care.

Same caretaker remains primary caregiver

If the CSEA determines that the caretaker to whom amounts are redirected remains the primary caregiver of the child who is the subject of the redirection order or recommendation, it must take no further action on the notice.

A new caretaker is the primary caregiver

If the CSEA determines that a new caretaker is the primary caregiver for the child, it must: (1) terminate the existing redirection order (for an administrative order) or request that the court terminate the redirection order based on the recommendation for redirection and (2) direct the new caretaker to file an application for Title IV-D services to obtain support for the child as provided in the bill (see "**Filing a request**," above).

A parent is the primary caregiver

If the CSEA determines that a parent of the child is the primary caregiver, it must do one of the following:

- If the parent is the obligee under the support order that is subject to redirection, either terminate the existing redirection order (for an administrative order) or request the court to terminate the redirection order based on the recommendation for redirection.
- If the parent is the obligor under the child support order that is subject to redirection, the CSEA must do one of the following (as applicable): (1) terminate the existing redirection order (for an administrative order) or request the court to terminate the redirection order based on the recommendation for redirection, and (2) notify the obligor that the obligor may do the following: (a) request that the child support order be terminated under existing law permitting notification to the CSEA of a reason for termination, (b) request either a review of an administrative child support order under existing law governing the review of administrative child support orders or request the court to amend the court child support order.

No one is the primary caregiver

If the CSEA determines that no one is taking care of the child, it must terminate the existing redirection order (for an administrative order) or request the court to terminate the redirection order based on the recommendation for redirection. If the CSEA becomes aware of circumstances indicating that the child may be abused or neglected, it must make a report under the child abuse and neglect reporting law.

Impoundment

If a CSEA that receives notification that a caretaker is no longer the primary caregiver for a child subject to a redirection order or recommendation, it must impound any funds received on behalf of the child pursuant to the child support order. Impoundment must continue until any of the following occur:

- The CSEA determines that the caretaker to whom amounts are redirected remains the primary caregiver;
- The CSEA issues a redirection order for a new caretaker;
- The CSEA determines that a parent is the primary caregiver for the child and terminates the redirection order (for an administrative order) or a court terminates its redirection order.

When impoundment terminates, the impounded amounts must be paid to the obligee designated under the child support order or the applicable redirection order.

Impoundment regarding a redirection order that was terminated because no one is caring for the child must continue until further order from the CSEA (for an administrative order) or from the court with jurisdiction over the court child support order.

Rulemaking authority

The bill requires the ODJFS Director to adopt rules in accordance with the Administrative Procedure Act (R.C. Chapter 119) to provide:

1. Requirements for CSEAs to conduct investigations and issue findings pursuant to the bill's provisions regarding whether to redirect child support orders and how much to redirect when a child support order covers more than one child;

2. Any other standards, forms, or procedures needed to ensure uniform implementation of the bill's provisions regarding redirection of child support orders.

Establishing parentage and bringing a child support action

The bill makes several modifications regarding the establishment of parentage and bringing an action for child support to clarify that caretakers hold these rights. Below is a summary of these modifications.

R.C. Section	Description
R.C. 2151.231	Allows a caretaker to bring an action in a juvenile court or other court with jurisdiction in the county where the child, parent, or caretaker of the child resides for an order requiring a parent of a child to pay child support without regard to the marital status of the child's parents.
R.C. 3111.04	Grants a caretaker standing to bring a parentage action.
R.C. 3111.041	Allows a caretaker to authorize genetic testing of a child pursuant to any action or proceeding to establish parentage.
R.C. 3111.07	Requires that a caretaker be made a party to a court action to establish parentage or, if not subject to the court's jurisdiction, be given notice and opportunity to be heard. Allows a caretaker to intervene in an action if the caretaker was or is providing support to the child to whom the action pertains.
R.C. 3111.111	Provides that if a court action is brought under parentage laws to object to a parentage determination, the court must issue a temporary child support order to require the alleged father to pay support to the caretaker.
R.C. 3111.15	Provides that, upon the establishment of parentage, the father's obligations may be enforced in proceedings by a caretaker. Allows the court to order support payments to a caretaker.

R.C. Section	Description
R.C. 3111.29	<p>Allows a caretaker to do the following once an acknowledgment of paternity becomes final:</p> <ul style="list-style-type: none"> ▪ File a complaint for support without regard to marital status in the county in which the child or caretaker resides, requesting that the court order the mother, father, or both to pay child support; ▪ Contact the CSEA for assistance in obtaining child support.
R.C. 3111.38	<p>Requires that the CSEA of the county where the child or caretaker resides determine the existence or nonexistence of a parent and child relationship between an alleged father and child if requested by a caretaker.</p>
R.C. 3111.381 and 3111.06	<p>Allows a caretaker to bring an action to determine whether a parent and child relationship exists in the appropriate division of the common pleas court of the county where the child resides without requesting an administrative determination, if the caretaker brings an action to request child support.</p>
R.C. 3111.48 and 3111.49	<p>Requires that an administrative order regarding a finding of parentage must include a notice informing the caretaker of the right to bring a court parentage action and the effect of the failure to bring timely action.</p> <p>Allows a caretaker to object to an administrative order determining the existence or nonexistence of a parent and child relationship by bringing a parentage action within 14 days after the issuance of the order.</p>
R.C. 3111.78	<p>Provides that a caretaker or CSEA in the county where the caretaker resides may do either of the following to require a man to pay child support and provide health care if presumed to be the father under a presumption of paternity:</p> <ul style="list-style-type: none"> ▪ If the presumption is not based on an acknowledgment of paternity, file a complaint for child support without regard to marital status; ▪ Contact the CSEA to request assistance in obtaining a support order and provision of health care for a child.

Duty of support

The bill amends the law regarding married persons' and parents' obligations of support to add what appears to be a clarifying statement that a parent's duty to support the parent's minor child may be enforced by a child support order.

Custody and child support

The bill expands the law regarding the effect of child custody on child support to clarify that if neither parent of the child who is the subject of a support order is the child's residential parent and legal custodian and the child resides with a caretaker, each parent must pay that parent's child support obligation pursuant to the support order. Under existing law, this provision applies when the child resides with a third party who is the legal custodian of the child.

The bill also removes references to a court issuing a child support order regarding the determination of who pays the child support in a split custody or caretaker custody situation.

Grandparent authorizations

The bill modifies the power of attorney form and the caretaker authorization affidavit form for a grandparent caring for a grandchild by repealing language providing an acknowledgment that the document does not authorize a CSEA to redirect child support payments to the grandparent, and that to have an existing child support order modified or a new child support order issued, administrative or judicial proceedings must be initiated.

Notice included with a support order or modification

Under existing law, each support order or modification of an order must contain a notice to each party subject to a support order, with specifications provided in the law. One specification is that if an obligor or obligee fails to give certain required notices to the CSEA, that person may not receive notice of the changes and requests to change a child support amount, health care provisions, or termination of the child support order. The bill adds *redirection* to this list of notices of the changes and requests to change.

Repeal of law addressing child support payment to third parties

The bill repeals law which generally provides that when a support order is issued or modified, the court or CSEA may issue an order requiring payment to a third person that is agreed upon by the parties and approved or appointed by the court or CSEA (depending on whether it is an administrative or court child support order). A third person may include a trustee, custodian, guardian of the estate, CDJFS, PCSA, or any appropriate social agency.

Effective date

The bill's provisions regarding the redirection and issuance of child support to nonparent caretakers apply beginning six months after their effective date. During that six-month period, ODJFS must perform system changes, create rules and forms, and make any other changes as necessary to implement its provisions.

Fatherhood programs

(R.C. 5101.342, 5101.80, 5101.801, and 5101.805, with conforming changes in R.C. 3125.18, 5101.35, and 5153.16)

The bill specifies in the Revised Code that the Ohio Commission on Fatherhood may make recommendations to the ODJFS Director regarding funding, approval, and

implementation of fatherhood programs in Ohio that meet one of the four purposes of the Temporary Assistance for Needy Families (TANF) block grant. It includes such programs as Title IV-A programs that are funded in part by the TANF block grant. The bill permits ODJFS to (1) enter into an agreement with a private, not-for-profit entity for the entity to receive funds as recommended by the Commission and (2) to adopt rules relating to these provisions.

PUBLIC ASSISTANCE

TANF spending plan

(R.C. 5101.806)

The bill extends, from July 30 to August 29 of even-numbered calendar years, the deadline for ODJFS to prepare and submit a TANF spending plan. It must submit the plan to the chairperson of a standing committee of the House designated by the Speaker, the chairperson of a standing committee of the Senate designated by the President, and the Minority Leaders of both the House and Senate.

Ohio Works First

Eligibility

(R.C. 5107.02 and 5107.10)

The bill expands eligibility for cash assistance under the Ohio Works First program to include any pregnant woman who meets other eligibility requirements for the program. Under current law, a pregnant woman must be at least six months pregnant and have a gross income less than 50% of the federal poverty level to be eligible for cash assistance under Ohio Works First.

Fleeing felons

(R.C. 5107.36)

The bill corrects a cross-reference to the definition of “fugitive felon” for purposes of the Ohio Works First program and updates the term to the bill’s new “fleeing felon” (described below in “**Definitions**”).

Work Experience Program (WEP)

(R.C. 5107.54)

Current law requires when a WEP participant is placed with a private or government entity, that entity pays premiums to the Bureau of Workers’ Compensation on the participant’s behalf if the CDJFS does not. The bill specifies that the participant must not only be placed with the entity but also participate in WEP for the entity to be required to pay workers’ compensation premiums.

A HAND UP pilot program

(Section 307.240)

The bill requires ODJFS to establish a two-year pilot program known as the Actionable Help and New Dignity for Upward Progression (A HAND UP) pilot program to assist program participants in transitioning into the workforce as they become ineligible for public assistance benefits. In establishing the pilot program, ODJFS must select four counties in which to operate the pilot program: one metropolitan county; one midsize county; and two rural counties, one of which is in the state's Appalachian region.

ODJFS must have the pilot program fully operational not later than 180 days after the bill's effective date. In setting up the pilot program, ODJFS must do all of the following:

- Establish eligibility criteria for individuals participating in the pilot program;
- Establish conditions for continued participation in the pilot program;
- Establish a competitive application process for employers seeking participation in the pilot program;
- Identify existing subsidized employment programs and provide training to program operators seeking to participate in the pilot program;
- Establish an assessment tool to determine the success of employers participating in the pilot program;
- Establish processes by which pilot program participants are connected with employers participating in the program;
- Establish a mentorship program that connects pilot program participants with program mentors;
- Identify and establish a financial literacy program for pilot program participants.

Eligible individuals may participate in the pilot program for an initial one-year period. After completing this initial period, ODJFS must evaluate a participant's progress in meeting the goals of the pilot program. Following the evaluation, it may permit a participant to continue participating in the pilot program for successive six-month periods. Following each six-month interval, ODJFS must conduct an evaluation to determine whether the participant may continue in the pilot program.

The pilot program must (1) provide participants with a stipend, provided on a sliding scale, to pay health care insurance premiums and deductibles or child care expenses, and (2) provide employers participating in the pilot program subsidies for employing pilot program participants. Additionally, if a county selected to participate in the pilot program has established an individual development account program under existing law, ODJFS must seek a waiver from the U.S. Department of Health and Human Services to allow pilot program

participants to use individual development account funds for purposes other than those specified in federal regulations.¹⁰³

Rulemaking

To assist in the implementation of the pilot program, the bill requires ODJFS, not later than 180 days after the bill's effective date, to adopt rules as necessary to implement the pilot program. To further assist in the implementation and operation of the pilot program, the bill requires ODJFS to establish, in collaboration with the Office of InnovateOhio, a digital application that does the following:

- Calculates a pilot program participant's income based on the individual's benefits received and income earned;
- Connects program participants with pilot program resources;
- Provides educational and motivational resources to pilot program participants;
- Connects participants with mentors or pilot program case workers.

Study and report

ODJFS must study program participants once they have completed participation. The study must examine (1) whether a former participant is employed, (2) the type of employment in which the former participant is engaged, (3) the amount of compensation the former participant is receiving, (4) whether the former participant's employer provides health insurance, (5) whether and how often the former participant has received public assistance benefits since completing participation in the pilot program, and (6) whether the former participant is self-sufficient.

Beginning one year after the bill's effective date, ODJFS must submit a report to the General Assembly specifying the outcomes of the pilot program, including data indicating the ways in which the pilot program is assisting participants in transitioning from public assistance benefits to the workforce. The report also must include the results of the required study of former program participants described above. After submitting the initial report, ODJFS must submit subsequent reports at the end of each year in which the pilot program operates.

Self-employment income and SNAP eligibility

(R.C. 5101.54)

When reevaluating an individual's gross nonexempt self-employment income to determine continuing SNAP eligibility, the bill requires ODJFS to use the same criteria as were used during initial SNAP certification. This includes during quarterly eligibility reviews conducted by ODJFS and during the recertification process.

¹⁰³ See 42 C.F.R. 263.22.

SNAP and WIC benefit trafficking

(R.C. 2913.46)

The bill expands the conduct that constitutes the illegal use of Supplemental Nutrition Assistance Program (SNAP) benefits or WIC benefits, which is a felony under existing law, with the degree dependent on the value of the benefits involved. Specifically, the bill prohibits:

- Soliciting SNAP and WIC benefits by an individual;
- Trafficking SNAP benefits by an individual, with trafficking defined under federal regulations; and
- An organization from allowing an employee to violate the above prohibitions.

Agreement with Ohio Association of Foodbanks

(Section 307.43)

The bill requires ODJFS to enter into a subgrant agreement with the Ohio Association of Foodbanks to enable the Association to: (1) provide food distribution to low-income families and individuals through the statewide charitable emergency food provider network, (2) support the transportation of meals for the Governor's Office of Faith-Based and Community Initiatives' Innovative Summer Meals programs for children, and (3) provide capacity building equipment for food pantries and soup kitchens.

Under the agreement, the Association must:

- Purchase food for the Agriculture Clearance and Ohio Food Programs. Information regarding the food purchase must be reflected in a plan for statewide distribution of food products to local food distribution agencies.
- Support the Capacity Building Grant program and purchase equipment for partner agencies needed to increase their capacity to serve more families eligible under the TANF program with perishable foods, fruits, and vegetables. Equipment purchases must include shelving, pallet jacks, commercial refrigerators, and commercial freezers.
- Submit a quarterly report to ODJFS not later than 60 days after the close of the quarter that includes a summary of the allocation and expenditure of grant funds; product type and pounds distributed by foodbank service region and county; and the number of households and households with children, a breakdown of individuals served by age ranges, and the number of meals served.
- Submit an annual report to the ODJFS Agreement Manager not later than 120 days after the end of the fiscal year, including a summary of the allocation and expenditure of grant funds; the number of households and households with children; a breakdown of individuals served by age ranges, and the number of meals served; the quantity and type of food distributed and the total per pound cost of the food purchased; information on the cost of storage, transportation, and processing; and an evaluation of the success in achieving expected performance outcomes.

Disclosure of public assistance recipient information

(R.C. 5101.27 and 5101.30; repealed R.C. 5101.272)

The bill eliminates the prohibition on any person or government entity sharing information regarding a public assistance recipient for any purpose not directly connected with the program's administration, unless expressly permitted by law. It instead requires ODJFS and CDJFSs to keep public assistance recipient information confidential and accessible only to employees, unless disclosure is approved by ODJFS or a judge of a court of record. Information that does not identify an individual does not have to be kept confidential and may be released in summary, statistical, or aggregate form. Information may not be disclosed for solicitation of contributions or expenditures to or on behalf of a candidate for public office or a political party.

To government and research entities

The bill eliminates the requirement that ODJFS, to the extent permitted by federal law, release public assistance recipient information to government entities responsible for administering a public assistance program, law enforcement agencies, and entities administering public utility services programs, and instead permits the disclosure. It also adds the following additional entities that may receive the information: (1) a government entity for use in the performance of its official duties, including research, or a contractor as permissible, (2) any U.S. agency charged with administering any public assistance program, and any state or federal official responsible for overseeing and auditing public assistance programs, and (3) the following, for research purposes:

1. Individuals;
2. Public and private entities, agencies, and institutions;
3. Private companies or organizations, partnerships, business trusts, or other business entities or ventures;
4. Research organizations; or
5. Combinations of any of the preceding entities.

To the public assistance recipient

The bill permits information regarding a public assistance recipient to be shared with that recipient or any other person or entity the recipient identifies in writing. Current law permits information to be shared with the recipient or the recipient's "authorized representative," legal guardian, or attorney. It requires authorization to be made on a form and specifies the information to be included on it. The bill removes both ODJFS's authority to define "authorized representative" and the required form, but permits ODJFS to adopt rules as needed that contain guidelines regarding disclosure of public assistance information.

To law enforcement

(R.C. 5101.28)

Under continuing law, ODJFS, CDJFSs, and PCSAs must share information regarding public assistance recipients with law enforcement agencies.

The bill eliminates the civil immunity granted to ODJFS, CDJFSs, PCSAs, and their officers and employees from liability for harm that results from releasing such information, while retaining general provisions of law regarding civil immunity.

The bill expands the authorization of ODJFS, CDJFSs, and their employees to report suspected child abuse and neglect to a PCSA by removing the qualification that the child receive public assistance and circumstances indicate that the child's health or welfare is threatened. Under the bill, these individuals are not prohibited from reporting known or suspected physical or mental injury, sexual abuse or exploitation, or negligent treatment or maltreatment of *any* child, instead of only a child receiving public assistance if the circumstances indicate the child's health or welfare is threatened.

Definitions

(R.C. 5101.26 and 5101.28)

In continuing law that requires a law enforcement agency to provide, on request of ODJFS, a CDJFS, or a PCSA, information to enable them to determine whether a public assistance recipient is a "fugitive felon," the bill replaces "fugitive felon" with "fleeing felon." It broadens the term's meaning to include not only someone fleeing to avoid prosecution or custody after conviction for a felony, but also custody before conviction and violating a condition of probation or parole. Note that under Ohio's Criminal Sentencing Law, individuals convicted of a misdemeanor, as well as those convicted of a felony, may be sentenced to probation. The bill authorizes ODJFS to adopt rules regarding the verification of fleeing felon status.

The bill broadens the definition of "law enforcement agency" to mean the office of a sheriff, the Ohio State Highway Patrol (OSHP), a county prosecuting attorney, or a governmental body that enforces criminal laws and has employees with the power of arrest, as opposed to listing specific entities. It also broadens the definition of "public assistance" to mean a program financed with federal, state, or local funds to provide money or vendor payments for families or individuals on the basis of need and other eligibility conditions, rather than listing Revised Code chapters under which ODJFS-administered public assistance is provided.

UNEMPLOYMENT

Identity verification

(R.C. 4141.28)

The bill requires an individual filing an application for determination of benefit rights for unemployment compensation to furnish proof of identity at the time of filing in the manner prescribed by the ODJFS Director. The Director must adopt rules to prescribe the manner in which an applicant must furnish the proof of identity.

Under continuing law, determining eligibility for unemployment benefits is a two-phase process. In the first phase, an individual files an initial application for a determination of benefit rights, which generally examines whether the individual worked and earned enough to be

eligible for benefits (“monetary eligibility”). This application is used to establish the individual’s benefit year, which is the 52-week period during which the individual may file claims for benefits based on satisfying the monetary eligibility requirements. After filing a valid initial application and establishing a benefit year, an individual enters the second phase of the process. In the second phase, the individual must file a claim for benefits each week the individual seeks benefits during the benefit year. At this point, the individual must satisfy “nonmonetary requirements.” The nonmonetary requirements concern filing appropriate paperwork, the reason why the individual is unemployed, and work search requirements.¹⁰⁴

Benefit reductions based on receiving certain pay

(R.C. 4141.31)

The bill requires a claimant’s unemployment benefits for any week of unemployment be reduced by the full amount of holiday pay or allowance paid to the claimant for that week. Continuing law applies the same weekly reduction to vacation pay or allowance.

The bill also requires a claimant’s benefits for any week of unemployment be reduced by the amount of any bonus payable under the law, the terms of a collective bargaining agreement, or other employment contract. The reduction amount equals the claimant’s weekly benefit amount in the first and each succeeding week following the claimant’s separation from the employer making the bonus payment until the total bonus amount is exhausted.

Under continuing law, no benefits are paid to a claimant for any week in which the claimant receives remuneration equal to or exceeding the claimant’s weekly benefit amount. If the amount of remuneration is less than the claimant’s weekly benefit amount, continuing law requires the amount of remuneration that exceeds 20% of the claimant’s weekly benefit to be deducted for that week. Under current law, holiday pay and bonuses are considered remuneration and the amount of those forms of remuneration that exceeds 20% of the claimant’s weekly benefit is deducted for that week.¹⁰⁵

Disclosure of information

(R.C. 4141.21 and 4141.43)

The bill specifies that information maintained by the ODJFS Director or the Unemployment Compensation Review Commission (UCRC) or furnished to the Director or UCRC by employers and employees under the Unemployment Compensation Law is not a public record under the Ohio Public Records Act.¹⁰⁶ This is consistent with law that specifies that the information is for the exclusive use and information of ODJFS and the UCRC and may not be disclosed unless an exception applies.

¹⁰⁴ R.C. 4141.28 and R.C. 4141.01 and 4141.29, not in the bill.

¹⁰⁵ R.C. 4141.30(C), not in the bill.

¹⁰⁶ R.C. 149.43.

The bill eliminates the following exemptions from the prohibition on disclosure and instead allows the ODJFS Director to adopt rules to allow for these disclosures that conform to federal law requirements:

- The release of information pursuant to the continuing law Income and Eligibility Verification System;¹⁰⁷
- The release of information and records necessary or useful in a claim determination or necessary in verifying a charge to an employer's account for examination and use by the employer and the employee involved or their authorized representatives in the hearing of these cases;
- The release of information in statistical form for the use and information of the public or an agency or other entity;
- The release of information to a consumer reporting agency.

Additionally, the bill allows the ODJFS Director to adopt rules to allow for disclosure of information that conform to federal law requirements, including rules that allow for the following new exceptions to the general disclosure prohibition:

- The release of information by the ODJFS Director's or UCRC's consent;
- The release of information in accordance with an order of a judge of a court of record (current law prohibits such disclosure unless the action arises under the Unemployment Compensation Law);
- The release of information in accordance with law that applies to a state agency that maintains a personal information system;¹⁰⁸
- The release of information about an individual or employer to that individual or employer, or the individual's or employer's authorized representative, on request;
- The release of information to federal or state public official, or an agent or contractor of such an official, for use in performance of official duties, including research related to those duties;
- The release of information pursuant to a subpoena issued by a local, state, or federal government official, other than a clerk of court on behalf of a litigant;
- The release of information to a prosecuting authority, law enforcement officer, or law enforcement agency if the ODJFS Director determines that providing the information is in the best interests of the public and does not interfere with the efficient administration of ODJFS;

¹⁰⁷ R.C. 4141.162, not in the bill.

¹⁰⁸ R.C. 1347.08, not in the bill.

- The release of information pursuant to a federal law requirement.

The bill's allowance for disclosures in accordance with the ODJFS Director's rules replaces law that simply allows the Director to cooperate with departments and agencies in the exchange or disclosure of information as to wages, employment, payrolls, unemployment, and other information. The bill also eliminates the ODJFS Director's authority to employ, jointly with one or more agencies or departments, auditors, examiners, inspectors, and other employees necessary for the administration of the Unemployment Compensation Law and employment and training services.

The bill prohibits disclosure of information maintained by the ODJFS Director or UCRC for the purpose of solicitation of contributions or expenditures to or on behalf of a candidate for public or political office or to a political party. This prohibition appears to be consistent with current law.

Participation in certain federal programs

(R.C. 4141.43)

The bill specifies that the law requiring the ODJFS Director to take action as necessary to secure all advantages available under certain federal laws does not require the Director to participate in, nor preclude the Director from ceasing to participate in, any voluntary, optional, special, or emergency program offered by the federal government under federal laws or any other federal program enacted to address exceptional unemployment conditions.

Acceptable collateral from certain reimbursing employers

(R.C. 4141.241)

Continuing law requires a nonprofit employer wishing to be a reimbursing employer under the Unemployment Compensation Law to submit collateral to the ODJFS Director. The bill makes surety bonds the only acceptable form of that collateral. Thus, it eliminates the ability to submit other forms of collateral approved by the Director, such as bonds and securities.

Ohio's unemployment system has two types of employers: contributory employers and reimbursing employers. Employers who are assigned a contribution rate and make contributions to the Unemployment Compensation Fund are contributory employers. Most private sector employers are contributory employers. Certain employers are allowed to reimburse the fund after benefits are paid; they are known as "reimbursing employers."¹⁰⁹

¹⁰⁹ R.C. 4141.01(L), not in the bill.

Notification to exempt nonprofit employees

(R.C. 4141.02)

The bill requires a nonprofit organization with fewer than four employees that is exempt from Ohio's Unemployment Compensation Law to notify its employees upon hiring that the organization and the employee's employment with the organization are exempt from the Law. Under continuing law, such a nonprofit organization is exempt from the Law but may elect to be covered.¹¹⁰

OTHER PROVISIONS

Workforce report for horizontal well production

(Repealed R.C. 6301.12)

The bill eliminates the requirement that the Office of Workforce Development within ODJFS prepare an annual workforce report for horizontal well production. Under that law, the Office must comprehensively review the direct and indirect economic impact of businesses engaged in the production of horizontal wells in Ohio and prepare the report annually by July 30.

Office of the Migrant Agricultural Ombudsperson

(R.C. 3733.471; repealed R.C. 3733.49 and 4141.031; conforming changes in R.C. 3733.41, 3733.43, 3733.431, 3733.45, 3733.46, 3733.47, and 5321.01)

The bill eliminates the Office of the Migrant Agricultural Ombudsperson established under the authority of the ODJFS Director. Current law requires the Migrant Agricultural Ombudsperson to oversee agricultural labor camps in Ohio, including collecting and disseminating information regarding housing for migrant agricultural laborers and agricultural labor camps, becoming familiar with state and federal laws and programs concerning migrant agricultural laborers and agricultural labor camps, receiving and referring complaints or questions, and preparing an annual report regarding migrant agricultural labor conditions and recommendations for change.

Current law also allows a person to report a violation regarding agricultural labor camps – including a violation of the Minor Labor Law¹¹¹ or Minimum Fair Wage Standards Law¹¹² – to the Ombudsperson. The bill instead requires the person to make the report to the State Monitor Advocate, who must forward the reports to the Attorney General for investigation and possible action, similar to continuing law.

¹¹⁰ R.C. 4141.01(A)(1)(a) and (4), not in the bill.

¹¹¹ R.C. Chapter 4109.

¹¹² R.C. Chapter 4111.

Under federal law, the workforce development agency of each state (in Ohio, ODJFS) must appoint a State Monitor Advocate. The State Monitor Advocate's duties include similar duties to the Migrant Agricultural Ombudsperson, such as collecting and reviewing data regarding the living and working conditions of migrant and seasonal farmworkers and receiving complaints and referring alleged violations to enforcement agencies. The State Monitor Advocate also is responsible for oversight activities for migrant and seasonal farmworkers, including conducting on-site reviews and field visits, monitoring the provision of employment services, and promoting the Agricultural Recruitment System to connect job seekers to employers.¹¹³

¹¹³ 20 C.F.R. 653.108 and [Monitor Advocate System](#), which may be accessed by conducting a keyword "Monitor advocate" search on the U.S. Department of Labor website: [dol.gov](#).

JOINT COMMITTEE ON AGENCY RULE REVIEW

Rule adoption and review

- Tolls the time during which a concurrent resolution invalidating a proposed rule may be adopted when the agency that filed the rule informs the Joint Committee on Agency Rule Review (JCARR) that the agency intends to file a revised version.
- Exempts certain types of rules and regulatory restrictions that are currently excluded from certain state agencies' base regulatory restriction inventories required under prior law from all of the requirements regarding reducing regulatory restrictions contained in administrative rules.
- Eliminates prohibitions against JCARR reviewing an administrative rule when JCARR becomes aware that the rule has an adverse impact on business but has not been analyzed by the Common Sense Initiative Office.

Administration

- Makes the JCARR chairperson and vice-chairperson co-chairs and requires the House-appointed co-chair to conduct meetings during the first regular session of a General Assembly and the Senate-appointed co-chair to do so during the second.
- Allows the JCARR chairperson in charge of calling and conducting meetings to select a date for JCARR's public hearing on a proposed rule that is earlier than 41 days after the rule was filed.

Principles of law or policy

- Increases, from three to six, the number of months an agency has after the expiration of a governor's term to transmit to JCARR the agency's report concerning principles of law or policies relied on by the agency that have not been stated in an administrative rule.
- Exempts a legislative agency from the requirement to report to JCARR on principles of law or policies relied on by the agency that have not been stated in an administrative rule.

Rule adoption and review

(R.C. 106.02, 106.031, 121.83, repealed, and 121.95, with conforming changes in 101.354, 107.51, 121.031, 121.81, 121.811, 121.954, repealed, 308.21, and 1710.02)

Concurrent resolution invalidating a proposed rule

The bill allows an agency that has filed a proposed administrative rule for review by the Joint Committee on Agency Rule Review (JCARR) to inform JCARR that the agency intends to file a revised version of the rule. When the agency so informs JCARR, the time during which the General Assembly may adopt an invalidating concurrent resolution is tolled. If the agency revises and refiles the proposed rule 35 or fewer days after filing the original, JCARR must

review the revised version, and an invalidating concurrent resolution may be adopted, no later than 65 days after the original rule was filed. If, however, the agency files the revised rule more than 35 days after it filed the original, the General Assembly may adopt an invalidating resolution no later than 30 days after the agency filed the revised rule with JCARR.

Subject to limited exceptions, continuing law requires an agency that intends to adopt an administrative rule to file the proposed rule and related documents with JCARR at least 65 days before the rule's intended effective date.¹¹⁴ JCARR reviews the proposed rule and, if JCARR makes specific findings, JCARR may recommend the General Assembly adopt a concurrent resolution invalidating the proposed rule.¹¹⁵ In most cases, the General Assembly must adopt the resolution no later than the 65th day after the day on which the agency filed the proposed rule.

Exemptions from regulatory restriction reductions

The bill exempts the following types of administrative rules from the law requiring certain state agencies to reduce the number of regulatory restrictions in rules they adopt:

- An internal management rule;
- An emergency rule;
- A rule that state or federal law requires the agency to adopt verbatim;
- A regulatory restriction contained in materials or documents incorporated by reference into a rule;
- Access rules for confidential personal information;
- A rule concerning instant lottery games;
- A rule adopted by the State Lottery Commission concerning sports gaming;
- Any other rule that is not subject to review by JCARR.

Under both current law and the bill, a rule concerning sports gaming adopted by the Ohio Casino Control Commission also is exempt from the reduction requirements.

A “regulatory restriction” is any part of an administrative rule that requires or prohibits an action. Continuing law requires cabinet-level agencies and several other listed state agencies to do all of the following with respect to regulatory restrictions:

- No later than June 30, 2025, reduce regulatory restrictions contained in an inventory created under prior law by 30% according to a statutory schedule and specific criteria;

¹¹⁴ R.C. 111.15 and R.C. 119.03, not in the bill.

¹¹⁵ R.C. 106.021, not in the bill.

- Remove two or more existing regulatory restrictions for each new restriction adopted (referred to as the “two-for-one rule”);
- Refrain from adopting a regulatory restriction when doing so would negate a previous reduction;
- Beginning July 1, 2025, refrain from adopting a regulatory restriction when doing so would cause the total number of regulatory restrictions in effect to exceed a statewide cap calculated under continuing law by JCARR.¹¹⁶

Jurisdiction

The bill eliminates a prohibition against JCARR reviewing an administrative rule having an adverse impact on business before the rule has been analyzed by the Common Sense Initiative Office (CSIO). Under continuing law, an agency proposing a new rule (or performing a mandatory five-year review of an existing rule) must evaluate the rule using a business impact analysis instrument developed by CSIO to determine whether the rule has an adverse impact on business. If it has such an impact, the agency must transmit a copy of the rule and the agency’s analysis to CSIO. CSIO analyzes the rule and makes recommendations on how to eliminate or reduce the adverse impact on business.¹¹⁷

Currently, JCARR does not have jurisdiction to review, and must reject, a rule if JCARR discovers that the rule has an adverse impact on business and the agency did not put it through the CSIO process.

Administration

(R.C. 101.35 and 106.02, with conforming changes in 101.352, 101.353, 103.0521, 106.032, 106.04, and 106.041)

Chairperson

The bill makes the JCARR chairperson and vice-chairperson co-chairs. Currently, the Speaker of the House appoints the chairperson in the first regular session of the General Assembly, and the Senate President appoints the vice-chairperson. In the second regular session, the President appoints the chair and the Speaker appoints the vice-chair.

Under the bill, the Speaker and Senate President each appoint one co-chair. The House-appointed co-chair calls and conducts meetings during the first regular session of a General Assembly, and the Senate-appointed co-chair does so during the second. If the co-chair responsible for calling and conducting meetings is absent or temporarily unable to perform the chairperson’s duties, the other co-chair acts as a substitute. As with the chair and vice-chair under current law, the co-chairs serve until their respective successors are appointed or until they are no longer members of the General Assembly.

¹¹⁶ R.C. 121.951 to 121.953, not in the bill.

¹¹⁷ R.C. 121.81 to 121.811 and R.C. 107.52 to 107.54 and 121.82, not in the bill.

Public hearings on proposed rules

The bill allows the JCARR chairperson responsible for calling and conducting meetings to select a date for JCARR's public hearing on a proposed rule that is earlier than 41 days after the rule was filed. However, the bill also requires the JCARR chairperson to try to not hold the hearing before the 41st day. Currently, JCARR may not hold a public hearing on a proposed rule earlier than the 41st day after the agency filed it.

Policy and principal of law reporting

(R.C. 121.93)

The bill increases the time an agency has to transmit to JCARR the agency's report concerning principles of law or policies relied on by the agency that have not been stated in an administrative rule. Continuing law requires most state agencies periodically to review their operations and identify principles of law or policy that have not been stated in a rule and that the agencies are relying on for either of the following activities:

- Conducting adjudications or other determinations of rights and liabilities;
- Issuing writings and other materials.

Currently, an agency must perform at least one review during a governor's term and, within three months after the end of the governor's term, transmit a report to JCARR stating that the agency has completed one or more of the required reviews and certain steps the agency is taking regarding those reviews. The bill extends the report due date to within six months after the end of the governor's term.

The bill also exempts an agency, commission, or committee created in the legislative branch of government or to serve the General Assembly (a "legislative agency") from the reporting requirement. Legislative agencies include, but are not limited to, all of the following:

- The Joint Legislative Ethics Committee;
- The Joint Medicaid Oversight Committee;
- The Correctional Institution Inspection Committee;
- The Legislative Service Commission;
- The Legislative Information Services;
- The Capitol Square Review and Advisory Board.

The Governor, Lieutenant Governor, Secretary of State, Auditor of State, Treasurer of State, Attorney General, state institutions of higher education, and the state retirement systems are exempt from the reporting requirement under continuing law.¹¹⁸

¹¹⁸ R.C. 121.933, not in the bill.

JUDICIARY-SUPREME COURT

Court electronic filings and computerization fees

- Allows electronic filing of pleadings or documents in municipal and county courts.
- Allows municipal and county courts to increase their additional fees to cover office computerization costs from \$10 to \$20.

Appointment of nonresident fiduciaries

- Permits a private trust company or family trust company organized under the laws of any state to be appointed as:
 - A nonresident executor or trustee who is named in, or nominated pursuant to, a will; or
 - A nonresident ancillary administrator who is named in the will, or nominated in accordance with any power of nomination conferred in the will, of a nonresident decedent, as a general executor of the decedent's estate or as executor of the portion of the decedent's estate located in Ohio.
- Authorizes a court to require a nonresident private trust company or family trust company appointed as described above to appoint a resident agent to accept service of process, notices, and other documents.

Exclusion of local court fees

- Requires that a petition for a certificate of qualification for employment or an application for sealing or expungement of conviction records must be accompanied by a \$50 fee, excluding local court fees.

Liquefied gas

- Exempts a liquefied petroleum gas supplier for damages based on a product liability claim in listed circumstances unless the product liability claim was caused in whole or in part by intentional misconduct by the supplier.
- Presumes a user of liquefied petroleum gas is aware of the inherent dangerous characteristics of liquefied petroleum gas.
- Finds, as a matter of public policy, that liquefied petroleum gas, without modification, is not a defective product.
- Defines "liquid petroleum gas," "liquefied petroleum gas equipment," "liquefied petroleum gas supplier," and "use of liquefied petroleum gas."

Court electronic filings and computerization fees

(R.C. 1901.261, 1901.313, 1907.202, 1907.261, and 2303.081)

The bill permits pleadings or documents to be filed with county and municipal clerks of court either in paper format or electronic format. Additionally, the bill specifies that such pleadings or documents filed in paper format may be converted to an electronic format, and permits documents created by a county or municipal clerk in the exercise of the clerk's duties to be created in an electronic format. Finally, the bill specifies that, in county and municipal courts, when pleadings or documents are received or created in, or converted to, an electronic format, the pleadings or documents in that format must be considered the official version of the record. These new provisions that the bill applies to county and municipal courts regarding electronic filing of pleadings or documents already apply to courts of common pleas under existing law.

Applicable to municipal, county, and common pleas courts, the bill specifies that the clerk must determine whether the filing of pleadings or documents in electronic format may be accomplished either by electronic mail or through the use of an online platform. The fee for filing pleadings or documents in electronic format may be paid after the filing. The clerk cannot require that any fee for the filing of pleadings or documents in electronic format be paid before the filing, unless the clerk has provided for an electronic payment system for such filing. Finally, the clerk cannot require a fee for the filing of pleadings or documents in electronic format that exceeds the applicable fee for the filing of pleadings or documents in paper format. However, the bill specifies that the provisions described in this paragraph do not apply to the filing of pleadings or documents in a probate court or juvenile court.

The bill also permits municipal and county courts to increase the maximum amount of their additional fees from \$10 to \$20 to cover the computerization of the clerk's office.

Appointment of nonresident fiduciaries

(R.C. 2109.21)

Under current law, in order to qualify for appointment as: (a) a nonresident executor or trustee named in, or nominated pursuant to, a will, or (b) a nonresident ancillary administrator who is named in the will, or who is nominated in accordance with any power of nomination conferred in the will, of a nonresident decedent, as a general executor of the decedent's estate, or as executor of the portion of the decedent's estate located in Ohio, the person must be either:

1. An individual who is related to the testator by consanguinity or affinity; or
2. A person who resides in a state that has statutes or rules authorizing the appointment of a nonresident person who is not related to the testator by consanguinity or affinity, as: (a) an executor or trustee when named in, or nominated pursuant to, a will, or (b) as an ancillary administrator when the nonresident is named in a will, or nominated in accordance with any power of nomination conferred in a will, of a nonresident decedent.

The bill expands the above types of persons who would qualify for appointment as such nonresident executor or trustee or nonresident ancillary administrator, to include a private trust company or family trust company organized under the laws of any state.

The bill permits a court to require such private trust company or family trust company to appoint a resident agent to accept service of process, notices, and other documents.

Applicability of current law

The following provisions in current law would apply to a private trust company or family trust company appointed under the bill as nonresident executor or trustee:

- No such executor or trustee can be refused appointment or removed solely because the executor or trustee is not an Ohio resident.
- The court may require that a nonresident executor or trustee named in, or nominated pursuant to, a will assure that all of the decedent's assets that are in the county at the time of the death will remain in the county until distribution or until the court determines that the assets may be removed from the county.

The following provisions in current law would apply to a private trust company or family trust company who qualifies for appointment under the bill as a nonresident ancillary administrator:

- The court must not refuse to appoint the person, and must not remove the person, as ancillary administrator solely because the person is not an Ohio resident.
- The court may require that such ancillary administrator assure that all of the assets of the decedent that are in the county at the time of the decedent's death remain in the county until distribution or until the court determines that the assets may be removed from the county.

Exclusion of local court fees

Certificate of qualification for employment

(R.C. 2953.25)

The bill stipulates that the fee for a petition for a certificate of qualification for employment, which may be up to \$50, excludes local court fees. Under current law, the up to \$50 fee includes local court fees. Under continuing law, part or all of the application fee may be waived for an applicant who presents a poverty affidavit showing the applicant is indigent.

Application for sealing or expungement of conviction records

(R.C. 2953.32)

The bill stipulates that the fee for an application to seal or expunge conviction records, which may be up to \$50, excludes local court fees. Under current law, the up to \$50 fee includes local court fees. Under continuing law, the application fee may be waived for an applicant who presents a poverty affidavit showing the applicant is indigent.

Liquefied gas

(R.C. 2307.781)

The bill exempts a liquefied petroleum gas supplier from liability for damages based on a product liability claim arising from:

- The installation, modification, repair, or servicing of liquefied petroleum gas equipment by a person other than the liquefied petroleum gas supplier, unless the supplier had received written notification or other actual knowledge of the installation, modification, repair, or servicing at least 30 days before it occurred.
- The use or operation of liquefied petroleum gas equipment in a manner or for a purpose other than that for which it was intended.
- The installation, modification, repair, or servicing of liquefied petroleum gas equipment by a person, other than the liquefied petroleum gas supplier, who is not certified or licensed to install, modify, repair, or service that equipment.
- The installation, modification, repair, or servicing of liquefied petroleum gas equipment by a person, other than the liquefied petroleum gas supplier, that did not conform to the warning or instruction of the manufacturer of the equipment.
- Use that complied with listed legal requirements.

The exemptions do not apply in situations where the product liability claim was caused in whole or in part by intentional misconduct by the liquefied petroleum gas supplier.

The bill includes the presumption that a user of liquefied petroleum gas is aware of the inherent dangerous characteristics of liquefied petroleum gas, and does not require a liquefied petroleum gas supplier to provide a warning regarding liquefied petroleum gas except as specified in the Revised Code or Administrative Code.

The bill states that, as a matter of public policy, the General Assembly finds that liquefied petroleum gas, without modification, is not a defective product.

The bill defines the following terms:

- **“Liquid petroleum gas”** means a material with a vapor pressure not exceeding that of commercial propane composed predominately of the following hydrocarbons or mixtures: propane; propylene; butane; butylene.
- **“Liquefied petroleum gas equipment”** means a liquefied petroleum gas appliance, or any equipment, tank, pipe, regulator, control, valve, fitting, or other equipment or device intended to be used in connection with or to supply liquefied petroleum gas to one or more liquefied petroleum gas appliances.
- **“Liquefied petroleum gas supplier”** means either a person that, in the course of a business conducted for the purpose, sells, distributes, leases, prepares, blends, packages, labels, or otherwise participates in the placing of liquefied petroleum gas in the stream of commerce at retail; or a person that, in the course of a business

conducted for the purpose, installs, repairs, or maintains any aspect of liquefied petroleum gas equipment that allegedly causes harm.

- **“Use of liquefied petroleum gas”** means the distribution, delivery, sale, or use of liquefied petroleum gas, as well as the distribution, sale, installation, modification, inspection, or repair of liquefied petroleum gas equipment.

LOTTERY COMMISSION

Rules and operating procedures

- Allows the State Lottery Commission (LOT) to adopt operating procedures for the conduct of lottery games, instead of adopting administrative rules.
- Requires LOT to publish its operating procedures on its official website by 30 days after these provisions of the bill take effect.
- Requires LOT still to adopt rules under the Administrative Procedure Act concerning specific topics listed in current law as matters that must be addressed under the Administrative Procedure Act.
- Provides generally that LOT's existing rules remain in effect unless LOT formally rescinds them.
- Allows LOT to eliminate rules that it replaces with operating procedures on or before the date that is 30 days after the provision's effective date, by notifying LSC to remove them from the Administrative Code, instead of by formally rescinding them.

Internal audits

- Prohibits the LOT's internal audit records from being disclosed to the public until after the final annual audit report is submitted to LOT's director and chairperson.

Withholding child and spousal support from winnings

- Eliminates references in the law to an obsolete paper-based process for LOT to withhold past due child or spousal support from a person's lottery winnings.
- Requires LOT still to withhold those amounts using a computerized database maintained by the Department of Job and Family Services (ODJFS).

Rules and operating procedures

(R.C. 3770.03; Section 737.10)

The bill allows LOT to adopt operating procedures for the conduct of lottery games, instead of adopting administrative rules. The operating procedures must include all of the following:

- The type of lottery to be conducted;
- The prices of tickets in the lottery;
- The number, nature, and value of prize awards;
- The manner and frequency of prize drawings;
- The manner in which prizes must be awarded to winners.

Under the bill, LOT must publish all of its operating procedures on its official website and make copies available to the public upon request. LOT must publish all of its operating procedures not later than 30 days after these provisions of the bill take effect.

Currently, LOT must adopt lottery rules under the Administrative Procedure Act (R.C. Chapter 119), except that instant game rules are adopted under R.C. 111.15. (The Administrative Procedure Act prescribes notice, hearing, and other requirements for administrative rulemaking, while R.C. 111.15 prescribes a separate, less restrictive set of rulemaking procedures that typically applies to internal management matters.) Rules for instant games are not subject to review by the Joint Committee on Agency Rule Review (JCARR).¹¹⁹

The bill requires LOT to continue to follow the Administrative Procedure Act in adopting rules about matters that are specifically listed as being subject to that requirement under continuing law. For example, the Administrative Procedure Act continues to apply to LOT rules concerning lottery sports gaming, the location and manner of selling lottery tickets, and the licensing and compensation of lottery sales agents.

All of LOT's existing rules remain in effect unless LOT rescinds them in accordance with the Administrative Procedure Act or R.C. 111.15, as applicable. However, the bill allows LOT to eliminate any rule that it replaces with an operating procedure during the 30 days after these provisions of the bill take effect, without formally rescinding it. LOT must notify LSC's Director of any eliminated rule, and LSC must remove the rule from the Ohio Administrative Code.

Internal audits

(R.C. 3770.06)

The bill limits the extent to which LOT's internal audit records are subject to disclosure as public records. Continuing law requires LOT to conduct an annual internal audit and submit it to the Office of Budget and Management's Office of Internal Audit at the end of each fiscal year. The bill specifies that any preliminary or final report of the findings and recommendations of LOT's internal audit, and all associated work papers, are confidential and are not public records until after LOT staff submit the final report of the audit's findings and recommendations to LOT's Director and to LOT's chairperson or the chair's designee.

Withholding child and spousal support from winnings

(R.C. 3123.89, 3770.071, and 3770.99)

The bill eliminates references in the law to an obsolete paper-based process for LOT to withhold past due child or spousal support from a person's lottery winnings. However, LOT still must withhold those amounts using a computerized database.

Under continuing law, when a person's lottery winnings meet a certain dollar threshold, LOT must check a Department of Job and Family Services (ODJFS) database to determine

¹¹⁹ For more information, see LSC's Members Brief, [Administrative Rulemaking \(PDF\)](https://lsc.ohio.gov/publications), available at lsc.ohio.gov/publications.

whether the person owes any past due child or spousal support. If the person does owe past due support, LOT must withhold the past due amount from the person's winnings and send the money to ODJFS. Continuing law also requires LOT to withhold income taxes and any debts owed to the government. The dollar threshold for withholding is based on the federal income tax reporting threshold for gambling winnings, which is generally \$600 for lottery games.¹²⁰

In addition to referencing the ODJFS database, existing law describes an older process that requires ODJFS and LOT to communicate with each other using paper forms to identify lottery winners who owe past due support and withhold the amount from the winnings. The bill removes that process and requires LOT and ODJFS to use the database.

¹²⁰ See R.C. 3770.072 and 3770.073, not in the bill; 26 U.S.C. 6041; and Internal Revenue Service, [Instructions for Forms W-2G and 5754 \(01/2021\)](#), available at [irs.gov](#) under "Forms and Instructions."

DEPARTMENT OF MEDICAID

Medicaid coverage of services at outpatient health facilities

- Repeals law that requires Medicaid to cover comprehensive primary health services provided by outpatient health facilities that are operated by a city or general health district, another public agency, or certain types of nonprofit private agencies or organizations that receive at least 75% of their operating funds from public sources.

Report on projected program trends

- Requires the Department of Medicaid (ODM) to submit a report to the Joint Medicaid Oversight Committee (JMOC), by October 1 of each even-numbered year, detailing historical and projected expenditure and utilization trend rates and interventions to curb the per member per month cost of the Medicaid program.

Report on Medicaid reforms

- Requires ODM, not later than October 1 of each even-numbered year, to submit a report to JMOC detailing Medicaid reforms during the two previous fiscal years.

Coverage of obesity treatment

- Requires the Medicaid program to cover obesity treatment and prohibits ODM from establishing certain limits or requirements concerning this coverage.

Coverage of donor breast milk and milk fortifiers

- Requires the Medicaid program to cover medically necessary pasteurized donor human milk and human milk fortifiers for inpatient and home use.
- Permits ODM to make rules as needed to implement donor human milk and human milk fortifier coverage.

Lockable and tamper-evident containers

- Requires ODM, during FY 2024 and FY 2025, to reimburse pharmacists and physicians for expenses related to dispensing or personally furnishing, respectively, drugs used in medication-assisted treatment in lockable or tamper-evident containers.

Obsolete Medicaid waiver repeal

- Repeals the Unified Long-Term Services and Support Medicaid Waiver component that was never implemented.

Medicaid eligibility

Medicaid optional group coverage expansion

- Grants Medicaid coverage to the following in the optional eligibility group of individuals under age 65 with incomes up to 133% of the federal poverty line (FPL): (1) pregnant

women, (2) children under age 19, and (3) a reasonable classification of children under age 19 adopted through private agencies.

- Establishes the income eligibility threshold for the populations in (1) and (2) above at 300% FPL and specifies that there is no income threshold for (3).
- Requires ODM to exercise the presumptive eligibility option for the newly expanded coverage groups described above.

Neonatal Abstinence Syndrome

- Grants Medicaid coverage to infants with Neonatal Abstinence Syndrome who receive services at a pediatric recovery center.

Medicaid coverage for workers with a disability

- Requires the Medicaid program to cover the optional eligibility group consisting of certain workers with a disability.
- Declares that the General Assembly's intent in requiring the coverage described above is to provide coverage consistent with Ohio's existing Medicaid Buy-In for Workers with a Disability program for workers with disabilities age 65 or older.

Continuous Medicaid enrollment for young children

- Requires the Medicaid Director to establish a Medicaid waiver component to provide continuous enrollment for Medicaid-eligible children from birth through age three.

Post-COVID Medicaid unwinding

- Requires ODM to use third-party data to conduct an eligibility redetermination of all Ohio Medicaid recipients at the conclusion of the COVID-19 emergency period.
- Requires ODM to conduct an eligibility review of all recipients, based on the recipient's eligibility review date, and to disenroll those recipients who are no longer eligible.
- Requires ODM to complete a report containing its findings from the verification and submit it to JMOC.
- Repeals requirements ODM must follow if it receives federal Medicaid funding contingent on a temporary maintenance of effort restriction or otherwise limiting its ability to disenroll ineligible recipients.

Medicaid program cost savings report

- Requires ODM to conduct an annual cost savings study of the Medicaid program and submit a report to the Governor recommending measures to reduce Medicaid program costs.

Medicaid providers

Interest on payments to providers

- Limits the time frame when interest is assessed against a Medicaid provider on an overpayment to the time period determined by ODM, instead of from the payment date until the repayment date.

Provider penalties

- Clarifies that when a Medicaid provider agreement is terminated due to a provider engaging in prohibited activities, the provider may not provide Medicaid services on behalf of any other Medicaid provider.

Suspension of Medicaid provider agreements and payments

- Revises the law governing the suspension of Medicaid provider agreements and payments in cases of credible allegations of fraud or disqualifying indictments against Medicaid providers or their officers, agents, or owners, including by prohibiting a suspension if the provider or owner can demonstrate good cause.

Criminal records checks

- Revises the law governing the availability of criminal records check reports for Medicaid providers, independent providers, and waiver agencies and their employees, including by authorizing reports to be introduced as evidence at certain administrative hearings and requiring them to be admitted only under seal.

HHA and PCA training

- Prohibits ODM from requiring more than eight hours of pre-service training or six hours of annual in-service training for home health aides (HHAs) and personal care aides (PCAs) providing services under the Integrated Care Delivery System (MyCare).
- Permits a registered nurse, licensed practical nurse, or nurse aide to supervise an HHA or PCA providing services under MyCare.

Programs

Voluntary community engagement program

- Requires the Director to establish a voluntary community engagement program for medical assistance recipients.
- Requires the program to encourage work among able-bodied medical assistance recipients of working age, including providing information about the benefits of work on physical and mental health.
- Provides that the program is in effect through FY 2025, or until Ohio is able to implement the waiver component establishing work requirements and community engagement as a condition of enrolling in the Medicaid expansion eligibility group.

Care Innovation and Community Improvement Program

- Requires the Director to continue the Care Innovation and Community Improvement Program for the FY 2024-FY 2025 biennium.

Ohio Invests in Improvements for Priority Populations

- Continues the Ohio Invests in Improvements for Priority Populations Program as a directed payment program for inpatient and outpatient hospital services provided to Medicaid managed care recipients.
- Provides that, under the program, state university-owned hospitals with fewer than 300 beds can directly receive payment for program services.
- Requires participating hospitals to remit to ODM, through intergovernmental transfer, the nonfederal share of payment for those services.

Physician directed payment program

- Permits the Medicaid Director to seek federal approval to establish a physician directed payment program for nonpublic hospitals and related health systems.
- Provides that, under the program, participating hospitals receive payments directly for physician services provided to enrollees.
- Caps directed payments under the programs at the average commercial level paid to participating health systems for physician and other covered professional services that are provided to Medicaid MCO enrollees.
- Requires eligible public entities to transfer, through intergovernmental transfer, the nonfederal share of those services.

Medicaid GEMT supplemental payment program

- Requires the Director to submit a state plan amendment seeking to establish and administer a supplemental payment program for specified ground emergency medical transportation service providers.

Medicaid in Schools Program

- Requires ODM to seek approval from CMS to expand the Medicaid in Schools Program to include payment for any covered service that is performed in a school setting by a qualified provider and provided to an eligible individual.

ODM doula program

- Establishes a five-year program to cover doula services provided by a certified doula with a Medicaid provider agreement.
- Requires the Medicaid Director to complete an annual report regarding program outcomes.

Hospital Care Assurance Program; franchise permit fee

- Continues, until October 2023, the Hospital Care Assurance Program and the franchise permit fee imposed on hospitals under Medicaid.

Medicaid payment rates

Payment rates for community behavioral health services

- Permits ODM to establish Medicaid payment rates for community behavioral health services provided during FY 2024 and FY 2025 that exceed the Medicare rates for those services.

Competitive wages for direct care workforce

- Requires certain funds contained in the bill for provider rate increases to be used to increase wages and needed workforce supports to ensure workforce stability and greater access to care for Medicaid recipients.

Assisted Living program payment rates

- Requires ODM, in consultation with ODA, to establish both (1) an assisted living services base payment rate, (2) an assisted living memory care service payment, and (3) a critical access payment rate for assisted living facilities participating in the Medicaid-funded component of the Assisted Living program.

Direct care provider payment rates

- Increases direct care wages to \$17 an hour in FY 2024 beginning January 1, 2024, and to \$18 an hour for all of FY 2025 for certain direct care services provided under the Medicaid home and community-based services waivers administered by ODM or ODA.

Federally qualified health center payment rates

- Appropriates funds to increase payment rates to federally qualified health centers (FQHCs) and FQHC look-alikes.

Vision and eye care services provider payment rate

- Earmarks funds to increase Medicaid provider payment rates for vision services and medically billed eye care provided to Medicaid recipients during FY 2024.

Dental provider payment rates

- Appropriates \$122 million in FY 2024 and \$244 million in FY 2025 to increase the payment rate to dental providers treating Medicaid enrollees.

Medicaid MCO credentialing

- Repeals a requirement that ODM permit Medicaid MCOs to create a credentialing process for providers.

Nursing facilities

Special Focus Facility Program

- Aligns statutory language regarding the Special Focus Facility (SFF) Program with federal changes to the program and prohibits a nursing facility provider from appealing an order issued by ODM terminating a nursing facility's participation in Medicaid based on the facility's participation in the SFF program.

Nursing facility case-mix scores

- Updates the terminology used to calculate nursing facility case-mix scores to correspond to the new federal Patient Driven Payment Model.

Debt summary reports; debts related to exiting operators

- Regarding determining the actual amount of debt an exiting operator of a nursing facility owes ODM, requires ODM to issue a final debt summary report instead of having an initial or revised debt summary report become the final debt summary report.
- Eliminates various provisions related to debts an exiting operator owes to the Centers for Medicare and Medicaid Services (CMS).

Nursing facility field audit manual and program

- Eliminates the requirement that ODM establish a program and manual for field audits of nursing facilities.
- Eliminates certain required procedures for auditors that must be included in the manual.
- Requires audits conducted by ODM to be conducted by an audit plan developed before audit begins, and that audits conducted by auditors contracted with ODM be conducted by procedures agreed upon by the auditor and ODM, subject to certain continuing requirements.

Nursing facility workforce relief funds

- Expands the facilities eligible to receive workforce relief funds appropriated in H.B. 45 of the 134th General Assembly to include nursing homes that are not certified by CMS to participate in the Medicaid program.
- Removes the requirement that the funds be distributed no later than April 1, 2023.
- Specifies that nursing homes are to receive payments based on the median number of Medicaid days and median quality score for nursing facilities.
- Specifies that the above provisions are remedial in nature and apply retroactively beginning January 6, 2023.

Nursing facility per Medicaid day payment rate

- Modifies the nursing facility per Medicaid day payment rate calculation by removing a \$1.79 deduction, including a deduction for low occupancy nursing facilities, and increasing the add-on to the initial rate for new nursing facilities.

Ancillary and support costs and direct care costs

- Determines a nursing facility's ancillary and support costs and direct care costs rates by using the median rate for the facility's peer group, instead of the rate at the 25th percentile of that peer group.
- Beginning on January 1, 2024, during the remainder of FY 2024 and all of FY 2025, requires ODM to determine each nursing facility's direct care costs rate by multiplying the per case-mix unit determined for the peer group by the case-mix score selected by the nursing facility.

Low occupancy deduction

- To the per Medicaid day payment rate formula, adds a low occupancy deduction for a nursing facility that has an occupancy rate lower than 65%.

Private room incentive payment

- Beginning July 1, 2023, adds a private room incentive payment rate to the per Medicaid day payment rate formula for nursing facilities with private rooms.
- Sets the private room incentive payment at \$30 for FY 2024 and permits ODM to increase the rate in subsequent fiscal years.
- Requires nursing facility providers to apply for approval of their private rooms in the form and manner prescribed by ODM and permits ODM to specify evidence that an applicant must supply to demonstrate that a room is a private room.
- Limits ODM to considering only those private room applications that meet specified criteria.
- Permits ODM to deny an application if it determines that the rooms included in the application do not meet the definition of a private room or the specified criteria, or if the applicant created private rooms by reducing the number of available beds without reducing the facility's licensed capacity.

Quality incentive payments

- Extends nursing facility quality incentive payments indefinitely.
- Regarding the quality incentive payment rate calculation, adds an occupancy metric beginning in FY 2024 for facilities with occupancy rates above 75% and adds three new quality incentive metrics beginning in FY 2025.
- Eliminates exclusions from the quality incentive payment for facilities that meet enumerated criteria.

- Adds to the calculation of the total amount to be spent on quality incentive payments an additional component based on 60% of the amount the facility's ancillary and support costs and direct care costs changed as a result of the FY 2024 rebasing.
- Caps the add-on to the total amount to be spent on quality incentive payments at \$125 million in each fiscal year.
- Grants an operator of a new nursing facility or, under certain circumstances, a facility that undergoes a change in operator, a quality incentive payment.

Rebasing

- Expedites the rate of rebasing beginning in FY 2024 to at least every two years, from at least every five years.
- Specifies that the costs are measured from the calendar year immediately before the start of the fiscal year in which a rebasing is conducted, instead of two calendar years before.
- In calculating a facility's FY 2024 and FY 2025 base rates, limits any increases in the direct care cost and ancillary and support cost centers from the most recent rebasing to only 40% of the increase.

Medicaid coverage of services at outpatient health facilities

(Repealed R.C. 5164.05)

The bill repeals law that requires the Medicaid program to cover comprehensive primary health services provided by "outpatient health facilities." An outpatient health facility, as defined by the repealed law, is a facility that (1) provides comprehensive primary health services by or under the direction of a physician at least five days per week on a 40-hour per week basis to outpatients, (2) is operated by the board of health of a city or general health district or another public agency or by a nonprofit private agency or organization under the direction and control of a governing board that has no health-related responsibilities other than the direction and control of outpatient health facilities, and (3) receives at least 75% of its operating funds from public sources.

Report on projected program trends

(R.C. 103.414)

The bill requires the Department of Medicaid (ODM), not later than October 1 of every even-numbered year, to submit a report to the Joint Medicaid Oversight Committee (JMOC) that details the historical and projected Medicaid program expenditures and utilization trend rates for each year of the upcoming fiscal biennium broken down by Medicaid program and service category. The report must include all actuarial data utilized by ODM in producing these trends. Additionally, the bill requires that the report detail the interventions taken by ODM to restrain the growth in the per member per month cost of the Medicaid program.

Report on Medicaid reforms

(R.C. 5162.70)

Not later than October 1 of every even-numbered year, the bill requires the Medicaid Director to submit a report to JMOC detailing the reforms required by existing law unchanged by the bill that ODM implemented in the preceding two fiscal years. Under continuing law, the Director is required to implement reforms that (1) limit the growth in the per member per month cost of the Medicaid program, (2) achieve the limit in the growth of the per member per month cost of the Medicaid program, (3) reduce the prevalence of comorbid health conditions among, and the mortality rates of, Medicaid recipients, and (4) reduce infant mortality rates among Medicaid recipients.

Coverage of obesity treatment

(R.C. 5164.11, primary; conforming changes in R.C. 5162.20 and 5167.12)

The bill requires the Medicaid program, including Medicaid MCOs, to provide coverage for obesity treatment, including (1) prevention and wellness services, (2) nutrition counseling, (3) intensive behavioral therapy, (4) bariatric surgery and follow-up services, and (5) prescription drugs approved by the FDA to treat overweight and obesity, with an indication for chronic weight management in patients with obesity.

The bill prohibits ODM from imposing any of the following conditions on the coverage:

- Limits on obesity treatment coverage that are different from the coverage for the treatment for other illnesses, conditions, or disorders that are covered by the Medicaid program, including annual and lifetime limits on obesity treatment;
- Cost sharing requirements; or
- Concerning the prescription drugs described above, coverage restrictions that are more restrictive than the indicated used for the drug.

The bill does permit ODM to impose utilization review requirements to determine the medical necessity for covered obesity treatments. However, if ODM establishes utilization review requirements, they must be the same as any utilization review requirements established for the treatment of other illnesses, conditions, and disorders covered by the Medicaid program.

The bill requires ODM to inform Medicaid recipients in writing and in other correspondence to recipients about the availability of Medicaid coverage for obesity treatment. Additionally, ODM must market this coverage to recipients in annual information notices.

Coverage of donor breast milk and milk fortifiers

(R.C. 5164.072)

The bill requires Medicaid coverage for pasteurized donor human milk and human milk fortifiers in both hospital and home settings in specified circumstances. The milk or fortifier must be determined medically necessary by a licensed health professional for an infant whose

gestationally corrected age is less than 12 months. The milk or fortifier is medically necessary when any of the following apply:

- The infant has a body weight below healthy weight levels;
- The infant was less than 1,800 grams at birth;
- The infant was born at or before 34 weeks gestation; or
- The infant has any congenital or acquired condition that a licensed health professional indicates would be supported by human milk or fortifier.

Additionally, the bill requires Medicaid coverage for donor human milk and fortifier only when the infant is unable to receive maternal breast milk because either the infant is unable to participate in breast feeding or the mother cannot produce enough calorically sufficient milk. The mother and infant must participate in lactation support before donor human milk or fortifier may be covered by Medicaid.

The bill permits ODM to adopt any rules necessary to implement these provisions.

Lockable and tamper-evident containers

(Sections 333.270 and 333.10)

The bill requires ODM to reimburse pharmacists and physicians for expenses related to dispensing or personally furnishing, respectively, drugs used in medication-assisted treatment in lockable containers or tamper-evident containers. The bill defines “lockable container” as a container that (1) has “special packaging,” which is generally defined under federal law as packaging designed to be significantly difficult for children to open, but not difficult for normal adults to use,¹²¹ and (2) can be unlocked physically using a key, or physically or electronically using a code or password. “Tamper evident container” is defined by the bill as a container that has special packaging and displays a visual sign in the event of unauthorized entry or displays the time the container was last opened.

The reimbursements are to be made during FY 2024 and FY 2025, or until appropriated funds – \$500,000 in each fiscal year – run out.

Obsolete Medicaid waiver repeal

(Repealed 5166.14 (primary) with conforming changes in various other R.C. sections)

The bill repeals the requirement that ODM create a Long-Term Services and Support Medicaid waiver component and removes all references to the waiver component, as it was never implemented.

¹²¹ “Poison Prevention Packaging Act of 1970,” 15 U.S.C. 1471.

Medicaid eligibility

Medicaid optional group coverage expansion

(R.C. 5163.06, 5163.062, and 5163.102)

The bill grants Medicaid coverage to a portion of the optional eligibility group consisting of individuals under the age of 65 with incomes above 133% of the federal poverty line (FPL). It specifies that this covered portion of the group consists of (1) pregnant women, (2) children under age 19, and (3) a reasonable classification of children under 19 who were adopted through private agencies. The income threshold for pregnant women and children under 19 is 300% FPL. There is no income eligibility threshold for children under 19 who were adopted through private agencies. Continuing law unchanged by the bill grants Medicaid coverage to (1) pregnant women with household incomes up to 200% of FPL and (2) insured children with household incomes up to 156% FPL and uninsured children up to 206% FPL.¹²²

The bill requires ODM to exercise the presumptive eligibility option for the above-referenced populations. An entity may serve as a qualified entity to conduct those presumptive eligibility determinations if the entity meets requirements established under federal law, requests to act as a qualified entity, and is determined capable of making those determinations by ODM. Presumptive eligibility is a pathway whereby individuals receive immediate Medicaid benefits based on limited information, allowing them to receive services while applying for Medicaid.

Neonatal Abstinence Syndrome

(R.C. 5103.603)

Additionally, the bill grants Medicaid coverage to the optional eligibility group consisting of infants with neonatal abstinence syndrome who receive services at a pediatric recovery center. For purposes of this added optional eligibility group, the bill specifies that a residential infant care center certified under existing law unchanged by the bill constitutes a residential pediatric recovery center.

Medicaid coverage for workers with a disability

(R.C. 5163.06 and 5163.063; Sections 333.310 and 812.40)

The bill requires the Medicaid program to provide coverage to employed individuals with disabilities whose family income is less than 250% of the federal poverty level. Under federal law, states have the option of extending Medicaid coverage to this group of individuals.¹²³ The bill requires the Director to adopt any rules necessary to provide the coverage.

¹²² R.C. 5163.061 and 5161.10; O.A.C. 5160:1-4-04 and 5160:1-4-02(D).

¹²³ 42 U.S.C. 1396a(a)(10)(A)(ii)(XIII).

In requiring the Medicaid program to cover this group of individuals, the bill declares that it is the intent of the General Assembly to establish Medicaid coverage for employed individuals with disabilities who are 65 years of age or older in a manner that is consistent with the coverage that is provided to individuals who participate in the Medicaid Buy-In for Workers with Disabilities (MBIWD) program established under existing law.

Under continuing law unchanged by the bill, the MBIWD program provides Medicaid coverage to employed individuals with disabilities and employed individuals with medically improved disabilities who are between 16 and 64 years of age.¹²⁴ The individuals covered under the MBIWD program are individuals who make up two other optional eligibility groups under federal law.¹²⁵ However, under federal law, an employed individual with a disability is no longer eligible to participate in the MBIWD program upon reaching 65 years of age. The optional eligibility group the bill requires the Medicaid program to cover also consists of employed individuals with a disability, but federal law authorizing Medicaid coverage for this group does not include an age limit.

The bill delays, for one year after its effective date, implementation of Medicaid coverage for this new group. Additionally, the bill provides that upon approval of a state plan amendment by CMS that authorizes the Medicaid coverage, the Medicaid Director may certify to the OBM Director the necessary amount needed to pay for coverage of the optional eligibility group in FY 2025. Upon this certification, the bill appropriates that amount to ODM.

Continuous Medicaid enrollment for young children

(R.C. 5166.45)

The bill requires the Director to establish a Medicaid waiver component to provide continuous Medicaid enrollment for Medicaid-eligible children from birth through age three. A child who is eligible for Medicaid will remain eligible until the earlier of (1) the end of a continuous 48-month period, or (2) the date the child exceeds age four. The waiver does not apply to a child who is deemed presumptively eligible for Medicaid, is eligible for alien emergency medical assistance, or is eligible for the refugee medical assistance program.

Post-COVID Medicaid unwinding

(Section 333.210; repealed R.C. 5163.52)

After the expiration of the federal COVID-19 emergency period,¹²⁶ the bill requires ODM or its designee to use third-party data sources and systems to conduct eligibility redeterminations of all Ohio Medicaid recipients. To the full extent permitted by state and federal law, ODM or its designee must verify Medicaid recipients' enrollment records against third-party data sources and systems, including any other records ODM considers appropriate

¹²⁴ R.C. 5163.09 through 5163.098, not in the bill.

¹²⁵ 42 U.S.C. 1396a(a)(10)(A)(ii)(XV) and (XVI).

¹²⁶ 42 U.S.C. 1320b-5(g)(1)(B).

to strengthen program integrity, reduce costs, and reduce fraud, waste, and abuse in the Medicaid program. These provisions are similar to provisions enacted in the last main operating budget, which required ODM to conduct a redetermination of all Ohio Medicaid recipients within 90 days of the expiration of the federal COVID-19 emergency period, using enumerated sources of information.

Upon the conclusion of the federal COVID-19 emergency period, the bill requires ODM or its designee to conduct an eligibility review of Medicaid recipients based on the recipient's next eligibility review date. ODM must disenroll those Medicaid recipients who are determined to no longer be eligible based on this expedited review, and must oversee the county determinations and administration to ensure timely and accurate compliance with these requirements.

Additionally, 13 months after the federal COVID-19 emergency period expires, the bill requires ODM to complete a report containing its findings from the redetermination, including any findings of fraud, waste, or abuse in the Medicaid program. The last main operating budget, H.B. 110 of the 134th General Assembly, required the report to be submitted within six months of the emergency's expiration and specified additional agencies as recipients.

Additionally, the bill repeals law enacted in the last main operating budget that establish requirements ODM must follow if it receives federal Medicaid funding contingent on a temporary maintenance of effort restriction or otherwise limiting ODM's ability to disenroll ineligible recipients, such as the maintenance of effort requirements under the Families First Coronavirus Response Act (FFCRA).¹²⁷ First, ODM must conduct eligibility redeterminations for the Medicaid program and act on them to the fullest extent permitted by federal law. Second, within 60 days of the end of the restriction, ODM must conduct an audit where it:

- Completes and acts on eligibility redeterminations for all recipients who have not had a redetermination in the last 12 months;
- Requests approval from the U.S. Centers for Medicare and Medicaid Services (CMS) to conduct eligibility redeterminations for each recipient enrolled for at least three months during the restriction; and
- Submits a report summarizing the results to the Speaker of the House and Senate President.

Unwinding the federal maintenance of effort requirements

The FFCRA granted states a 6.2% point increase in federal matching funds during the federal COVID-19 public health emergency (referred to as the enhanced FMAP). As a condition of that increase, states were required to provide continuous Medicaid coverage to Medicaid beneficiaries enrolled at the beginning of the public health emergency. The Consolidated

¹²⁷ Section 6008, Pub. L. No. 116-127.

Appropriations Act, 2023,¹²⁸ signed by President Biden on December 29, 2022, decouples the continuous coverage requirement from the COVID-19 public health emergency. Under that act, the federal matching rate increases begin to phase out on April 1, 2023, and will be fully eliminated by December 31, 2023. The continuous coverage requirement also ends on April 1, 2023. States have up to one year to initiate all Medicaid renewals, and must conduct those renewals in accordance with federal requirements, which include some temporary flexibilities intended to smooth the unwinding process. The public health emergency is scheduled to end on May 11, 2023.

Medicaid program cost savings report

(R.C. 5162.137)

The bill requires ODM to annually (1) conduct a cost savings study of the Medicaid program and (2) prepare a report based on the study, recommending measures to reduce Medicaid program costs, and submit the report to the Governor.

Medicaid providers

Interest on payments to providers

(R.C. 5164.35 and 5164.60)

The bill limits the time frame when interest is assessed against a Medicaid provider (1) that willingly or by deception received overpayments or unearned payments or (2) that receives an overpayment without intent, to the time period determined by ODM, but not exceeding the time period from the payment date until the repayment date. Current law permits the imposition of interest for the time period from the payment date until the repayment date.

Provider penalties

(R.C. 5164.35)

The bill clarifies that when a Medicaid provider agreement is terminated due to the provider engaging in prohibited activities, the provider may not provide Medicaid services *on behalf of* any other Medicaid provider, instead of to any other Medicaid provider.

Suspension of Medicaid provider agreements and payments

(R.C. 5164.36)

The bill revises the law governing the suspension of Medicaid provider agreements when there are credible allegations of fraud or disqualifying indictments against Medicaid providers or their officers, agents, or owners in all of the following ways. First, the bill prohibits ODM from suspending a provider agreement or Medicaid payments if the provider or owner can demonstrate good cause. It directs ODM to specify by rule what constitutes good cause as

¹²⁸ Pub. L. No. 117-164.

well as the information, documents, or other evidence that must be submitted as part of a good cause demonstration.

Second, the bill maintains the law prohibiting ODM from suspending a provider agreement or Medicaid payments if the provider or owner can demonstrate, by written evidence, that the provider or owner did not sanction the action of an agent or employee resulting in a credible allegation of fraud or disqualifying indictment. Under the bill, ODM must grant the provider or owner – before suspension – an opportunity to submit the written evidence. The bill also eliminates law allowing a Medicaid provider or owner, when requesting ODM to reconsider its suspension, to submit documents pertaining to whether the provider or owner can demonstrate that it did not sanction the agent's or employee's action resulting in a credible allegation of fraud or disqualifying indictment.

Third, the bill adds two other circumstances to the existing two circumstances until which the suspension of a provider agreement may continue – the provider (1) pays in full fines and debts it owes ODM and (2) no longer has certain civil actions pending against it. The suspension must continue until the latest of the four circumstances occurs.

Fourth, when, under current law, a provider or owner requests ODM to reconsider a suspension, the bill eliminates the requirement that ODM complete not later than 45 days after receiving documents in support of a reconsideration both of the following actions: (1) reviewing the documents and (2) notifying the provider or owner of the results of the review.

Criminal records checks

(R.C. 5164.34, 5164.341, and 5164.342)

The bill revises the law governing the availability of criminal records check reports for Medicaid providers, independent providers, and waiver agencies and their employees. Current law specifies that the reports are not public records and prohibits making them available to any person, with certain limited exceptions.

In the case of a waiver agency, the bill authorizes a report of an employee's criminal records check to be made available to a court, hearing officer, or other necessary individual involved in a case or administrative hearing dealing with a denial, suspension, or termination of a Medicaid provider agreement.

With respect to a Medicaid provider or independent provider, the bill authorizes a report of an employee's or provider's criminal records check to be made available to a court, hearing officer, or other necessary individual involved in a case or administrative hearing dealing with a provider agreement suspension. Current law already authorizes such a report to be made available to the court, hearing officer, or other necessary individual in a case involving a denial or termination of a provider agreement.

The bill further authorizes a criminal records check report to be introduced as evidence at an administrative hearing concerning a provider agreement denial, suspension, or termination. If admitted, the bill specifies that the report becomes part of the hearing record. It also requires such a report to be admitted only under seal and specifies that the report maintains its status as not a public record.

HHA and PCA training

(R.C. 5164.913)

The bill prohibits the Department from requiring HHAs and PCAs providing services under MyCare to receive more than eight hours of pre-service training and six hours of annual in-service training. The Department determines what training is acceptable. The bill also permits a registered nurse, licensed practical nurse, or nurse aide to supervise an HHA or PCA.

Under federal regulations, HHAs providing services through Medicare or Medicaid will continue to be required to receive 75 hours of pre-service training and 12 hours of annual in-service training. Additionally, federal regulations require that an HHA providing Medicare or Medicaid services be supervised by a registered nurse or other appropriate professional (such as a physical therapist, speech-language pathologist, or occupational therapist).¹²⁹

Programs

Voluntary community engagement program

(Section 333.190; R.C. 5166.37, not in the bill)

As a result of the COVID-19 public health emergency, H.B. 110 of the 134th General Assembly required the Medicaid Director to establish and implement a voluntary community engagement program by January 1, 2022, and operate the program for the FY 2022-FY 2023 biennium. The bill extends the program through the FY 2024-FY 2025 biennium.

The program is voluntary and available to all medical assistance recipients (individuals enrolled or enrolling in Medicaid, CHIP, the refugee medical assistance program, or other medical assistance program ODM administers). The program must:

- Encourage medical assistance recipients who are of working age and able-bodied to work;
- Promote the economic stability, financial independence, and improved health incomes from work; and
- Provide information about program services, including an explanation of the importance of work to overall physical and mental health.

As part of the program, the Director must explore partnerships with education and training providers to increase training opportunities for Medicaid recipients. The program is to continue through the FY 2024-FY 2025 biennium, or until ODM is able to implement the Work Requirement and Community Engagement Section 1115 Demonstration waiver, whichever is sooner. Note that CMS withdrew its approval for this waiver in August 2021.¹³⁰

¹²⁹ 42 C.F.R. 484.80.

¹³⁰ [CMS letter \(PDF\)](#), August 10, 2021, also available by conducting a keyword search for that date on CMS' website: www.medicaid.gov.

Care Innovation and Community Improvement Program

(Section 333.60)

The bill requires the Director to continue the Care Innovation and Community Improvement Program for the FY 2024-FY 2025 biennium. The Director was originally required to establish it for the FY 2018-FY 2019 biennium.¹³¹

Any nonprofit hospital agency affiliated with a state university and any public hospital agency may volunteer to participate in the program if the hospital has a Medicaid provider agreement. The agencies that participate are responsible for the state share of the program's costs and must make or request that appropriate government entity to make intergovernmental transfers to pay for the costs. The Director must establish a schedule for making the transfers.

The bill requires each participating hospital agency to jointly participate in quality improvement initiatives that align with and advance the goals of ODM's quality strategy.

Under the program, each participating hospital agency receives supplemental Medicaid payments for physician and other professional services that are covered by Medicaid and provided to Medicaid recipients. The payments must equal the difference between the Medicaid rate and the average commercial payment rates for the services. The Director may terminate, or adjust the amount of, the payments if funding for the program is inadequate.

The Director must maintain a process to evaluate the work done under the program by nonprofit and public hospital agencies and their progress in meeting the program's goals. The Director may terminate a hospital agency's participation if the Director determines that it is not participating in required quality improvement initiatives or making progress in meeting the program's goals.

The bill does not include the requirement that existed in the prior budget that, not later than December 31 of each year, the Director must submit a report to the Speaker of the House, the Senate President, and JMOC that details the efficacy, trends, outcomes, and number of hospital agencies enrolled in the program.

All intergovernmental transfers made under the program must be deposited into the existing Care Innovation and Community Improvement Program Fund. Money in the fund and the corresponding federal funds must continue to be used to make the supplemental payments to hospital agencies under the program.

¹³¹ Section 333.320 of H.B. 49 of the 132nd General Assembly, Section 333.220 of H.B. 166 of the 133rd General Assembly, and Section 333.60 of H.B. 110 of the 134th General Assembly.

Ohio Invests in Improvements for Priority Populations

(Section 333.170)

The bill continues the Ohio Invests in Improvements for Priority Populations Program as a directed payment program for inpatient and outpatient hospital services provided to Medicaid managed care recipients receiving care at state university-owned hospitals with fewer than 300 inpatient beds.

Under the program, participating hospitals receive payments directly (instead of through the contracted Medicaid MCO) for inpatient and outpatient hospital services provided under the program and remit to ODM the nonfederal share of payment for those services. The hospital must pay ODM through intergovernmental transfer. Funds transferred under the program must be deposited into the Hospital Directed Payment Fund.

In general, under federal law, states are prohibited from (1) directing Medicaid MCO expenditures or (2) making payments directly to providers for Medicaid MCO services (“directed payments”) unless permitted under federal law or subject to federal authorization.¹³² Therefore, the bill requires the Director to seek CMS approval to operate the program.

Physician directed payment program

(Section 333.260)

The bill also permits the Medicaid Director to seek CMS approval to establish one or more physician directed payment programs for directed payments for nonpublic hospitals and the related health systems. The programs must advance the maternal and child health goals of ODM’s quality strategy.

Under the program, participating hospitals receive payment directly for physician services provided to enrollees and remit to ODM the nonfederal share of those services through intergovernmental transfer. The directed payments may equal up to the average commercial level for participating health systems for physician and other covered professional services provided to Medicaid MCO enrollees. Eligible public entities may transfer funds to be used for the directed payments through intergovernmental transfer into the Health Care/Medicaid Support and Recoveries Fund.

Under the programs, ODM may only make directed payments to the extent local funds are available for the nonfederal share of the cost for the services. If receipts credited to the program exceed the available amounts in the fund, the Director can adjust the directed payment amounts or terminate the program.

¹³² [CMS directed payments letter \(PDF\)](#), January 8, 2021, available by conducting a keyword search of that date on CMS’s website: [medicaid.gov](https://www.medicaid.gov).

Medicaid GEMT supplemental payment program

(R.C. 5164.96)

The bill requires the Director to submit a Medicaid state plan amendment to CMS seeking authorization to establish and administer a supplemental payment program that provides supplemental Medicaid payments to eligible EMS organizations. If the state plan amendment is approved, the Director must establish and administer the program and adopt rules to implement the program.

Under the bill, an EMS organization is eligible to receive supplemental Medicaid payments under the supplemental payment program if it meets all of the following requirements: (1) the EMS organization is a public organization operated by a governmental entity, (2) the EMS organization holds a valid Medicaid provider agreement, and (3) the EMS organization provides emergency medical transportation services to Medicaid recipients.

Medicaid in Schools Program

(Section 333.280)

Requires ODM to seek approval from CMS by December 31, 2023, to expand the existing Medicaid in Schools Program to include payment for any Medicaid covered services to an eligible individual when performed by a qualified provider in a school setting. Continuing law specifies which occupational therapy, physical therapy, speech-language pathology, audiology, nursing, and mental health services are eligible for coverage as a part of the program.¹³³

ODM doula program

(R.C. 5164.071)

The bill requires ODM to operate a program to cover doula services. The program is to begin one year after the bill's effective date and conclude five years after that date. The doula services must be provided by a doula who has a valid Medicaid provider agreement and is certified by the Ohio Board of Nursing (see "**Doula certification**").

Medicaid payments

Under the program, Medicaid payments for doula services are to be determined on the basis of each pregnancy, regardless of whether multiple births occur as a result of that pregnancy.

Annual reports

The bill establishes several reporting requirements related to the Medicaid Program, including the following:

- Outcome measurements and incentives for the program must be consistent with the state's Medicare-Medicaid Plan Quality Withhold methodology and benchmarks.

¹³³ R.C. 5162.364; O.A.C. 5160-35-05.

- The Director must complete an annual report regarding program outcomes, including those related to maternal health and morbidity and estimated fiscal impacts.
- The final annual report must include recommendations related to whether the program should be continued.
- The Medicaid Director must provide a copy of the annual report to the Joint Medicaid Oversight Committee.

Rulemaking

The Director must adopt rules implementing the bill's provisions. The bill exempts the rules adopted under it from existing law that limits regulatory restrictions adopted by certain agencies.

Hospital Care Assurance Program; franchise permit fee

(Sections 610.80 and 610.81, amending Sections 125.10 and 125.11 of H.B. 59 of the 130th G.A.)

The bill continues the Hospital Care Assurance Program (HCAP) for two additional years. The program had been scheduled to end October 16, 2023. The act extends it to October 16, 2025. Under HCAP, hospitals are annually assessed an amount based on their total facility costs, and government hospitals make annual intergovernmental transfers. The Department distributes to hospitals money generated by the assessments and intergovernmental transfers along with federal matching funds. A hospital compensated under the program must provide (without charge) basic, medically necessary, hospital-level services to Ohio residents who are not recipients of Medicare or Medicaid and whose income does not exceed the federal poverty line.

The bill also continues for two additional years another assessment imposed on hospitals; that assessment is to end on October 1, 2025, rather than October 1, 2023. The assessment is in addition to HCAP, but like that program, it raises money to help pay for the Medicaid program. To distinguish the assessment from HCAP, the assessment is sometimes called a hospital franchise permit fee.

Medicaid payment rates

Payment rates for community behavioral health services

(Section 333.140)

The bill permits ODM to establish Medicaid payment rates for community behavioral health services provided during FY 2024 and FY 2025 that exceed the Medicare rates for those services. This authorization does not apply to those services provided by hospitals on an inpatient basis, nursing facilities, or ICFs/IID.

Competitive wages for direct care workforce

(Section 333.230)

The bill includes funding from ODM, in collaboration with the Department of Developmental Disabilities and ODA, to be used for provider rate increases, in response to the

adverse impact experienced by direct care providers as a result of the COVID-19 pandemic and inflationary pressures. The bill requires the provider rate increases be used to increase wages and workforce supports to ensure workforce stability and greater access to care for Medicaid recipients.

Assisted Living program payment rates

(Section 333.240)

The bill requires ODM, in consultation with ODA, to adopt rules, effective November 1, 2023, to do both of the following:

1. Establish an assisted living services base payment rate of at least \$130 per day for residential care facilities (commonly known as “assisted living” facilities) participating in the Medicaid-funded component of the Assisted Living program.

2. Establish an assisted living memory care service payment rate for such facilities that is at least \$25 more per day than the base payment rate described above. The memory care service payment rate must be based on additional costs that a provider may incur from serving individuals with dementia. It is only available for patients who were determined by a practitioner to need a memory care unit and who reside in units with a direct care staff to resident ratio that is at least 20% higher for individuals with dementia than for individuals without.

The bill also requires the departments to adopt rules establishing an assisted living critical access payment rate for residential care facilities participating in the Medicaid-funded Assisted Living program that averaged at least 50% of their residents receiving Medicaid-funded services during the last fiscal year. For such facilities, the critical access payment must be at least \$15 more per day than the base payment rate described above and the memory care service payment rate must be at least \$10 higher than the critical access payment rate. No date is specified for the adoption of these rules.

Finally, the departments must, in consultation with industry stakeholders, adopt rules by July 1, 2024, establishing a methodology for determining assisted living service rates, including memory care services and critical access services, that provide for adjusting the rates annually based on changes to the Consumer Price Index for All Items for All Urban Consumers for the Midwest Region, as published by the U.S. Bureau of Labor Statistics.

Direct care provider payment rates

(Section 333.29)

The bill earmarks Medicaid funds to be used to increase the provider base wages to \$17 an hour in FY 2024, beginning January 1, 2024, and \$18 an hour in FY 2025, beginning July 1, 2024, for the following services provided under Medicaid components of the home and community-based services waivers administered by ODM or ODA:

1. Personal care services;
2. Adult day services;

3. Community behavioral health services; and
4. Other waiver services under the HCBS waivers administered by the departments.

Federally qualified health center payment rates

(Section 333.17)

The bill earmarks \$20.7 million in each fiscal year to increase payment rates to federally qualified health centers (FQHCs) and FQHC look-alikes. FQHCs are nonprofit health clinics that qualify for and receive federal funds, where services are provided on a fee based on a patient's ability to pay. FQHC look-alikes qualify for but do not receive federal funding.

Vision and eye care services provider payment rate

(Section 333.25)

The bill earmarks funds to increase Medicaid provider payment rates for vision services and medically billed eye care provided to Medicaid recipients during FY 2024. The increase is added to FY 2023 payment rates and must be maintained during FY 2025.

Dental provider payment rates

(Section 333.27)

The bill earmarks \$122 million in FY 2024 and \$244 million in FY 2025 to increase the payment rate to dental providers treating Medicaid enrollees.

Medicaid MCO credentialing

(Repealed R.C. 5167.102 and 5167.12)

The bill repeals law that requires ODM to permit Medicaid MCOs to create a credentialing process for providers, because ODM is now credentialing Medicaid providers instead of Medicaid MCOs. As a conforming change, the bill modifies language that prohibits a Medicaid MCO from imposing a prior authorization requirement on certain antidepressant or antipsychotic drugs that are prescribed by a physician credentialed by the Medicaid MCO to instead refer to a physician who has registered with ODM.

Nursing facilities

Special Focus Facility Program

(R.C. 5165.771)

The bill makes changes to the law regarding the federal Special Focus Facility (SFF) Program to align with federal changes to the program. First, the bill references standard health surveys, which, under the federal changes, are comprehensive on-site inspections conducted every six months by the state nursing facility licensing agency on behalf of CMS. The bill replaces references to the old SFF tables and instead requires ODM to terminate a nursing facility's participation in the Medicaid program if it has not graduated from the SFF program after two standard health surveys, instead of based on the time the facility is listed in SFF tables.

Second, the bill prohibits a nursing facility from appealing to ODM an ODM order terminating the facility's participation in the Medicaid program if the appeal challenges (1) standard health findings under the SFF program or (2) a CMS determination to terminate the nursing facility's participation in the Medicare or Medicaid program. Instead, the appeals must be brought to (1) the Department of Health or (2) CMS, respectively.

Nursing facility case-mix scores

(R.C. 5165.01, 5165.152, and 5165.192)

The bill updates the terminology used to calculate nursing facility case-mix scores to correspond to a new federal model. Effective October 1, 2019, CMS implemented a new payment model for nursing homes under the Medicare and Medicaid programs. The model, referred to as the Patient Driven Payment Model, consists of case-mix adjusted components (relative resources needed to provide care and habilitation to residents).

The bill updates terminology relating to nursing facility case-mix scores from "low resource utilization resident" to "low case-mix resident" to accord with the new model.

Debt summary reports; debts related to exiting operators

(R.C. 5165.52, 5165.521, 5165.525, 5165.526, and 5165.528)

The bill makes several changes related to exiting operators of nursing facilities and various related duties of ODM. Regarding a requirement that ODM determine the actual amount of debt an exiting operator owes ODM, the bill requires ODM to issue a final debt summary report. This is in place of existing law under which an initial or revised debt summary report may automatically become the final debt summary report.

Also regarding exiting operators, the bill eliminates the following provisions related to debts an operator owes to CMS:

- A requirement that ODM determine other actual and potential debts the exiting operator owes or may owe to CMS;
- Authorization for ODM to withhold from a payment due to an exiting operator the total amount the exiting operator owes or may owe to CMS;
- A requirement that ODM determine the actual amount of debt an exiting operator owes to CMS by completing all final fiscal audits not already completed and performing other appropriate actions;
- Regarding releasing amounts withheld from an exiting operator, authorization for ODM to deduct any amount an exiting operator owes CMS; and
- Authorization for moneys in the Medicaid Payment Withholding Fund to be used to pay CMS amounts an exiting operator owes CMS under Medicaid.

All of the above-described provisions are retained as they relate to debt owed to ODM under current law, and eliminated only with regard to debt owed to CMS. The bill, however, eliminates law expressly requiring ODM's debt estimate methodology to address any final civil monetary and other penalties.

Nursing facility field audit manual and program

(R.C. 5165.109)

Under continuing law, ODM may conduct audits for any cost reports filed as either an annual cost report by a nursing home or by an exiting operator of a nursing home. The bill removes the requirement that ODM establish a program and publish a manual for those audits conducted in the field. Instead, the bill specifies general parameters for field audit procedures. Specifically, ODM must develop an audit plan before the audit begins for any audits it conducts, but the scope of the audit may change during its course based on the observations and findings. Field audits conducted by an auditor under contract with ODM must be conducted by procedures agreed upon between ODM and the auditor.

The bill eliminates the requirements, as part of the eliminated field manual, that all auditors conducting field audits:

- Comply with federal Medicare and Medicaid law;
- Consider standards prescribed by the American Institute of Certified Public Accountants;
- Include a written summary with each audit about whether cost report that is the subject of the audit complied with state and federal laws and the reported allowable costs were documented, reported, and related to patient care;
- Completed each audit within a time period specified by ODM; and
- Provide to the nursing home provider written information about the audit's scope and ODM's policies, including examples of allowable cost calculation.

Nursing facility workforce relief funds

(Sections 610.30, 610.31, and 803.200, amending section 280.28 of H.B. 45 of the 134th G.A.)

The bill expands the facilities eligible to receive workforce relief funds appropriated in H.B. 45 of the 134th General Assembly by including nursing homes that are not certified by CMS to participate in the Medicaid program, instead of only those that are certified by CMS (nursing facilities).

That act appropriated \$350 million in American Rescue Plan Act (ARPA) funds to be used by OBM to make lump-sum payments to nursing facilities that are Medicaid providers, for workforce relief payments to be used for general relief and items not covered by Medicaid rates or Medicaid MCO contracts. Existing law requires OBM to distribute the funds as soon as practicable, but no later than April 1, 2023, as follows:

1. 40% of the funds as payments to nursing facilities based on each facility's total number of Medicaid days in calendar year 2021; and
2. 60% as quality payments to nursing facilities.

A nursing facility's quality score is calculated according to a specified formula that is similar to the quality incentive payment formula used to calculate nursing facility per Medicaid day payment rates under continuing law.

In including nursing homes as recipients of the funds, the bill removes the requirement that the recipient be a Medicaid provider and that OBM distribute the funds no later than April 1, 2023. Additionally, the bill provides that nursing homes are to receive payments under (1) above based on the median number of Medicaid days for all nursing facilities in this state during calendar year 2021 and under (2) above based on the median quality score for all nursing facilities for which a quality score was determined.

Nursing facility per Medicaid day payment rate

(R.C. 5165.15 and 5165.151)

The bill modifies the formula used to calculate the Medicaid payment amount ODM makes to nursing facilities for Medicaid residents (referred to as the per Medicaid day payment rate in the Revised Code) as follows:

- Removes the \$1.79 deduction that is part of calculating a facility's base rate;
- Includes a deduction for low occupancy nursing facilities;
- For the initial rate paid to new nursing facilities, increases the add-on to \$16.44 from \$14.65.

Ancillary and support costs and direct care costs

(R.C. 5165.16 and 5165.19)

The bill makes changes to two of the cost center calculations that are used as part of the per Medicaid day payment rate formula. Under the bill, a nursing facility's ancillary and support costs and direct care costs rates are determined based on the median rate for those costs in that year for the peer group, instead of the rate at the 25th percentile of that peer group. Additionally, the bill removes inflationary adjustments for those cost centers.

During FY 2024 and FY 2025, the bill adds another modification to the direct care costs calculation. Beginning on January 1, 2024, through the end of the biennium, ODM must determine each nursing facility's direct care costs rate by multiplying the per case-mix unit determined for the peer group under the calculation by the case-mix score selected by the nursing facility. A facility may select either of the following for its case-mix score:

1. The semi-annual case-mix score determined under the regular calculation; or
2. The facility's quarterly case-mix score from March 31, 2023, which will apply during the period from January 1, 2024, through June 30, 2025.

If a facility does not select its case-mix score mechanism by October 1, 2023, the case-mix score determined under the regular calculation applies.

Low occupancy deduction

(R.C. 5165.23 and 5165.15)

Under the bill, a nursing facility that has an occupancy rate lower than 65% is considered a low occupancy nursing facility and receives a low occupancy deduction as part of its per Medicaid day payment rate. Each state fiscal year, ODM must determine the low occupancy

deduction for each low occupancy nursing facility, equal to 5% of the facility's total per Medicaid day payment rate for that fiscal year.

For purposes of this deduction, ODM must calculate the facility's occupancy rate based on the occupancy rate of the licensed beds listed on its cost report for the calendar year before the fiscal year for which the rate is determined, or if the facility is not licensed, the occupancy rate for its certified beds. If the facility surrenders licensed or certified beds before May 1 of the calendar year in which the fiscal year begins, ODM must calculate the facility's occupancy rate by dividing the number of inpatient days reported on the facility's cost report for the calendar year preceding the fiscal year for which the rate is determined by the product of (1) the number of days in the calendar year and (2) the facility's number of licensed or certified beds on May 1. A nursing facility that is owned by a county and operated by a person other than a county is ineligible for the low occupancy deduction.

Private room incentive payment

(R.C. 5165.158 and 5165.01)

Beginning July 1, 2023, the bill adds a private room incentive payment rate to the per Medicaid day payment rate formula. The private room incentive payment is \$30 for FY 2024, and ODM may increase the rate in subsequent fiscal years. Nursing facilities with private rooms are eligible for the incentive payment. A private room is a bedroom that:

1. Has four permanent, floor-to-ceiling walls and a full door;
2. Contains one licensed or certified bed occupied by only one individual;
3. Has access to a hallway without traversing another bedroom;
4. Has direct, unshared access to a toilet and sink shared by not more than one other resident without traversing another bedroom; and
5. Meets all applicable licensure or other standards pertaining to furniture fixtures, and temperature control.

Beginning on July 1, 2023, ODM must approve rooms in nursing facilities for the private room incentive payment. A nursing facility provider must apply for approval of its private rooms in the form and manner prescribed by ODM. ODM may specify evidence that an applicant must supply to demonstrate that a room meets the definition of a private room. ODM may consider only applications that meet the following criteria, and may specify evidence an applicant must supply to demonstrate it meets those criteria:

1. Rooms that are reported on the nursing facility provider's cost report for calendar year 2022, or a new nursing facility licensed after October 1, 2022;
2. Rooms created by surrendering licensed or certified beds from the facility's licensed or certified bed capacity; or
3. Rooms created by adding space to the facility or renovating nonbedroom space, without increasing the facility's licensed bed capacity.

ODM must approve an application for rooms that meet the definition of a private room described above, but may deny an application if it determines that the rooms included in the application do not meet the definition of a private room or the criteria listed above or that the applicant created private rooms by reducing the number of available beds without reducing the facility's licensed capacity. An applicant can request a reconsideration of a denial.

Quality incentive payments

(R.C. 5165.26 and 5165.15; Section 333.290)

Under continuing law, a nursing facility's per Medicaid day payment rate includes a quality incentive payment, which is determined through a specified calculation. The bill modifies the quality incentive payment rate calculation by adding new components and removing existing components, as follows.

First, the bill extends the quality incentive payments. Under H.B. 110 of the 133rd General Assembly, the quality incentive payments were only in effect during FY 2022 and FY 2023. The bill removes that limitation and continues the quality incentive payments in perpetuity.

Second, the bill includes provisions in the event CMS develops new nursing facility metrics. A nursing facility's quality points are based on the number of points that CMS assigned to the facility using its five-star quality rating system, known as the Nursing Home Care Compare, for specified quality metrics. The bill specifies that in the event CMS develops new quality metrics, the calculation is to be based on the successor metrics on the same topics.

Third, the bill adds an occupancy adjustment to the calculation. If a nursing facility's occupancy rate is above 75%, the facility receives an additional 7.5 points. ODM must calculate a nursing facility's occupancy rate using the facility's occupancy rate for licensed beds on its cost report for the calendar year preceding the fiscal year for which the rate is determined, or if the facility is not licensed, its occupancy rate for certified beds. If the facility surrenders licensed or certified beds before May 1 of the calendar year in which the fiscal year begins, ODM must calculate the facility's occupancy rate by dividing the number of inpatient days reported on the facility's cost report for the calendar year preceding the fiscal year for which the rate is determined by the product of (1) the number of days in the calendar year and (2) the facility's number of licensed or certified beds on May 1 of the calendar year in which the fiscal year begins.

Fourth, beginning with FY 2025, the bill adds three new quality metrics to the calculation. Beginning on July 1, 2024, ODM must add the number of points the facility receives in ODM's Nursing Home Care Compare, or successor metrics, for the following metrics:

1. The percentage of the facility's long-stay residents whose need for help with daily activities has increased;
2. The percentage of the facility's long-stay residents experiencing one or more falls with major injury; and
3. The percentage of the facility's long-stay residents who were administered antipsychotic medication.

In its notice to nursing facilities with their FY 2024 rates, ODM must notify each facility of how many quality points the facility would have received, based on calendar year 2022 data, for the new quality metrics.

Fifth, the bill removes exemptions to the quality incentive payments. Under current law, nursing facilities do not receive quality payments under the following circumstances that the bill removes:

- If a nursing facility's total number of points for the quality metrics is less than the 25th percentile of all nursing facilities, its points are reduced to zero.
- A facility does not receive a quality incentive payment if its occupancy percentage was less than 80% in the applicable fiscal year, *unless* (1) the facility had a quality score of at least 15 points, (2) the facility was initially certified for participation in Medicaid on or after January 1, 2019, (3) one or more of the beds were unable to be used due to causes beyond the reasonable control of the operator, or (4) the facility underwent a renovation between 2018 and 2020 that involved capital expenditures of at least \$50,000 and that directly impacted the area where the facility's licensed beds were located.
- A facility does not receive a quality incentive payment if the facility was designated on the Special Focus Facility List maintained by the U.S. Department of Health and Human Services of facilities with quality issues.

Sixth, the bill adds a component to be included in the calculation for the total amount to be spent on quality incentive payments based on the facility's cost centers. As part of the calculation, ODM must include 60% of the sum of the per diem amount by which the nursing facility's rate for ancillary and support costs and its rate for direct care costs changed as a result of the rebasing conducted for FY 2024.

Seventh, the bill caps the amount that is to be added to the amount to be spent on quality incentive payments in a fiscal year at \$125 million in each fiscal year, instead of \$25 million in FY 2022 and \$125 million in FY 2023.

Eighth, the bill grants quality incentive payments to new nursing facilities and, under certain circumstances, nursing facilities that undergo a change of operator. Under current law, neither receive a quality incentive payment for the initial year or the year of the change, as applicable. Under the bill, beginning July 1, 2023, a new nursing facility receives a quality incentive payment for the fiscal year of its initial provider agreement and the immediately following fiscal year equal to the median quality incentive payment amount determined for nursing facilities for the fiscal year. After those years, the facility receives a payment based on the normal calculation.

A nursing facility that undergoes a change of operator effective April 1, 2023, or after will not receive a quality payment until the earlier of the January 1 or July 1 that is six months after the effective date of the change. Thereafter, the payment rate will be determined by the normal calculation. To receive the payment, the entering operator must own the physical assets

of the nursing facility or have at least a majority ownership of the entity that owns the assets of the nursing facility.

Rebasing

(R.C. 5165.36; Section 333.300)

Under continuing law, at least every five years, ODM must recalculate each nursing facility's cost centers to account for increasing costs over time and use those figures when determining a nursing facility's per Medicaid day payment rate. The bill increases the frequency of rebasing to at least once every two years beginning in FY 2024. The bill also removes provisions, added in H.B. 110 of the 134th General Assembly, that require nursing facility providers to spend additional money received as a result of the FY 2022 rebasing on direct care costs, ancillary and support costs, and tax cost centers only. The bill further provides that for FY 2024 and FY 2025, ODM must include in each nursing facility's per Medicaid day payment base rate only 40% of the sum of the increase in the facility's rate for direct care costs and its rate for ancillary and support costs that result from the FY 2024 rebasing.

STATE MEDICAL BOARD

Sonographer use of intravenous ultrasound enhancing agents

- Authorizes a sonographer to administer intravenously ultrasound enhancing agents under physician delegation if certain conditions are met.

Licensure of music therapists

- Creates licensing requirements for the practice of music therapy and requires the State Medical Board to license and regulate music therapists.
- Prohibits, beginning one year after the Music Therapy Licensing Law's effective date, unlicensed individuals from knowingly providing music therapy services or using the title "music therapist" or a similar title.
- Establishes criminal penalties for violating that prohibition.
- Specifies the activities in which a licensed music therapist may and may not engage.
- Lists the requirements and establishes procedures for obtaining initial and renewed music therapy licenses.
- Establishes grounds and procedures for taking disciplinary action against a licensee or license applicant.
- Creates the Music Therapy Advisory Committee to provide expertise and assistance to the Medical Board in regulating the practice of music therapy.
- Authorizes the Medical Board to adopt rules to implement the Music Therapy Licensing Law.

Legacy Pain Management Study Committee

- Establishes the Legacy Pain Management Study Committee to study and evaluate the care and treatment of patients experiencing chronic or debilitating pain, in particular those who have been prescribed opioids for lengthy periods of time, often referred to as legacy patients.
- Requires the committee, by December 1, 2024, to prepare and submit to the General Assembly a report of its recommendations for legislation addressing the care and treatment of legacy patients.

Sonographer use of intravenous ultrasound enhancing agents

(R.C. 4731.37)

Conditions on delegation and administration

The bill authorizes a sonographer to administer, under a physician's delegation, an ultrasound enhancing agent intravenously if several conditions are met. These include the following:

- The delegating physician's normal course of practice and expertise must include the intravenous administration of ultrasound enhancing agents.
- The sonographer must have successfully completed an education and training program in sonography, be certified by a nationally recognized accrediting organization, and have successfully completed training in the intravenous administration of ultrasound enhancing agents. Under the bill, training in intravenous administration may be obtained as part of a sonography education and training program, training provided by the delegating physician, or a training program developed and offered by the facility where the physician practices.
- The sonographer must administer the agent in accordance with a written practice protocol developed by the facility. The protocol's standards for intravenous administration must align with clinical standards and industry guidelines.
- The delegating physician must be physically present at the facility where the sonographer administers the agent, though the bill specifies that the physician is not required to be in the same room as the sonographer.

Intravenous mechanism

Under the bill, the delegated authority to administer an ultrasound enhancing agent intravenously also includes the authority to insert, maintain, and remove an intravenous mechanism.

Exemptions

The bill specifies that it does not prohibit any of the following individuals from administering intravenously an ultrasound enhancing agent:

- An individual who is otherwise authorized by statutory law to administer intravenously ultrasound enhancing agents, including a physician assistant, registered nurse, or licensed practical nurse;
- An individual who is awaiting certification or registration as a sonographer and administers the agent under the general supervision of a physician and the direct supervision of either a sonographer with delegated authority to administer agents intravenously or an individual otherwise authorized to administer agents intravenously;
- A student who is enrolled in a sonography education and training program and, as part of the program, administers intravenously ultrasound enhancing agents.

Licensure of music therapists

(R.C. Chapter 4787 with conforming changes in R.C. 109.572, 4731.07, 4731.224, 4731.24, 4731.25, 4776.01, and 4776.20; Section 747.20)

Ohio does not currently regulate the practice of music therapy or require music therapists to be licensed. To practice as a music therapist, the bill requires an individual to be licensed by the State Medical Board.

Unlicensed practice prohibited

Beginning one year after the Music Therapy Licensing Law's effective date, a person is prohibited from knowingly providing music therapy services or using the title "music therapist" or a similar title without a valid license issued by the Medical Board.

The bill defines "music therapy" as the clinical use of music interventions to accomplish individualized goals within a therapeutic relationship through an individualized music therapy treatment plan developed for a client. "Music therapy services" are services a licensed music therapist is authorized under the bill to provide to achieve the goals of music therapy.

Penalty

A person who violates the bill's prohibition against the unlicensed practice of music therapy or use of title is guilty of a fourth degree misdemeanor for the first offense and a third degree misdemeanor for each subsequent offense.

Exemptions

The bill exempts the following individuals from the requirement to obtain a license to practice music therapy, as long as the individual does not represent the individual's self as a music therapist:

- **Individuals performing services in an accredited music therapy program** – individuals who perform services or participate in activities as an integral part of a program of study in an accredited music therapy program;
- **Individuals performing services incidental to their profession** – individuals holding a professional license in Ohio, or their supervised employees, who use music in performing services that are incidental to the practice of the individual's profession;
- **Individuals with training and national certification** – individuals whose training and national certification attests to the individual's preparation and ability to practice the individual's certified profession or occupation;
- **Supervised individuals** – individuals who practice music therapy under the supervision of a licensed music therapist.

Scope of practice

Required action

The bill requires a licensed music therapist to collaborate with a client's physician, psychologist, primary care provider, or mental health professional, as applicable, to review the

client's diagnosis, treatment needs, and treatment plan before providing music therapy services for a medical, developmental, or mental health condition. The music therapist also must collaborate with the client's treatment team while providing music therapy services.

Permissible activities

The bill authorizes a licensed music therapist to do any of the following activities:

- Accept referrals for music therapy services from health care, social service, or education professionals, clients, or caregivers of prospective clients;
- Conduct a music therapy assessment of a client to collect systematic, comprehensive, and accurate information necessary to determine appropriate music therapy services;
- Develop an individualized treatment plan for a client that identifies the goals, objectives, and potential strategies of appropriate music therapy services for the client using music interventions, including music improvisation, receptive music listening, song writing, lyric discussion, music and imagery, music performance, learning through music, and movement to music;
- If applicable, carry out an individualized treatment plan consistent with other medical, developmental, mental health, educational, or rehabilitative services being provided to the client;
- Evaluate a client's response to music therapy and the individualized treatment plan and suggest modifications;
- Develop a plan to determine when music therapy services are no longer needed in collaboration with a client, the client's treatment providers, family members, and other persons as needed;
- Minimize any barriers for the client to receive music therapy services in the least restrictive environment;
- Collaborate with and educate the client, the client's family or caregiver, or any other appropriate person about the client's needs being addressed through music therapy and the manner in which music therapy addresses those needs.

The bill does not prohibit a licensed music therapist from providing services to a client diagnosed with a communication disorder.

Prohibited activities

The bill prohibits a licensed music therapist from doing either of the following:

- Replacing speech and language services typically provided to a child with a disability who has been identified as having a speech or language impairment when providing educational services under the bill;
- Replacing the services provided by a speech-language pathologist when providing rehabilitative services.

Licensure

License requirements

To be eligible for a license to practice as a music therapist, the bill requires an individual to provide proof of all of the following to the Medical Board:

- **Age** – proof the applicant is at least 18 years old;
- **Education** – proof the applicant has earned a bachelor’s degree or higher in music therapy approved by the American Music Therapy Association or its successor;
- **Board certification** – proof the applicant has either passed the board certification examination by the Certification Board for Music Therapists, or obtained certification as a music therapist by the Certification Board on January 1, 1985, and is currently certified as a music therapist by the Certification Board;
- **Clinical training** – proof the applicant has completed at least 1,200 hours of clinical training, including at least 180 hours in preinternship experience and at least 900 hours in internship experience approved by an academic institution, the American Music Therapy Association or its successor, or both.

For one year beginning on the Music Therapy Licensing Law’s effective date, the Medical Board must waive the examination requirement for licensure if the individual demonstrates the individual is either a board-certified music therapist or is designated as a registered music therapist, certified music therapist, or advanced certified music therapist and is in good standing with the National Music Therapy Registry. For the purposes of the waiver provision, “board-certified music therapist” is an individual who has completed the education and clinical training requirements established by the American Music Therapy Association, has passed the Certification Board for Music Therapists certification examination or obtained certification by the Certification Board on January 1, 1985, and remains actively certified by the Certification Board.

License application and issuance

An individual seeking a license to practice as a music therapist must file with the Medical Board a completed application on a form provided by the Board, pay an application fee of \$150 or a higher amount established by the Board, and submit to a criminal records check.

If the Board determines that an applicant meets the requirements for a license to practice as a music therapist, the Board must issue a license within 60 days after receiving the required information from an applicant and proof that the applicant complied with the required criminal records check. A license is valid for three years from the date of issuance and may be renewed.

Not earlier than one year after the Music Therapy Licensing Law’s effective date, the Medical Board may require an application fee in excess of \$150 with Controlling Board approval, so long as the increase does not exceed 50% of the fee or the amount necessary for the Board to carry out the Music Therapy Licensing Law.

Out-of-state applicants

Beginning December 29, 2023, the Medical Board must issue a license to practice as a music therapist to an applicant in accordance with the Occupational Licenses for Out-of-State Applicants Law¹³⁴ if the applicant:

- Holds a license to practice as a music therapist in another state; or
- Has satisfactory work experience, a government certification, or a private certification in the practice of music therapy in a state that does not issue a license to practice as a music therapist.

License renewal

An individual seeking to renew a music therapist license must apply for license renewal before the license expires. The Medical Board must send renewal notices at least one month before the license expiration date. A licensee must notify the Board in writing of any change in address.

To renew, a licensee must submit to the Board a completed renewal application and a renewal fee of \$150 or other amount prescribed by the Board. Not earlier than one year after the Music Therapy Licensing Law's effective date, the Medical Board may require a fee in excess of that amount with Controlling Board approval, so long as the increase does not exceed 50% of the fee or the amount necessary for the Board to carry out the Music Therapy Licensing Law.

To be eligible for renewal, a licensee must submit to the Medical Board proof of both of the following:

- Proof that the licensee has continuously maintained the licensee's certification for the previous three years by the Certification Board for Music Therapists or its successor organization and is currently certified as a music therapist by the Certification Board;
- Proof that the licensee has completed at least 60 hours of continuing education approved by the Certification Board or its successor and any other continuing education requirements established by the Medical Board.

License forfeiture and inactive status

A music therapy license that is not renewed on or before its expiration date is delinquent and must be forfeited to the Medical Board. The Board must notify the licensee of the delinquency by certified mail, return receipt requested, within 30 days after the license becomes delinquent. The Board must inform the licensee in the notice that the licensee's license is forfeited and explain procedures for restoring the forfeited license.

A licensee can restore a forfeited license within one year after the delinquency by meeting the bill's license renewal requirements. The Board must terminate a forfeited license

¹³⁴ R.C. Chapter 4796 (effective December 29, 2023).

that is not restored within one year after it becomes delinquent. The Board may require an individual whose license has been terminated to apply for a new license.

On a licensee's written request, the Board may place a license on inactive status for up to two years if the licensee pays an inactive status fee established by the Board. A licensee may reactivate an inactive license at any time during the two-year period if the licensee makes a written request to the Board and fulfills any requirements established by the Board.

Discipline

Complaints

If a member of the Medical Board or Music Therapy Advisory Committee (see below) becomes aware of grounds for initiating disciplinary action against a licensee, the bill requires the member to file a written complaint with the Board. As soon as practicable after receiving a complaint, the Board must conduct an investigation to determine whether the complaint's allegations warrant initiating disciplinary proceedings against the licensee.

Grounds for discipline

If, after an investigation conducted by the Medical Board and after notice and hearing in accordance with the Administrative Procedure Act, the Board finds grounds to take disciplinary action against a licensee or applicant, the bill authorizes the Board to take disciplinary action as described below for any of the following reasons:

- Submitting false, fraudulent, or misleading information to the Board, a state agency, another state, or the federal government;
- Violating the Music Therapy Licensing Law or any rules adopted under it;
- Being convicted of or pleading guilty to a disqualifying offense (which is an offense that is a felony having a direct nexus to the individual's field of licensure, certification, or employment) or a crime of moral turpitude;
- Having an impaired ability to practice according to acceptable and prevailing standards of care because of habitual or excessive use or abuse of drugs, alcohol, or other substances that impair the ability to practice;
- Using fraud or deception in applying for a license;
- Failing to pay fees when due;
- Failing to timely provide requested information;
- Failing to practice music therapy with reasonable skill and consistent with the welfare of clients, including negligence in the practice of music therapy, incapacity, and abuse of or engaging in sexual contact with a client;

- Being subject to disciplinary action by another jurisdiction regarding a license to practice music therapy issued by that jurisdiction.¹³⁵

Disciplinary actions

The bill authorizes the Medical Board to take any of the following disciplinary actions, or a combination of them, against a licensed music therapist or an applicant for a license:

- Place a licensee on probation;
- Administer to an applicant or licensee a public reprimand;
- Refuse to issue or renew a license;
- Suspend or revoke a license;
- Impose an administrative fine between \$100 and \$1,000 for each violation.

The Medical Board cannot refuse to issue an initial license to an applicant because of a conviction of or plea of guilty to an offense unless the refusal is in accordance with the continuing law procedure that limits a licensing authority's ability to refuse to issue an initial license based on a prior disqualifying offense.¹³⁶

Injunction

The bill authorizes the Medical Board to sue to enjoin persons from violating or continuing to violate the Music Therapy Licensing Law or any rules adopted under it. An injunction may be issued without proof of actual damage to a person and does not prohibit criminal prosecution and punishment of the violator.

Child support orders

On receipt of a notice that a licensed music therapist is in default under a child support order under the procedures established in continuing law, the bill requires the Medical Board to comply with the requirements of that law or rules adopted pursuant to it with respect to a music therapist license issued under the bill.

Human trafficking

On receipt of a notice that a licensed music therapist has been convicted of, pleaded guilty to, or a judicial finding of guilt of or judicial finding of guilt resulting from a plea of no contest was made to the offense of trafficking in persons, the bill requires the Medical Board to immediately suspend the music therapist's license in accordance with continuing law requirements.

¹³⁵ See R.C. 4776.10, not in the bill.

¹³⁶ See R.C. 9.79, not in the bill.

Orders of the licensing authority and public records

The bill permits the Medical Board to issue an order imposing discipline and may include terms, provisions, or conditions that the Board considers appropriate. The order and any findings of fact and conclusions of law supporting it are public records. The Board may not issue a private reprimand.

Complaints filed with the Board and all accompanying documents and information are confidential and not subject to Ohio Public Records Law, unless the person being investigated requests that the documents and information be made public records. The charging documents filed with the Board to initiate disciplinary action and information considered by the Board in determining whether to impose discipline against a licensee or applicant, and the order imposing discipline, are public records.

The bill does not prohibit the Board from communicating or cooperating with, or providing any documents or information to, any other licensing board or any agency investigating a person, including law enforcement.

Regulatory procedures

The bill establishes additional procedures for the regulation of music therapists that are the same as procedures that apply to the other health care professionals the Medical Board regulates. The issues addressed include the following:

- Notifications provided to the Board by physicians authorized to practice medicine or surgery or professional associations or societies of those physicians regarding a violation of the Music Therapy Licensing Law;
- Requirements relating to music therapists suffering impairment from the use of drugs or alcohol;
- A register of license applicants, and music therapy licenses issued, suspended, or revoked;
- Deposit of fees, penalties, and other funds in the state treasury to the credit of the preexisting State Medical Board Operating Fund.

Advisory Committee

The bill creates the Music Therapy Advisory Committee to provide expertise and assistance to the Medical Board. The Committee must meet at least yearly or as called by the Board. The Committee consists of the following five members familiar with the practice of music therapy:

- Three individuals who, one year after the Music Therapy Licensing Law's effective date, are licensed to practice as music therapists;
- One individual who is a licensed health care professional who is not a licensed music therapist;
- One individual who is a consumer.

The Board must appoint the members to the Committee within 90 days after the Music Therapy Licensing Law's effective date. Initially, two of the members will serve one year terms; the remaining three members will serve terms of two, three, and four years, respectively. Thereafter, terms of office for all members are four years and end on the same day of the same month as the previous term.

Members hold office from the date of appointment until the end of the term for which the member was appointed. Members may be reappointed. The bill includes the standard vacancy provisions. The Committee is not subject to the Sunset Review Law.¹³⁷

Members are not compensated for service on the Committee and are not reimbursed for expenses.

The Board must consult with the Committee before changing fees established under the Music Therapy Licensing Law. The Board must seek the advice of the Committee for issues related to music therapy. At least once a year, the Committee must provide the Board with an analysis of disciplinary actions taken against license applicants and licensees, appeals and denials, and revocation of music therapy licenses. The Committee also may help develop materials to educate the public about music therapy and licensure. It may facilitate the exchange of information across Ohio between music therapists, the American Music Therapy Association or its successor, the Certification Board for Music Therapists or its successor, and the Medical Board.

Rulemaking

The bill authorizes the Medical Board to adopt rules it considers necessary to carry out the Music Therapy Licensing Law. The rules may include requirements for:

- Continuing education in addition to those specified in the bill; and
- Issuing a license to practice music therapy to an individual who holds a license to practice music therapy in another country.

The Board is responsible for enforcing the Music Therapy Licensing Law and any rules adopted under it.

Register of licenses

The bill requires the Medical Board to provide a copy of the bill's required register of applicants for music therapist licenses, and music therapist licenses issued, suspended, or revoked, on request and payment of a fee established by the Board. The Board cannot charge a fee that exceeds the actual cost incurred to make the copy.

¹³⁷ R.C. 101.82 to 101.87, not in the bill.

Legacy Pain Management Study Committee

(Section 335.20)

The bill establishes the Legacy Pain Management Study Committee to study and evaluate the care and treatment of patients suffering from chronic or debilitating pain, in particular those who have been prescribed opioids for lengthy periods of time, often referred to as legacy patients.

By December 1, 2024, the Committee must prepare and submit to the General Assembly a report of its recommendations for legislation addressing the care and treatment of legacy patients. The Committee ceases to exist on the submission of its report.

Membership

The Committee consists of the following nine members, each of whom must be appointed not later than 30 days after the bill's effective date:

- Four members of the 135th General Assembly, two appointed by the Speaker of the House and two by the Senate President;
- The Director of OhioMHAS or Director's designee;
- The President of the State Medical Board of Ohio or President's designee;
- The Executive Director of the Board of Pharmacy or Executive Director's designee;
- Two public members, one representing patients appointed by the Speaker and the other representing prescribers appointed by the Senate President.

Chairperson and meetings

Members are to select a chairperson from among the Committee's membership. The Committee must meet as necessary to satisfy the bill's requirements. The Medical Board is to provide to the Committee the administrative support necessary to execute its duties.

Topics for study and evaluation

In conducting the required study and evaluation, the Committee is to consider all of the following topics relating to legacy patients:

- The needs of patients experiencing chronic or debilitating pain;
- The challenges associated with tapering opioid doses for pain patients and the need for flexibility and tapering pauses when treating such patients;
- The ways in which communications between patients and prescribers can be improved;
- The availability of and patient access to pain management specialists;
- Any other topic the Committee considers relevant.

DEPARTMENT OF MENTAL HEALTH AND ADDICTION SERVICES

Certification of addiction and mental health services

- Authorizes the Ohio Department of Mental Health and Addiction Services (OhioMHAS) to specify by rule the mental health services and alcohol and drug addiction services that must be certified, makes failing to meet the certification requirement a crime, and eliminates a statutory list of specific types of alcohol and drug addiction services that must be certified by OhioMHAS.
- Eliminates an option to have a provider's certifiable services and supports accredited by a national accrediting organization in lieu of having OhioMHAS determine whether OhioMHAS's standards for certification have been satisfied; instead, requires providers to hold national accreditation as part of qualifying for certification by OhioMHAS.
- Establishes, in addition to the accreditation requirement, both of the following as conditions for certification: that an applicant (1) be adequately staffed and equipped to operate and (2) be in good standing.

Statistics supplied by providers

- Eliminates a criminal penalty for failure of a community addiction services provider or community mental health services provider to supply statistics and other information to OhioMHAS; instead, authorizes imposition of fines.

ADAMHS board contracts for services and supports

- Authorizes a board of alcohol, drug addiction, and mental health services (ADAMHS board), when contracting with community addiction and mental health services providers, to contract with providers that are government entities, for-profit entities, or nonprofit entities.

ADAMHS board publishing of opioid treatment programs

- Requires each ADAMHS board to annually update and publish on the board's website a list of all licensed opioid treatment programs operating within the board's district.

Conditions of licensure – hospitals and residential facilities

- Establishes the following as conditions for hospital and residential facility licensure by OhioMHAS: that an applicant (1) be adequately staffed and equipped to operate and (2) be in good standing.
- Requires OhioMHAS to adopt rules specifying the information that must be submitted to demonstrate good standing.

Residential facility exemption from home health licensure

- Exempts from existing home health licensing requirements a residential facility that is licensed by OhioMHAS.

Residential facility criminal penalty

- Makes it a fourth degree misdemeanor for a person to operate a residential facility without a valid license issued by OhioMHAS.

Monitoring of recovery housing residences

- Requires OhioMHAS to monitor the operation of recovery housing residences by either establishing a certification process through OhioMHAS or accepting accreditation, or its equivalent, from outside organizations specified in the bill.
- Beginning January 1, 2025, prohibits the operation of a recovery housing residence unless the residence is certified or accredited, as applicable, or actively in the process of obtaining certification or accreditation.
- Makes violation of the prohibition a first degree misdemeanor.
- Requires OhioMHAS to establish and maintain a registry of recovery housing residences.

Terminology regarding alcohol use disorder

- Replaces Revised Code references to “alcoholism” with “alcohol use disorder”; eliminates references to “alcoholic.”
- Repeals an obsolete statute referring to alcohol treatment and control regions, which were abolished in 1990.

Indigent drivers alcohol treatment funds

- Allows a court to spend any money in a county indigent drivers alcohol treatment fund (IDATF), county juvenile IDATF, or municipal IDATF, rather than only surplus money, for certain expenses related to substance abuse disorder (SUD) assessments and addiction services for criminal offenders whose substance abuse was a contributing factor to an offense.
- Retains a court’s authority to spend money from a county, county juvenile, or municipal IDATF to pay for SUD services and assessments for indigent persons and indigent juvenile traffic offenders convicted of OVI (operating a vehicle while impaired).
- Adds recovery supports as one of the services that may be funded for offenders specified above.
- Eliminates a requirement that a reasonable amount (no more than 5%) of a county, county juvenile, or municipal IDATF must be paid to the (ADAMHS board for administering treatment programs.
- Eliminates a requirement that courts identify and refer noncertified community addiction services providers seeking surplus funding from an IDATF and associated referral procedures and requirements.

- Does both of the following regarding the required annual reporting concerning IDATF funds:
 - Requires each court to annually report certain IDATF information (including fund balances and the number of indigent persons served) to the ADAMHS board, rather than requiring the board to prepare the report and submit it to OhioMHAS.
 - Requires ADAMHS boards to compile the IDATF information from each court into an annual report and submit it to OhioMHAS.

Behavioral health drug reimbursement program

- Combines two drug reimbursement programs administered by OhioMHAS into one behavioral health drug reimbursement program.
- Expands the new combined program to provide reimbursement for certain drugs that are administered or dispensed to individuals who are confined in community-based correctional facilities, in addition to continuing reimbursement for drugs administered or dispensed to inmates of county jails.

Substance use disorder treatment in drug courts

- Continues an OhioMHAS program to provide addiction treatment to persons with substance use disorders through drug courts with programs using medication-assisted treatment.
- Requires community addiction services providers to provide specified treatment to the program participants based on the individual needs of each participant.

Mobile-based opioid use disorder treatment

- Requires OhioMHAS, during FY 2024 and FY 2025, to operate a pilot program to provide opioid use disorder treatment to individuals in underserved regions in Ohio using mobile medication units.

Prescription digital therapeutics

- Requires OhioMHAS to operate a pilot program to evaluate the effectiveness of prescription digital therapeutics in treating substance use disorders and submit a report to the General Assembly by March 31, 2025.
- Appropriates \$1 million in GRF funds in FY 2024, and requires the funds be used for the pilot program.

Mental health crisis stabilization centers

- Continues the requirement that ADAMHS boards establish and administer, in collaboration with the other ADAMHS boards that serve the same state psychiatric hospital region, six mental health crisis stabilization centers and substance use disorder stabilization centers.

Certification of addiction and mental health services

(R.C. 5119.35 and 5119.36; repealed R.C. 5119.361; conforming change in R.C. 5119.99)

Services that must be certified

In the case of mental health services, current law does not directly require the services to be certified by the state, and in the case of addiction services, only a specific set of services are subject to direct certification requirements with criminal penalties for failing to comply. Instead, current law bases the certification of “certifiable services and supports” on eligibility for government funding. These certifiable services and supports are described as mental health services, alcohol and drug addiction services, and the types of recovery supports specified in rules adopted by the Director of the Ohio Department of Mental Health and Addiction Services (OhioMHAS). The government funds involved are described as state funds, federal funds, or funds administered by an alcohol, drug addiction, and mental health services (ADAMHS) board.

In place of the existing enforcement system for certification of services, the bill requires a person or government entity, as a condition of providing a mental health service or alcohol and drug addiction service, to have the service certified by OhioMHAS if the Director has adopted rules specifying it as a service that must be certified. Adoption of the rules is permissive. Providing an uncertified service is a felony of the fifth degree.

As part of authorizing the OhioMHAS Director to adopt rules specifying services that are subject to certification, the bill eliminates a statutory list of alcohol and drug addiction services that must be certified by OhioMHAS. The eliminated list consists of:

- Withdrawal management addiction services provided in a setting other than an acute care hospital;
- Addiction services provided in a residential treatment setting;
- Addiction services provided on an outpatient basis.

The bill maintains, with modifications, law establishing certification as a condition of eligibility for federal or state funds or funds administered by an ADAMHS board. It specifies that this limitation is in addition to criminal penalties for violating the bill’s certification requirement.

Any rules the OhioMHAS Director adopts to specify services that are required to be certified must be adopted in accordance with the Administrative Procedure Act (R.C. Chapter 119). The bill exempts the rules from limitations in existing law related to the adoption of regulatory restrictions in rules.¹³⁸

¹³⁸ R.C. 121.95 to 121.953, not in the bill.

Standards for certification

Accreditation required

The bill eliminates an option to have a provider's certifiable services and supports accredited by a national accrediting organization in lieu of having OhioMHAS determine whether its standards for certification have been satisfied. Instead, the bill requires providers to hold national accreditation as part of qualifying for certification by OhioMHAS. The bill specifies that OhioMHAS' certification standards apply to both initial certification and certification renewal.

Instead of requiring the OhioMHAS Director to evaluate applicants to determine whether the applicant's certifiable services and supports satisfy the standards established by rules, the Director must determine whether the applicant meets the following:

- For an initial applicant, the applicant must be accredited by one of the following: the Joint Commission, the Commission on Accreditation of Rehabilitation Facilities, the Council on Accreditation, or any other national accrediting organization the Director considers appropriate. Under current law, accreditation is not required but is an option the Director must accept in lieu of determining if the applicant meets OhioMHAS standards for certification.
- For a renewal applicant, beginning October 1, 2025, the applicant must be accredited by one of the organizations identified above. Prior to that date, for the Director may follow current law to evaluate renewal applicants.
- For an initial applicant and a renewal applicant, in addition to being accredited, the applicant must meet both of the following:
 - The applicant and all owners and principals of the applicant must be in good standing in Ohio and all other locations in which the applicant operates during the three-year period immediately preceding the date of application, based on a review of records and information required to be submitted as specified in rules;
 - The applicant must be adequately staffed and equipped to provide services.

If the OhioMHAS Director determines that the applicant has paid any required certification fee (exemptions may apply for reasons specified by rule), that the applicant's accreditation is appropriate for the services and supports for which the applicant seeks initial or renewed certification, that the applicant is in good standing and adequately staffed and equipped as described above, and that the applicant meets any other requirements established by this section or rules, the Director must certify the services and supports or renew certification, as applicable. Subject to the on-site review authority described below, the Director must issue or renew the certification without further evaluation of the services and supports.

Review of accrediting organizations

The OhioMHAS Director may review the accrediting organizations specified above to evaluate whether the accreditation standards and processes used by the organizations are

consistent with service delivery models the Director considers appropriate. The Director may communicate to an accrediting organization any identified concerns, trends, needs, and recommendations.

On-site review

The bill authorizes the OhioMHAS Director to conduct an on-site review or otherwise evaluate a community mental health services provider or community addiction services provider at any time based on cause, including complaints by or on behalf of persons receiving services and confirmed or alleged deficiencies brought to the Director's attention. An on-site review may be done in cooperation with an ADAMHS board that seeks to contract or has a contract with the applicant under law related to the board's community-based continuum of care. Any other evaluation must be in cooperation with such a board.

Information provided to Director

The OhioMHAS Director must require a community mental health services provider and a community addiction services provider to notify the Director not later than ten days after any change in the provider's accreditation status.

The Director may require a provider to submit cost reports pertaining to the provider.

Rules

Under existing law, the OhioMHAS Director is required to adopt various rules relating to certification. The bill exempts all those rules from limitations in existing law related to the adoption of regulatory restrictions in rules.¹³⁹ In addition to all of the existing rules that must be adopted, the bill requires rules related to the following:

- Documentation that must be submitted as evidence of holding an appropriate accreditation;
- A process by which the Director may review the accreditation standards and processes used by the national accrediting organizations specified under the bill;
- Any reasons for which an applicant may be exempt from certification and renewal fees;
- Establishing a process by which the Director, based on deficiencies identified as a result of conducting an on-site review or otherwise evaluating a service provider, may take any range of correction actions, including revocation of the provider's certification;
- Specifying the records and information that must be submitted to demonstrate good standing for purposes of the certification requirement described above.

¹³⁹ R.C. 121.95 to 121.953, not in the bill.

Statistics supplied by providers

(R.C. 5119.61 and 5119.99)

Related to a current law requirement that community addiction services providers and community mental health services providers supply, upon request of OhioMHAS, statistics and other information related to services provided, the bill eliminates a criminal penalty (fourth degree misdemeanor) for failure to supply those statistics.

Instead, the bill authorizes the OhioMHAS Director to fine a provider for a statistics violation. In determining whether to impose a fine, the Director must consider whether the provider has engaged in a pattern of noncompliance. The fines are \$1,000 for the first violation and \$2,000 for each subsequent violation. The Director must comply with the Administrative Procedure Act (R.C. Chapter 119) in imposing fines.

ADAMHS board contracts for services and supports

(R.C. 340.036)

Current law requires each ADAMHS board to contract with community addiction services providers and community mental health services providers for addiction services, mental health services, and related recovery supports. Related to those contracts, the bill specifies that an ADAMHS board may contract with a government entity, for-profit entity, or nonprofit entity.

ADAMHS board publishing of opioid treatment programs

(R.C. 340.08 and 5119.37)

The bill requires each ADAMHS board to annually update and publish on its website a list of all licensed opioid treatment programs operating within the board's district. The list is to be based on information obtained from (1) the federal Substance Abuse and Mental Health Services Administration's opioid treatment program directory, (2) an OhioMHAS-created resource directory, or (3) an OhioMHAS list maintained under existing law related to fines in certain drug trafficking cases that may be used to support eligible community addiction services providers.

Conditions of licensure – hospitals and residential facilities

(R.C. 5119.33 and 5119.34)

The bill establishes two conditions that must be met for hospital or residential facility licensure by OhioMHAS. First, an applicant must be adequately staffed and equipped to operate. In the case of a residential facility, the bill also requires that it be managed and operated by qualified persons, which is already required of a hospital under current law.

Second, an applicant must be in good standing in all other locations in which it operates during the three-year period preceding the date of application. The bill neither defines nor describes good standing, instead requiring OhioMHAS to adopt rules specifying the records and information that must be submitted to demonstrate it.

As part of requiring a residential facility applicant to be in good standing for at least three years, the bill eliminates a related provision of law that generally limits an applicant's eligibility for only two years after a previous license has been revoked or refused for renewal. Existing law does not provide for such a limit for hospital applicants.

Residential facility exemption from home health licensure

(R.C. 3740.01)

The bill exempts residential facilities that are licensed by OhioMHAS from licensure by the Ohio Department of Health (ODH) under the home health licensing law. It does so by specifying that an OhioMHAS-licensed residential facility is not a home health agency and a person who operates an OhioMHAS-licensed residential facility on a self-employed basis is not a nonagency provider. Other exemptions in existing law that are continued include exemptions for residential facilities licensed by the Department of Developmental Disabilities and nursing homes and residential care facilities licensed by ODH.

Residential facility criminal penalty

(R.C. 5119.99)

The bill makes it a fourth degree misdemeanor for a person to operate a residential facility without a valid license issued by OhioMHAS. This is in addition to other existing authority for OhioMHAS to fine a residential facility and seek a court order enjoining a facility's operation.¹⁴⁰

Monitoring of recovery housing residences

(R.C. 5119.39 to 5119.397 and 5119.99 (primary) and 340.034; related changes in other sections)

The bill requires OhioMHAS to monitor the operation of recovery housing residences by either (1) certifying them or (2) accepting accreditation, or its equivalent, from the Ohio affiliate of the National Alliance for Recovery Residences, Oxford House, Inc., or another organization designated by OhioMHAS.

The bill defines "recovery housing residence" as a residence for individuals recovering from alcohol use disorder or drug addiction that provides an alcohol and drug-free living environment, peer support, assistance with obtaining alcohol and drug addiction services, and other recovery assistance for alcohol use disorder and drug addiction. Under existing law, recovery housing is generally regulated only to the extent that it is required to be included in the community-based continuum of care established by ADAMHS boards. The bill modifies that law by requiring recovery housing residences in the continuum of care to be certified or accredited, as applicable, under the bill.

¹⁴⁰ R.C. 5119.34.

Prohibitions

The bill prohibits, beginning January 1, 2025, a person or government entity from operating a recovery housing residence unless the residence is (1) certified by OhioMHAS or accredited by one of the organizations identified above, as applicable, or (2) actively engaged in efforts to obtain certification or accreditation and has been in operation for not more than 18 months. Violation of this prohibition is a first degree misdemeanor. The bill permits the OhioMHAS Director to seek a court order enjoining operation of any recovery housing residence in violation of the prohibition.

Also beginning January 1, 2025, the bill prohibits:

- A person or government entity from advertising or representing a residence or building to be a recovery housing residence, sober living home, or similar substance free housing for individuals in recovery unless the residence is on the registry described below or is regulated by the Department of Rehabilitation and Correction as a halfway house or community residential center. A violation is a first degree misdemeanor.
- A community addiction services provider or community mental health services provider from referring clients to a recovery housing residence unless it is on the registry described below on the date of the referral. There is not a criminal penalty associated with this prohibition, but the OhioMHAS Director may refuse to renew or revoke its certification of a provider found to be in violation of this prohibition.

Required form

The bill requires each person or government entity that will operate a recovery housing residence, including those already operating prior to the bill's effective date, to file with OhioMHAS a form with various information, including name and contact information, the date the residence was first occupied or will be occupied, and information related to any existing accreditation the residence has or is in the process of obtaining.

For any recovery housing residence that is operating before the bill's effective date, the form must be filed within 30 days of the bill's effective date. For a recovery housing residence that will begin operating on or after the bill's effective date, the form must be filed within 30 days after the first resident begins occupying the residence.

Complaints and investigations

The bill requires OhioMHAS to establish a procedure to receive and investigate complaints from residents, staff, and the public regarding recovery housing residences. OhioMHAS may contract with one or more of the organizations identified above to fulfill some or all of the complaint and investigation procedure. Any such organization under contract must make investigation status reports to OhioMHAS regarding investigations. The reports must be made monthly. In addition, the contractor must report to OhioMHAS if the contractor makes an adverse decision regarding an accreditation accepted by OhioMHAS. The report must be made as soon as practicable, but not later than ten days after the adverse decision is made.

Registry of recovery housing residences

OhioMHAS must establish and maintain a registry of recovery housing residences that are certified or accredited or are making efforts to obtain certification or accreditation within the bill's permitted timeframe. The registry must include information from the form described above, information regarding any complaints, and any other information required by OhioMHAS. The registry must be available on OhioMHAS's website.

Rules

The bill authorizes the OhioMHAS Director to adopt rules to implement its monitoring of recovery housing residences. If OhioMHAS certifies recovery housing residences, the rules must establish requirements for initial certification and renewal, as well as grounds and procedures for disciplinary action.

The rules must be adopted in accordance with the Administrative Procedure Act (R.C. Chapter 119). The bill exempts the rules from limitations in the law related to the adoption of regulatory restrictions in rules.¹⁴¹

Terminology regarding alcohol use disorder

(R.C. 5119.01 with conforming changes in other sections; repealed R.C. 3720.041)

The bill replaces Revised Code references to "alcoholism" with "alcohol use disorder." It also eliminates references to "alcoholic." The bill defines alcohol use disorder as a medical condition characterized by an individual's impaired ability to stop or control the individual's alcohol use despite adverse social, occupational, or health consequences. It may be mild, moderate, or severe.

The bill repeals an obsolete statute referring to alcohol treatment and control regions, which no longer exist. These regions were abolished in 1990 when the current system of ADAMHS boards and districts was established and the former Department of Alcohol and Drug Addiction Services was created.

Indigent drivers alcohol treatment funds

(R.C. 4510.43, 4510.45, and 4511.191)

The bill allows a court to spend any money in a county Indigent Drivers Alcohol Treatment Fund (IDATF), county juvenile IDATF, or municipal IDATF for both of the following:

1. Regarding a county or municipal IDATF, to pay the cost of substance use disorder (SUD) assessments and addiction services, and transportation to those assessments and services, for any indigent person convicted of a criminal offense in which substance abuse was a contributing factor; and

¹⁴¹ R.C. 121.95 to 121.953, not in the bill.

2. Regarding a county juvenile IDATF, to pay the costs of those assessments and services for any indigent person adjudicated a delinquent child or found to be a juvenile traffic offender when substance abuse was a contributing factor.

Under current law, the money in IDATF funds is derived from driver's license reinstatement fees paid by OVI (operating a vehicle while impaired) offenders. Under current law, a court must determine, in consultation with the ADAMHS board, that there is a surplus in the applicable fund and may then only spend that surplus money for the purposes specified above. However, a court may spend any money from a county, county juvenile, or municipal IDATF to pay for SUD services and assessments for indigent persons and indigent juvenile traffic offenders convicted of OVI and substantially equivalent municipal ordinances. The bill retains this authority.

The bill authorizes a court to pay the cost of recovery supports from an IDATF for any of the types of offenders discussed above. Under current law, recovery supports is assistance that is intended to help an individual who is an alcoholic or has a drug addiction or mental illness, or a member of such an individual's family. The assistance is intended to initiate and sustain the individual's recovery from alcoholism, drug addiction, or mental illness. Currently, the law does not specifically authorize money in an IDATF to be spent on recovery supports.

Consistent with the bill's elimination of the surplus spending requirements and expanded spending authority, the bill eliminates both of the following:

1. A requirement that a reasonable amount (no more than 5%) of a county, county juvenile, or municipal IDATF must be paid to the ADAMHS board for administering treatment programs;

2. A requirement that courts identify and refer noncertified community addiction services providers seeking surplus funding from an IDATF to OhioMHAS and associated referral procedures and requirements.

The associated referral procedures in current law specify that OhioMHAS must keep records of the noncertified applicant referrals from the court and submit an annual report regarding them to the General Assembly. If a noncertified provider is interested in becoming certified and applies to become certified, it may receive surplus funds so long as an application is pending with OhioMHAS. OhioMHAS must offer technical assistance to the applicant. If the provider withdraws the application, OhioMHAS must notify the court and the provider cannot receive any further surplus funding. As noted above, the bill eliminates these procedures and requirements.

The bill requires each court with an IDATF to annually report certain information to the ADAMHS board by July 15. That information must include:

1. The balance of funds in each IDATF under the court's control on June 30 of that year;
2. The amount the court transferred from each IDATF to another court in the same county;
3. The amount the court spent in the state fiscal year that ended on June 30 that year from each IDATF; and

4. The number of indigent persons served in the state fiscal year that ended on June 30 that year from each IDATF.

Then, each ADAMHS board must compile the information into an annual report for that board's area that clearly delineates the items specified above for each court. The board must submit it to OhioMHAS by September 1 of each year. If a board is unable to get adequate information from a particular court, it must note that fact in the report.

Under current law, each ADAMHS board must instead submit the annual report for each IDATF in that board's area to OhioMHAS. That report must include:

1. The total payment made from the IDATF, including the number of indigent consumers who received treatment services, the number of indigent consumers who received an alcohol monitoring device, and identification of the treatment program and expenditure for an alcohol monitoring device for which that payment was made;

2. The fiscal year balance of each IDATF located in that board's area; and

3. If a surplus was declared, the total payment that was made from the surplus moneys and identification of the authorized purpose for which the payment was made.

If a board is unable to get adequate information to develop the report, it must submit a report detailing the efforts made to get that information.

Behavioral health drug reimbursement program

(R.C. 5119.19; repealed R.C. 5119.191)

The bill combines a psychotropic drug reimbursement program with another drug reimbursement program that is for drugs used in medication-assisted treatment (MAT) and drugs used in withdrawal management or detoxification. The combined program, still to be administered by OhioMHAS, is referred to as a "behavioral health drug reimbursement program."

Similar to current law for the separate programs, the combined behavioral health drug reimbursement program reimburses counties for the cost of certain drugs administered or dispensed to inmates of county jails. The reimbursable drugs continue to be psychotropic drugs, drugs used in MAT, and drugs used in withdrawal management or detoxification. The combined program is more expansive than current law in that it also provides reimbursement for drugs administered or dispensed to individuals confined in community-based correctional facilities. Other details of the combined program are the same as those for each separate program under current law.

Substance use disorder treatment in drug courts

(Section 337.60)

The bill continues a requirement that OhioMHAS conduct a program to provide substance use disorder (SUD) treatment, including MAT, withdrawal management and detoxification, and recovery supports, to persons who are eligible to participate in a MAT drug

court program. OhioMHAS's program is to be conducted in a manner similar to programs that were established and funded by the previous four main appropriations acts.

In conducting the program, OhioMHAS must collaborate with the Ohio Supreme Court, the Department of Rehabilitation and Correction, and any state agency that may be of assistance in accomplishing the program's objectives. OhioMHAS also may collaborate with the local ADAMHS boards and local law enforcement agencies serving the county where a participating court is located.

OhioMHAS must conduct its program in collaboration with any counties in Ohio that are conducting MAT drug court programs. It also may conduct its program in collaboration with any other court with a MAT drug court program.

Selection of participants

A MAT drug court program must select the participants for OhioMHAS's program. The participants are to be selected because of having a SUD. Those who are selected must be either (1) criminal offenders, including offenders under community control sanctions, or (2) involved in a drug or family dependency court. They must meet the legal and clinical eligibility criteria for the MAT drug court program and be active participants in that program or be under a community control sanction with the program's participating judge. After being enrolled, a participant must comply with all of the MAT drug court program's requirements.

Treatment

Under OhioMHAS's program, only a community addiction services provider is eligible to provide SUD treatment, including any recovery supports. The provider must:

- Provide treatment based on an integrated service delivery model that consists of the coordination of care between a prescriber and the provider;
- Assess potential program participants to determine whether they would benefit from treatment and monitoring;
- Determine, based on the assessment, the treatment needs of the participants;
- Develop individualized goals and objectives for the participants;
- Provide access to the drug therapies that are included in the program's treatment;
- Provide other types of therapies, including psychosocial therapies, for both SUD and any co-occurring disorders;
- Monitor program compliance through the use of regular drug testing, including urinalysis, of the participants; and
- Provide access to time-limited recovery supports that are patient-specific and help eliminate barriers to treatment, such as assistance with housing, transportation, child care, job training, obtaining a driver's license or state identification card, and any other relevant matter.

Regarding the drug therapies included in the program's SUD treatment:

- A drug may be used only if it is (1) a drug that is federally approved for use in MAT, which involves treatment for alcoholism, drug addiction, or both, or (2) a drug that is federally approved for use in, or a drug in standard use for, mitigating alcohol or opioid withdrawal symptoms or assisting with detoxification;
- One or more drugs may be used, but each drug that is used must constitute either or both: (1) long-acting antagonist therapy or partial or full agonist therapy or (2) alpha-2 agonist therapy for withdrawal management or detoxification;
- If a partial or full agonist therapy is used, the program must provide safeguards, such as routine drug testing of participants, to minimize abuse and diversion.

Planning

To ensure that funds appropriated to support OhioMHAS's program are used in the most efficient manner, with a goal of enrolling the maximum number of participants, the bill requires the Medicaid Director to develop plans in collaboration with major Ohio health care plans. However, there can be no prior authorizations or step therapy for program participants to have access to any drug included in the program's SUD treatment. The plans must ensure:

- The development of an efficient and timely process for review of eligibility for health benefits for all program participants;
- A rapid conversion to reimbursement for all health care services by the participant's health care plan following approval for coverage of health care benefits;
- The development of a consistent benefit package that provides ready access to and reimbursement for essential health care services, including primary health care, alcohol and opioid detoxification services, appropriate psychosocial services, drugs used in MAT, and drugs used in withdrawal management or detoxification; and
- The development of guidelines that require the provision of all treatment services, including medication, with minimal administrative barriers and within time frames that meet the requirements of individual patient care plans.

Mobile-based opioid use disorder treatment

(Section 337.95)

During FY 2024 and FY 2025, the bill requires OhioMHAS to operate a pilot program to provide opioid use disorder treatment to individuals in underserved regions in Ohio, as selected by OhioMHAS, using mobile medication units. The purpose of the pilot program is to extend access to MAT to areas of Ohio lacking licensed opioid treatment programs and qualifying practitioners. The services provided in the mobile medication units must be those specified in relevant guidance issued by the U.S. Substance Abuse and Mental Health Services Administration.

The State Board of Pharmacy, State Medical Board, Board of Nursing, and any other state agency that OhioMHAS determines may be of assistance in accomplishing the purpose of the pilot program must provide assistance to OhioMHAS if requested.

OhioMHAS must develop a plan for implementing and evaluating the pilot program within 60 days of the bill's effective date. Not later than six months after the conclusion of the pilot program, OhioMHAS must complete a report of the findings obtained from the program. The report must be submitted to the Governor and to the General Assembly.

Prescription digital therapeutics

(Section 337.110)

The bill requires OhioMHAS to acquire prescription digital therapeutics and create a pilot program exploring their effectiveness as soon as practicable. A prescription digital therapeutic is a class II medical device that has been approved or otherwise authorized by the FDA to deliver therapeutic interventions for the treatment of substance use disorders, including opioid use disorders. Under the program, patients who have been diagnosed with a substance use disorder and have been prescribed a digital therapeutic must be provided the prescribed digital therapeutic at no cost to the patient. OhioMHAS and treatment providers must make best efforts to include participants of varied demographic backgrounds in the pilot program, which will provide the prescription digital therapeutics via an access code. The use of prescription digital therapeutics may be in addition to other substance use treatment, including medication-assisted treatment and other behavioral health services.

The bill appropriates \$1 million of GRF to OhioMHAS for the operation of the pilot program. The pilot program will end on December 31, 2024 or when all appropriated funds have been spent, whichever occurs first.

OhioMHAS must submit a report to the General Assembly by March 31, 2025, using data from the vendors of prescription digital therapeutics and aggregated claims data regarding the impact of the pilot program. The report must include the following information about the pilot program:

- The population included;
- The successes and challenges;
- Treatment access for participants;
- Participant satisfaction;
- Participant treatment goals, and whether the goals were achieved;
- Health equity impacts;
- A comparison of the hospitalization rate for program participants and other substance and opioid use disorder patients of the participating treatment providers;
- Recommendations regarding future coverage of prescription digital therapeutics.

Mental health crisis stabilization centers

(Sections 337.40 and 337.130)

The bill continues a requirement that OhioMHAS allocate among ADAMHS boards, in each of FY 2024 and FY 2025, \$1.5 million for six mental health crisis stabilization centers and up to \$6.0 million in each fiscal year for substance use stabilization centers. Each board must use its allocation to establish and administer a stabilization center in collaboration with the other ADAMHS boards that serve the same state psychiatric hospital region. Alternatively, with approval of the OhioMHAS Director, boards may establish and administer crisis stabilization centers to serve individuals with substance use or mental health needs. At least one center must be located in each of the six state psychiatric hospital regions.

ADAMHS boards must ensure that each mental health crisis stabilization center complies with the following:

- It must admit individuals before and after they receive treatment and care at hospital emergency departments or freestanding emergency departments;
- It must admit individuals before and after they are confined in state correctional institutions, local correctional facilities, or privately operated and managed correctional facilities;
- It must have a Medicaid provider agreement;
- It must admit individuals who have been identified as needing the stabilization services provided by the center;
- It must connect individuals when they are discharged from the center with community-based continuum of care services and supports.

COMMISSION ON MINORITY HEALTH

- Expands the Commission on Minority Health to 22 members by adding the Director of Aging or the Director's designee.

Commission on Minority Health membership

(R.C. 3701.78)

Under current law, the Commission on Minority Health has 21 members, including the Directors of Health, Mental Health and Addiction Services, Developmental Disabilities, Job and Family Services, and Medicaid, or their designees. The bill adds the Director of Aging or the Director's designee to the Commission.

DEPARTMENT OF NATURAL RESOURCES

Oil and Gas

Stratigraphic wells

- Establishes the Ohio Department of Natural Resource's (ODNR's) regulatory authority over stratigraphic wells, which are boreholes that are drilled on a tract solely to conduct research of the subsurface geology.
- Specifies that the regulatory authority over stratigraphic wells includes the following:
 - The permitting process;
 - Insurance and bonding requirements;
 - Plugging requirements;
 - Setback requirements; and
 - Notice and enforcement procedures.

Enforcement of oil and gas law and notice

- Broadens the ability for the Chief of the Division of Oil and Gas Resources Management to enforce the laws governing oil and gas by allowing the Chief to issue violation orders and take enforcement action against *any person* that violates the oil and gas laws and who is subject to those laws, instead of only well owners.
- Requires a person to have committed a material and substantial violation before the Chief may issue an order requiring that person (who is causing an imminently dangerous condition) to cease oil and gas operations and suspending or revoking an unused permit.
- Clarifies that the Chief may notify a drilling contractor, transporter, service company, or other similar entity of the compliance status of a person subject to the oil and gas laws, rather than only allowing the Chief to provide the notice regarding the status of a well owner as in current law.
- Requires the Chief to provide notice under the oil and gas laws in accordance with law, rather than as prescribed by rules adopted by the Chief, as in current law.
- Eliminates a corresponding requirement that the Chief's rules provide for notice by publication.

Injection well fees

- Alters the distribution of oil and gas brine disposal fees collected by an injection well owner and levies fees on brine received by the owner in excess of the current limit of 500,000 barrels per calendar year.

Hunting and fishing

- Allows a full-time student who is enrolled in any accredited Ohio public or private college or university to obtain a resident hunting license, fishing license, deer permit, and wild turkey permit, regardless of residency.

Parks and watercraft

Fire extinguishers on watercraft

- Regarding the requirement to have fire extinguishers on board powercraft:
 - Eliminates the exemption for powercraft propelled by an electric motor; and
 - Adds that powercraft of open construction that are not carrying passengers for hire are exempt from fire extinguisher requirements only if the powercraft are not capable of entrapping explosive or flammable gases or vapors.
- With certain exceptions, generally requires 5-B and 20-B portable fire extinguishers on class A, 1, 2, or 3 powercraft, depending on the class, rather than B-1 or B-2 fire extinguishers, depending on the class, as in current law.
- With certain exceptions, generally requires class 4 powercraft to have the number and type of 20-B portable fire extinguishers specified by gross tonnage as prescribed by federal regulations.
- Requires all portable and semi-portable fire extinguishers for use on a vessel to comply with specified requirements, including being on board the vessel, being readily accessible, and being maintained in good and serviceable condition.

Personal flotation device labeling

- Eliminates a requirement that the label on an approved personal flotation device have a specified designation concerning flotation device type (e.g., type 1, 2, 3, 4, or 5 personal flotation device).

Obtaining a watercraft or outboard motor title

- Increases the period of time that a purchaser has to obtain a watercraft or outboard motor title from 30 days to 60 days.

Parks and Watercraft Federal Grants Fund

- Creates the Parks and Watercraft Federal Grants Fund consisting of federal funds received by ODNR for parks and watercraft projects approved by the Director and any other money credited to the fund.
- Requires the Chief of the Division of Parks and Watercraft to use money in the fund for parks and watercraft projects approved by the ODNR Director.

Other provisions

Performance Bond Refund Fund

- Creates the Performance Bond Refund Fund, which consists of money received by ODNR from other entities as performance security.
- Disposes of money in the fund as follows:
 - If work for which the performance bond was required is completed, the money is refunded to the pledging entity; or
 - If a performance bond is forfeited, the money must be transferred to the appropriate fund within the state treasury.

ODNR administration of capital projects

- Allows ODNR, for FY 2024 and FY 2025, to administer certain capital facility projects commenced within those fiscal years, regardless of estimated cost, without the assistance of the Ohio Facilities Construction Commission (OFCC).
- Requires ODNR to do both of the following:
 - Comply with the procedures and guidelines established in the law governing public improvement contracts; and
 - Track all project information in the Ohio Administrative Knowledge System (OAKS) capital improvements application pursuant to OFCC guidelines as though ODNR is administering the project pursuant to all generally applicable laws.

Oil and gas

Stratigraphic wells

(R.C. 1509.051, 1509.01, and 1509.03)

The bill establishes ODNR's regulatory authority over stratigraphic wells. Stratigraphic wells are boreholes that are drilled on a tract solely to conduct research of the subsurface geology. Generally, under the bill, stratigraphic wells are subject to all the current laws that govern oil and gas wells, which include (1) the permitting process, (2) insurance and bonding requirements, (3) plugging requirements, (4) setback requirements, and (5) notice and enforcement procedures.

However, the bill does establish new requirements specific to stratigraphic wells and exempts stratigraphic wells from certain requirements that apply to oil and gas wells, as follows:

- Allows the Chief of the Division of Oil and Gas Resources Management to prescribe a different application form for a permit to drill a stratigraphic well;
- Prohibits a person from submitting more than three applications per year for a permit to drill a stratigraphic well unless otherwise approved by the Chief;

- Prohibits a stratigraphic well from being transferred to another person;
- Prohibits the surface location of a stratigraphic well from being within 150 feet from the property line of the tract on which the well is drilled;
- Requires a stratigraphic well to be plugged one year after the well is spudded; and
- Specifies that all of the following do not apply to stratigraphic wells:
 - The ability to receive temporary inactive well status;
 - Filing requirements for statements of production of oil, gas, and brine;
 - Minimum acreage requirements for a drilling unit;
 - Rules governing horizontal well site construction;
 - Rules governing saltwater operations and class II disposal wells;
 - Rules governing oil and gas waste facilities;
 - Rules governing enhanced recovery projects (injecting gas, water, or other fluids to change the pressure in a reservoir to recover oil or other hydrocarbons); and
 - Rules governing solution mining projects (involving a well or group of wells and associated facilities under one owner utilized for the solution mining of minerals).

Enforcement of oil and gas law and notice provisions

(R.C. 1509.03 and 1509.04)

The bill broadens the authority of the Chief of the Division of Oil and Gas Resources Management to enforce the laws governing oil and gas. It does so by allowing the Chief to issue violation orders and take enforcement action against *any person* who violates the oil and gas laws and who is subject to those laws. Current law allows the Chief to take these actions only against well owners.

Under current law, if there is a material or substantial violation of the oil and gas law, the Chief may issue an order to immediately suspend drilling, operating, or plugging activities that are related to the violation and revoke any unused permit if either of the following apply:

1. A well owner has failed to comply with a material and substantial violation order; or
2. A well owner is causing, engaging in, or maintaining a condition or activity that presents an imminent danger to the health or safety of the public or that results in or is likely to result in substantial damage to Ohio's natural resources.

The bill broadens (1) above so that it applies to any person (instead of just a well owner). It also alters (2) above so that it applies only to a person who has committed a material and substantial violation (instead of applying it to well owners).

The bill clarifies that the Chief may notify a drilling contractor, transporter, service company, or other similar entity of the compliance status of a person subject to the oil and gas laws. Under current law, the Chief can only provide that status notification about a well owner.

When the Chief must provide notice under the oil and gas laws, the bill requires the Chief to do so in accordance with law. Current law requires the Chief to provide notice as prescribed by rules adopted by the Chief. The bill also eliminates a corresponding requirement that the rules provide for notice by publication.

Injection well fees

(R.C. 1509.22)

Current law levies fees on the injection of oil and gas brine into an injection well. The injection well owner is required to collect the fee on behalf of the ODNR Division of Oil and Gas Resources Management for deposit in the Oil and Gas Well Fund. The fee is levied at a rate of 5¢ per barrel on brine that is produced within the ODNR district where the injection well is located, and 20¢ per barrel on brine produced outside of that district.

The fee is levied on a maximum of 500,000 barrels per year injected into the owner's well. If an owner receives more than 500,000 barrels in a calendar year, the owner must first calculate the fee on brine received from outside the district, then calculate the fee received from in-district brine until the 500,000 barrel maximum is reached. For example, if an owner receives 350,000 barrels of brine from outside of the district and 300,000 barrels of brine from inside the district in a calendar year, the owner must levy the fee as follows:

1. First, at 20¢ per barrel on the 350,000 barrels of brine received from outside the district; and
2. Second, at 5¢ per barrel on 150,000 barrels of brine received from inside the district (for a total of 500,000 barrels in the calendar year). (The owner does not need to collect and remit the fee on the remaining 150,000 barrels of in-district brine.)

The bill alters the manner in which the oil and gas brine disposal fees are collected and distributed by doing the following:

1. Eliminating the 500,000 barrel limit on the amount of brine injected in an owner's well in a calendar year on which the injection well fee is levied;
2. Eliminating the requirement that, if an owner receives more than 500,000 barrels of brine in a calendar year, the owner must first calculate the fees on brine received from outside the district at 20¢ per barrel;
3. Specifying that the Division continues to receive 100% of any fee collected by an owner on the first 500,000 barrels injected in a calendar year; and
4. Specifying that, on brine disposed of after the first 500,000 barrels, 100% of the fees go to the county if the injection well is located entirely in an incorporated area of the county or, if the well is located wholly or partially in the unincorporated area of the county, 50% goes to the county and 50% goes to the township where the injection well is located.

The bill retains the owner's authority to keep up to 3% of the fees collected before remitting the remainder to either ODNR or the local government.

Hunting and fishing

Licenses for college students

(R.C. 1531.01)

The bill allows a full-time student who is enrolled in any accredited Ohio public or private college or university to obtain a resident hunting license, fishing license, deer permit, and wild turkey permit, regardless of residency. To obtain one of those resident licenses or permits, the student must apply to ODNR and attest to the individual's full-time student status in a manner determined by the Chief of the Division of Wildlife. Generally, the fee for a resident license or permit is cheaper than a nonresident license or permit.

Parks and watercraft

Fire extinguishers on watercraft

(R.C. 1547.27)

Current law generally requires powercraft to carry fire extinguishers. However, this requirement does not apply to powercraft propelled by an electric motor and powercraft that are less than 26 feet in length designed for use with an outboard motor, of open construction, and not carrying passengers for hire. A powercraft is any water vessel propelled by machinery, fuel, rockets, or similar device.

The bill modifies the above provisions by doing both of the following:

1. Eliminating the exemption for powercraft propelled by an electric motor; and

2 Adding that powercraft of open construction that are not carrying passengers for hire are only exempt from fire extinguisher requirements if the powercraft are not capable of entrapping explosive or flammable gases or vapors.

Due to changes in the U.S. Coast Guard's federal regulations according to ODNR, the bill changes the types of fire extinguishers that a powercraft must carry. The bill generally requires any water vessel not equipped with fixed fire extinguishing systems in machinery to carry the following:

Type of powercraft	Current law	The bill
Class A and class 1	One B-1 fire extinguisher	One 5-B portable extinguisher
Class 2 powercraft	At least two B-1 fire extinguishers or at least one B-2 fire extinguisher	At least two 5-B portable fire extinguishers or at least one 20-B portable fire extinguisher
Class 3 powercraft	At least three B-1 fire extinguishers or at least one B-2 fire extinguisher	At least three 5-B portable fire extinguishers or at least one 20-B portable fire extinguisher

Type of powercraft	Current law	The bill
Class 4 powercraft	No requirements	Have the number and type of 20-B portable fire extinguishers specified by gross tonnage as prescribed by federal regulations

According to ODNR, federal regulations allow different fire extinguishers for recreational vessels with a model year earlier than 2018, provided the extinguishers are maintained in good condition. If the older fire extinguishers need to be replaced, the new fire extinguishers must comply with the requirements established under the bill.

The bill requires all portable and semi-portable fire extinguishers for use on a vessel to:

1. Be on board the vessel and be readily accessible;
2. Be of an approved type;
3. Not be expired or appear to have been previously used;

4. Be maintained in good and serviceable working condition, which means all of the following: (a) if the fire extinguisher has a pressure gauge or indicator, the reading or indicator is in the operable range or position, (b) the fire extinguisher's lock pin is firmly in place, (c) the fire extinguisher's discharge nozzle is clean and free of obstruction, and (d) the fire extinguisher does not show visible signs of significant corrosion or damage.

Personal flotation device labeling

(R.C. 1547.25)

The bill eliminates a requirement that the label on an approved personal flotation device have one or more of the following designations:

1. Conditional approval;
2. Performance type;
3. Type 1, 2, 3, 4, or 5 personal flotation device;
4. Throwable personal flotation device; or
5. Wearable personal flotation device.

The bill retains the requirement that the appropriate use for each flotation device must be indicated on the device's label. A personal flotation device is a U.S. Coast Guard approved personal safety device designed to provide buoyancy to support a person in the water.¹⁴²

¹⁴² R.C. 1546.01, not in the bill.

Obtaining a watercraft or outboard motor title

(R.C. 1548.03)

The bill increases the period of time that a purchaser has to obtain a watercraft or outboard motor title from 30 days to 60 days. Under current law, a person is prohibited from selling or otherwise disposing of a watercraft or outboard motor without delivering to the purchaser a physical certificate of title. However, a purchaser may take possession of and operate a watercraft or outboard motor without a certificate of title for up to 30 days (60 days under the bill) if both of the following apply:

1. The purchaser has been issued a dealer's dated bill of sale or notarized bill of sale (in the case of a casual sale); and
2. The purchaser has the bill of sale in their possession.

Parks and Watercraft Federal Grants Fund

(R.C. 1546.24)

The bill creates the Parks and Watercraft Federal Grants Fund consisting of both of the following:

1. Federal funds received by ODNR for parks and watercraft projects approved by the ODNR Director. The Chief of the Division of Parks and Watercraft must use money in the fund for those projects.
2. Any other money credited to the fund.

The Chief must use money in the fund for parks and watercraft projects approved by the Director.

Other provisions

Performance Bond Refund Fund

(R.C. 1501.16)

The bill creates the Performance Bond Refund Fund, which consists of money received by ODNR from other entities as performance security. The bill disposes of money in the fund as follows:

1. If work for which the performance bond was required is completed, the money is refunded to the pledging entity; or
2. If a performance bond is forfeited, the money must be transferred to the appropriate fund within the state treasury.

ODNR administration of capital projects

(Section 343.60)

The bill allows ODNR, for FY 2024 and FY 2025, to administer certain capital facility projects commenced within those fiscal years, regardless of estimated cost, without the assistance of the Ohio Facilities Construction Commission (OFCC), which generally administers

capital facility projects on behalf of state agencies. The bill specifies that those projects are the following:

1. Dam repairs administered by the ODNR's Division of Engineering;
2. Projects or improvements administered by the Division of Parks and Watercraft and funded via the Waterways Safety Fund;
3. Projects or improvements administered by the Division of Parks and Watercraft; and
4. Activities conducted by ODNR to maintain ODNR's roads.

The bill requires ODNR to do both of the following:

1. Comply with the procedures and guidelines established in the law governing public improvement contracts; and
2. Track all project information in the Ohio Administrative Knowledge System (OAKS) capital improvements application pursuant to OFCC guidelines as though ODNR is administering the project pursuant to all generally applicable laws.

Finally, the bill states that nothing in these provisions interferes with ODNR's general powers.

BOARD OF NURSING

- Requires the Board of Nursing to establish a registry of certified doulas.
- Establishes the Doula Advisory Board within the Board of Nursing.
- Repeals these provisions five years after the bill's effective date.

Doula certification

(R.C. 4723.89 and 4723.90; Section 105.10)

The bill establishes two programs, one in the Department of Medicaid (ODM) and one in the Department of Rehabilitation and Correction (DRC), relating to the provision and coverage of doula services. It requires each doula participating in one of those programs to hold a certificate issued by the Ohio Board of Nursing. The bill repeals all of its provisions regarding the doula services five years after its effective date.

Beginning one year after these provisions take effect, the bill prohibits a person from using or assuming the title “certified doula,” unless the person holds a certificate issued by the Board of Nursing. In the case of a violation, the bill authorizes the Board to impose a fine after an adjudication held in accordance with the Administrative Procedure Act (R.C. Chapter 119). It also requires the Attorney General, on the Board's request, to bring and prosecute a civil action to collect any fine imposed that remains unpaid.

Certificate issuance

The bill requires the Board of Nursing to adopt rules, in accordance with the Administrative Procedure Act, establishing standards and procedures for issuing certificates to doulas. The rules must include all of the following:

- Requirements for certification as a doula, including a requirement that a doula either be certified by a doula certification organization or, if not certified, have education and experience that the Board considers appropriate;
- Requirements for renewal of a certificate and continuing education;
- Requirements for training on racial bias, health disparities, and cultural competency as a condition of initial certification and renewal;
- Certificate application and renewal fees, as well as a waiver of fees for applicants with a family income not exceeding 300% of the federal poverty line;
- Requirements and standards of practice for certified doulas;
- The amount of a fine to be imposed for using or assuming the title “certified doula” without holding a Board-issued certificate;
- Any other standards and procedures the Board considers necessary to implement the bill's provisions.

Doula registry

The Board of Nursing must develop and regularly update a registry of doulas holding Board-issued certificates. The Board must make the registry available to the public on its website.

Doula advisory board

The bill creates – while these provisions are effective – a Doula Advisory Board within the Board of Nursing.

Membership

The advisory board consists of at least 13 but not more than 15 members, all appointed by the Board of Nursing. Of these members, at least one must represent the organization Birthing Beautiful Communities and another the organization Restoring Our Own through Transformation.

The overall composition of the advisory board must be as follows:

- At least three members representing communities most impacted by negative maternal and fetal health outcomes;
- At least six members who are doulas with current, valid certification from a doula certification organization;
- At least one member who is a public health official, physician, nurse, or social worker;
- At least one member who is a consumer.

When appointing members to the advisory board, the Board of Nursing must make a good faith effort to select members who represent counties with higher rates of infant and maternal mortality, in particular those counties with the largest disparities. The Board also must give priority to individuals with direct service experience providing care to infants and pregnant and postpartum women.

Terms of membership and vacancies

Of the initial appointments, half are to be appointed to one-year terms and half appointed to two-year terms. Thereafter, all terms are for two years. The bill requires the Board to fill any vacancy as soon as practicable.

Chairperson, meetings, and reimbursements

By a majority vote of a quorum of its members, the advisory board must select, and may replace, a chairperson. The advisory board is required by the bill to meet at the call of the chairperson as often as is necessary for timely completion of board duties. If requested, a member must receive per diem compensation for fulfilling his or her duties as well as reimbursement of actual and necessary expenses incurred.

The Board of Nursing is responsible for providing meeting space, staff services, and other technical assistance to the advisory board.

Advisory board duties

The bill requires the advisory board to do all of the following:

- Provide general advice, guidance, and recommendations to the Board of Nursing regarding doula certification and the adoption of rules;
- Provide general advice, guidance, and recommendations to ODM regarding its doula program;
- Make recommendations to the Medicaid Director regarding the adoption of rules governing its program.

Definitions

- **Doula** is defined as a trained, nonmedical professional who provides continuous physical, emotional, and informational support to a pregnant woman during the antepartum, intrapartum, or postpartum periods, regardless of whether the woman's pregnancy results in a live birth.
- **Doula certification organization** is an organization that is recognized at an international, national, state, or local level for training and certifying doulas and includes any of the following: Birthing Beautiful Communities, Restoring Our Own through Transformation, The International Childbirth Education Association, DONA International, Birthworks International, Childbirth and Postpartum Professional Association, Childbirth International, Commonsense Childbirth Inc., and any other recognized organization the Board of Nursing considers appropriate.

OHIO OCCUPATIONAL THERAPY, PHYSICAL THERAPY, AND ATHLETIC TRAINERS BOARD

Physical therapy educational alternative

- Permits physical therapist and physical therapist assistant licenses to be issued to applicants who completed their education in a country that does not issue a license or registration to physical therapy practitioners.
- Requires the Physical Therapy Section of the Occupational Therapy, Physical Therapy, and Athletic Trainers (OTPTAT) Board to adopt rules pertaining to this new pathway to qualify for Ohio licensure.

Orthotics, Prosthetics, and Pedorthics Advisory Council

- Reduces the minimum number of annual meetings of the Council from four to three.
- Extends from 60 days to 90 days the maximum time an outgoing member must serve after the member's term expires pending a successor's appointment.

Physical therapy educational alternative

(R.C. 4755.411, 4755.45, and 4755.451)

Current law permits the Physical Therapy Section of the OTPTAT Board to issue physical therapist and physical therapist assistant licenses to applicants based on holding a current and valid license or registration in another state or country. The bill additionally allows an Ohio license to be issued to an applicant who completed a program for physical therapists or assistants in a country that does not issue a physical therapist or assistant license or registration. The Physical Therapy Section must adopt rules pertaining to this new pathway to qualify for Ohio licensure.

As provided currently for Ohio's endorsement of a license or registration received in another jurisdiction, an applicant seeking an Ohio license through the bill's new pathway must have education that is reasonably equivalent to the educational requirements in Ohio at the time the education was completed. Further, as with licensure by endorsement, the applicant must still have passed the national examination at some point, passed the jurisprudence examination, and paid application fees.

Orthotics, Prosthetics, and Pedorthics Advisory Council

(R.C. 4779.35)

The Orthotics, Prosthetics, and Pedorthics Advisory Council, which advises the OTPTAT Board, currently must meet a minimum of four times per year. The bill reduces this to a minimum of three meetings per year. It also extends the maximum time an outgoing member must serve after that member's term expires pending a successor's appointment from 60 days to 90 days.

OPPORTUNITIES FOR OHIOANS WITH DISABILITIES

- Expands Ohioans with Disabilities Agency's (OOD's) authorized uses for money deposited in the Services Rehabilitation Fund to allow the money to be expended for any of OOD's purposes or programs, rather than only purposes specified in law.

Services for Rehabilitation Fund

(R.C. 4511.191)

The bill authorizes OOD to use the money in the Services for Rehabilitation Fund for any of OOD's purposes or programs. Under current law, OOD must use the money to match federal funds, when appropriate, and for purposes and programs that rehabilitate persons with disabilities to become employed and independent. Thus, the bill expands OOD's authorized uses for the fund. Money in the fund comes from \$75 out of each \$475 reinstatement fee that a person must pay to reinstate a driver's license after a driver's license suspension for an OVI offense.

OFFICE OF PUBLIC DEFENDER

State Public Defender – reimbursement for indigent defense

- Requires the State Public Defender to reimburse 100% of the costs of indigent defense in counties that contract with the State Public Defender.
- Caps reimbursement from the state public defender to counties for indigent defense at an hourly rate not to exceed the greater of \$75 per hour or the rate established by the county as of April 1, 2023, pursuant to continuing law.

State Public Defender – parole hearings and private counsel

- Allows the State Public Defender to provide legal representation in full board hearings and parole eligibility hearings, unless the State Public Defender finds that the person subject to the full board hearing or parole eligibility hearing has the financial capacity to retain the person's own counsel.
- Provides that if the State Public Defender determines that it does not have the capacity to provide the above legal representation, the State Public Defender may contract with private counsel to provide the above legal representation.
- Requires that if the State Public Defender contracts with private counsel to provide the above legal representation, the State Public Defender must directly pay private counsel's legal fees and expenses from the Indigent Defense Support Fund.

State Public Defender – receipts from indigent defense contracts

- Diverts funds received by the State Public Defender for contracts with counties to provide indigent defense services from county share funds to the Indigent Defense Support Fund.

State Public Defender – reimbursement for indigent defense

(R.C. 120.04, 120.06, 120.08, 120.33, and 120.34; Section 371.10)

The bill requires the State Public Defender to prioritize reimbursement for the costs of indigent defense to counties that contract with the State Public Defender for indigent defense. Those counties that contract with the State Public Defender are reimbursed 100% of the cost of indigent defense before the remainder of reimbursement funds are allocated proportionally to counties that do not contract with the State Public Defender for indigent defense. Except for the 100% reimbursement in the bill, the State Public Defender must use at least 83% of the Indigent Defense Support Fund for the following purposes: (1) reimbursing county governments for specified expenses incurred (continuing law), (2) operating its system (continuing law), and (3) directly paying private counsel's legal fees and expenses (see "**State Public Defender – parole hearings and private counsel**," below).

Under continuing law, proportional disbursements from the fund to county governments must be made at least once a year and must be allocated so that each county

receives an equal percentage of its cost for operating its county public defender system, joint county public defender system, county appointed counsel system or for its costs in contracting with the State Public Defender for indigent defense. Under the bill, this proportional distribution is made to counties that do not contract with the State Public Defender for indigent defense from amounts remaining in the Indigent Defense Support Fund for county reimbursement after the 100% reimbursement of the cost of indigent defense for those counties that do contract with the State Public Defender for indigent defense.

The bill also caps county reimbursements for indigent defense at an hourly rate to be established by the General Assembly. For FYs 2024 and 2025, the bill caps the hourly rate at the greater of \$75 per hour or the indigent defense reimbursement rate established by the county under continuing law as of April 1, 2023. The bill states that the intent of the General Assembly is to stabilize costs while allowing the Task Force to Study Indigent Defense, established in H.B. 150 of the 134th General Assembly, to issue its report.

State Public Defender – parole hearings and private counsel

(R.C. 120.06 and 120.08)

The bill allows the State Public Defender to provide legal representation in full board hearings and parole eligibility hearings, unless the State Public Defender finds that the person subject to the full board hearing or parole eligibility hearing has the financial capacity to retain the person's own counsel. Current law requires the State Public Defender, when designated by the court or requested by the county public defender, joint county public defender, or the DRC Director, to provide legal representation in parole and probation revocation matters or matters relating to the revocation of community control or post-release control under a community control sanction or post-release control sanction, unless the State Public Defender finds that the alleged parole or probation violator or alleged violator of a community control sanction or post-release control sanction has the financial capacity to retain the alleged violator's own counsel.

The bill provides that if the State Public Defender decides to provide the above legal representation, but determines that it does not have the capacity to provide the above legal representation, the State Public Defender may contract with private counsel to provide it.

The bill specifies that if the State Public Defender contracts with private counsel to provide the above legal representation, the State Public Defender must directly pay private counsel's legal fees and expenses from the Indigent Defense Support Fund.

State Public Defender – receipts from indigent defense contracts

(R.C. 120.04 and 120.08)

The bill diverts the funds received by the State Public Defender for contracts with counties to provide indigent defense services to the Indigent Defense Support Fund. Under existing law, those funds are credited to either the multi-county: county share fund or, if received as a result of a contract with Trumbull County, the Trumbull County: County Share Fund; the bill strikes references to those county share funds in permanent law.

The bill also allows the State Public Defender to use up to 10% of any amount credited to the fund pursuant to a contract with a county government for indigent defense services, for purposes of providing administrative and other personnel, equipment, and facilities, necessary to support the state public defender office in that county or region.

DEPARTMENT OF PUBLIC SAFETY

Driver's licenses and identification cards

Limited term licenses and identification cards

- Renames “nonrenewable/nontransferable” driver’s licenses and state identification (ID) cards, which are issued to temporary residents, as the “limited term license” and “limited term” ID card. (Temporary residents generally are persons who are not U.S. citizens or permanent residents.)
- Excludes a limited term license as a form of photo identification for purposes of voting.
- Requires the words “limited term” to be on any driver’s license or ID card issued to a temporary resident, along with other characteristics prescribed by the Registrar of Motor Vehicles.
- Clarifies the law regarding the expiration dates for a limited term driver’s license or ID card issued to a temporary resident.
- Authorizes a temporary resident to renew a limited term license or limited term ID card, provided the temporary resident can verify his or her lawful status in the U.S.
- Requires the Registrar to adopt rules governing limited term licenses and ID cards issued to temporary residents.
- Specifies that all REAL ID-compliant driver’s licenses and ID cards must be issued in accordance with the federal requirements.

Return of ID cards

- Removes the requirement that a person surrender or return an original ID card to the Bureau of Motor Vehicles (BMV) if the person:
 - Applies for a driver’s license or commercial driver’s license (CDL) in Ohio or another state;
 - Finds the original lost card, after obtaining a duplicate or reprint card; or
 - Changes his or her name and obtains a replacement ID card.

Color photographs

- Removes the requirement that the Registrar or a deputy registrar photograph an applicant for a driver’s license, CDL, or ID card in color.
- Removes the requirement that a driver’s license, CDL, or ID card display a color photograph of the licensee.

ID card reimbursements

- Authorizes the Department of Public Safety (DPS) Director to certify to the OBM Director, on a quarterly basis, both of the following:

- The amounts paid by DPS to deputy registrars to reimburse them for their services in issuing and renewing free ID cards and temporary ID cards; and
 - The amount of fees not collected by the Registrar for any free ID cards and temporary ID cards issued or renewed by the Registrar.
- Authorizes the OBM Director to transfer up to \$4 million per fiscal year to BMV from the GRF to reimburse the BMV for the free ID cards and temporary ID cards.

Driver's licenses and permits for dependent minors

- Authorizes a minor's representative to sign the minor's application for a probationary driver's license, restricted license, or temporary instruction permit (license or permit), in addition to a parent, guardian, or another person having custody of the minor, as in current law.
- Specifies that a minor's representative is a person who has custody of a minor under the age of 18 and who is one of the following:
 - A representative of a private child placing agency (PCPA) or public children services agency (PCSA); or
 - A resource caregiver (kinship or foster caregiver) who has placement of a child in the custody of a PCPA or PCSA.
- Excludes a minor's representative who signs a minor's license or permit application from imputed liability for the minor's negligence or willful or wanton misconduct committed while driving.
- Requires the Department of Job and Family Services (ODJFS) or a minor's representative to verify that a minor has proof of financial responsibility (auto insurance) before the minor's representative signs the application.
- Requires ODJFS, its agent, or the minor's representative to provide the Registrar with proof that the minor has auto insurance.
- Requires ODJFS or the minor's representative to notify the Registrar and surrender the minor's license or permit to the Registrar upon determining that the minor does not have auto insurance.
- Further requires the Registrar to cancel the license or permit in that event.
- Requires a resource caregiver (a foster or kinship caregiver) to use the reasonable and prudent parent standard when signing the minor's license or permit application.
- Extends certain civil immunity from liability for the decision to allow a minor to drive to a resource caregiver and resource caregiver's supervising agency only when the reasonable and prudent parent standard is used in signing the application.

Resource caregiver immunity and authority

- Expands the general immunity granted to foster caregivers for acts authorized under the public welfare law to kinship caregivers.
- Specifies that any alleged abused, neglected, or dependent child placed with a resource caregiver (a foster caregiver or a kinship caregiver) is entitled to participate in age-appropriate extracurricular, enrichment, and social activities.
- Requires a resource caregiver to consider certain factors when determining whether to give permission for a child to participate in extracurricular, enrichment, and social activities.
- Clarifies that a resource caregiver who grants permission for a child to participate in those activities is immune from liability in a civil action to recover damages for injury, death or loss to the child when those factors were considered.

Restricted driver's license

- Eliminates the six-month validity period for a medically restricted driver's license and, instead, requires the Registrar to determine the validity period of the license.
- Requires a medically restricted license holder to submit a licensed physician's statement regarding the holder's medical condition to the Registrar at intervals required by the Registrar, rather than every six months as in current law.

Commercial driver's licenses

Online driver's license, ID card, and CDL renewal

- Authorizes the online renewal of CDLs in a similar manner as driver's licenses and ID cards under current law.
- Prohibits the renewal or issuance of any of the following via the online process:
 - A CDL temporary instruction permit;
 - An initial CDL; and
 - A nonrenewable CDL.
- Modifies a current eligibility requirement for the online renewal of a driver's license or ID card to require the applicant's current license or ID card to have been issued when the applicant was age 21 or older and the applicant to be under age 65, rather than requiring the applicant to be between age 21 and 65 as in current law.
- Extends that eligibility requirement to online renewal of CDLs.
- Authorizes U.S. permanent residents to renew driver's licenses, CDLs, and ID cards online.
- Specifies that for online CDL renewal, the applicant must meet the following additional eligibility criteria that do not apply to a driver's license or ID card holder:

- Compliance with all laws governing CDL issuance, including self-certification and medical certificate requirements;
- Not be under any CDL restriction by any federal regulation.

CDL temporary instruction permit

- Extends the maximum validity period for a commercial driver's license temporary instruction permit (CDLTIP) from six to 12 months.
- Clarifies that a CDLTIP is a prerequisite for the initial issuance of a CDL only when a skills test is required for the CDL.
- Repeals law that allows the Registrar to renew a CDLTIP only once in a two-year period.

CDL skills test third-party examiners

- Regarding third parties authorized to administer the CDL skills tests, does all of the following:
 - Specifies that the third-party examiners must meet the qualification and training standards that apply to the class of vehicle and endorsements for which an applicant taking the skills test is applying;
 - Decreases the number of individuals to whom a CDL skills test examiner must administer a skills test each calendar year from 32 to ten;
 - Requires the third party to schedule all skills test appointments through a system or method provided by the DPS Director, or if the Director does not provide a system or method, to submit the schedule weekly;
 - Requires the third party to keep a copy of the third-party agreement entered into with the Director at its principal place of business.

Fraudulent acts related to CDL testing

- Prohibits knowingly providing false statements or engaging in any fraudulent act related to a CDL test.
- Specifies that a violation of the prohibition is a first degree misdemeanor.
- Allows the Registrar to cancel a CDL or an application for a CDL as a result of a violation of the prohibition.

CDL disqualifications: human trafficking

- Prohibits a CDL holder from using a commercial motor vehicle in the commission of a felony human trafficking offense, and specifies that a violation of the prohibition is a first degree misdemeanor.
- Establishes a lifetime disqualification from operating a commercial motor vehicle for a person who is convicted of violating the prohibition.

Strict liability declaration

- Clarifies that various prohibitions related to operating a commercial motor vehicle are strict liability offenses.

Motor vehicle OVI violation requiring surrender of CDL

- Clarifies that a CDL holder or CDLTIP holder must immediately surrender the holder's CDL or permit to an arresting peace officer if the holder was operating a motor vehicle in violation of the state OVI law's statutory limits for alcohol or a controlled substance.

Other BMV services

Deputy registrars

- Allows county auditors and clerks of court to serve as a deputy registrar in any county, rather than only in counties below certain population thresholds.
- Relieves the Registrar from the responsibility to appoint a deputy registrar in a county under certain circumstances (e.g., when the county auditor or clerk of court is unwilling to serve and no other entities have applied).
- In the case of a county in which there is no deputy registrar, allows the Registrar to reestablish a deputy registrar office in certain circumstances (e.g., the willingness of the county auditor, a clerk of court, or deputy registrar in another county to serve).
- As a result of the changes specified above, eliminates the requirement that a deputy registrar live within a one-hour commute from the deputy registrar's office and the prohibition against a deputy registrar operating more than one deputy registrar office at any time.

Deputy registrar fees and online transactions

- Increases the deputy registrar/BMV service fee from \$5 to \$6.
- Requires the Registrar, by July 1, 2024, to provide every deputy registrar with access to an application programming interface (API) that will allow the deputy registrars to conduct BMV services and transactions with customers online.
- Authorizes the Registrar to adopt rules, as necessary, to implement and administer the API and its related provisions, and exempts those rules from requirements governing the elimination of existing regulatory restrictions.

Permanent removable windshield placard

- Creates a permanent removable windshield placard with no expiration date that authorizes use of accessible parking spaces for a person with a permanent disability that limits or impairs the ability to walk.
- Sets the cost for a permanent placard at \$15 (as opposed to \$5 for a standard or temporary placard), but exempts an armed forces veteran whose disability is service-connected.

- Consolidates and makes conforming changes within the language pertaining to the three types of placards: a standard placard (five-year renewal); a temporary placard (expires within six months); and the new permanent placard (no expiration).

Invisible disabilities license plate and placard

- Authorizes a person who has a disability that limits the ability to walk, but whose disability is not readily apparent to another person, to apply for one of the following:
 - A license plate with an orange International Symbol of Access printed on it; or
 - An orange standard removable windshield placard with a white International Symbol of Access printed on it.

Titling a motor vehicle from another state

- Regarding an application for a certificate of title for a motor vehicle last registered in another state, clarifies that the required physical inspection certificate must be issued specifically by the Registrar, rather than DPS as in current law.
- Requires the physical inspection to include a verification of the mileage of the motor vehicle, in addition to a verification of the make, body type, model, and vehicle identification number as in current law.

Traffic and vehicle equipment laws

Emergency vehicles using flashing lights

- Allows a vehicle being used on a road or highway for emergency preparedness, response, and recovery activities to use flashing amber or flashing red and white lights if the vehicle is being operated by a person from one of the following:
 - The Ohio Emergency Management Agency;
 - A countywide emergency management agency;
 - A regional authority for emergency management; or
 - A program for emergency management.

Vehicle platoons

- Exempts a vehicle platoon from a specific prohibition against a driver of a truck following too closely to another truck or to another motor vehicle that is drawing another vehicle.
- Specifies that a vehicle platoon generally is the linking of two or more connected vehicles using electronic vehicle-to-vehicle communication technology.

Distracted driving safety course

- Regarding the opportunity to take a distracted driving safety course in lieu of paying a fine and incurring points for the offense of driving while using an electronic wireless communication device (EWCD), does both of the following:

- Requires evidence of course completion to be submitted to the court within 90 days of the offense; and
 - Clarifies that successful completion of the course does not result in a dismissal of the charges for the violation, and the violation constitutes a prior offense if the offender is subsequently convicted of an EWCD violation within two years of the initial offense.
- Regarding the opportunity to take a distracted driving safety course in lieu of paying a \$100 fine for distracted driving, requires the course to be completed within 90 days of the underlying offense that resulted in the imposition of the distracted driving fine.

Civil actions related to towing

- Establishes a process for a motor vehicle owner to file a civil action to dispute a towing service or storage facility's charges related to the towing and storage of that owner's motor vehicle, cargo, or personal property after a motor vehicle accident, similar to the process used by insurance companies under current law.
- Requires a motor vehicle owner to pay the undisputed amount and to post a bond for the disputed amount of the towing service or storage facility's charges.
- Requires the bond amount to be used to pay the remaining disputed amount of the bill or to be returned, depending on the civil action's outcome.
- Authorizes a towing service or storage facility to file a civil action against a motor vehicle owner if all of the following apply:
 - The motor vehicle, cargo, or personal property was removed, towed, or stored after a motor vehicle accident;
 - The motor vehicle owner has not paid the bill or filed a civil action to dispute the charges within 45 days of the owner receiving the bill sent by the towing service or storage facility; and
 - The towing service or storage facility is not attempting to take title to the motor vehicle until after any final judgments are entered for the current civil action.
- Requires the court to determine the reasonableness of the amount charged by the towing service or storage facility if that amount is in dispute.

Peer-to-peer car sharing programs

- Removes requirements that a peer-to-peer (P2P) car sharing program collect certain information, retain certain records, and exclude certain vehicles from its platform and those that use the platform.
- Modifies the automobile and general insurance requirements related to peer-to-peer car sharing programs.

Motor vehicle sales, dealers, and manufacturers

Motor vehicle sales

- For purposes of the Motor Vehicle Sales Law, does all of the following:
 - Expands the meaning of “persons” to include a variety of business entities.
 - Expands the meaning of “business” to include activities conducted through the internet or other computer networks.
 - Expands the meaning of “retail sale” to include sales that occur through the internet or other computer networks.
 - Modifies the meaning of “motor vehicle leasing dealer” to include a financial institution acting as a lessor and to exclude a new motor vehicle dealer that is not the lessor.
 - Defines “established place of business” to mean a permanent building or structure that meets certain conditions, potentially barring individuals whose business does not meet those conditions from licensure.

Manufacturer, dealer, and distributor vehicle registration

- Requires the Registrar to issue a license plate, rather than a placard, to vehicle manufacturers, dealers, distributors, and other similar professionals that require a temporary identification for vehicles in their possession.
- Requires the Registrar to issue corresponding and matching additional certificates of registration and license plates, rather than certified copies of the original certificate and placards, for any additional license plates requested.

Licensee contact information

- Prohibits a salvage motor vehicle dealer, salvage motor vehicle auction, salvage motor vehicle pool, and a motor vehicle dealer, leasing dealer, and distributor from failing to notify the Registrar of any change in status regarding contact information, including the relevant business phone number and email address.
- Imposes a fourth degree misdemeanor for violating the prohibition.

Salvage dealer provisional license

- Permits the Registrar to utilize an agent to inspect the premises of a motor vehicle salvage dealer when the dealer holds a provisional license.
- After a successful inspection of a provisional license holder, eliminates the requirement that the Registrar send notice to the holder of the removal of provisional status and, instead, requires the Registrar to issue a license without provisional status to the holder.
- Requires the Registrar to send the notice of the revocation of a provisional license (after an unsuccessful inspection) in accordance with the Administrative Procedure Act.

Used dealer provisional license

- Creates a provisional, 180-day, used motor vehicle dealer license, similar to the current provisional license for a salvage motor vehicle dealer, for the first issuance of the license to an applicant.
- Requires the Registrar, or the Registrar's agent, to inspect the premises of the dealer within the provisional period to ensure compliance with the Used Motor Vehicle Dealer Law.
- Requires the Registrar to either issue a nonprovisional license or revoke the provisional license, based on whether the dealer is in compliance.
- Exempts a person that either (1) currently holds, or (2) held within the two years preceding the application, a valid new motor vehicle dealer license from obtaining a provisional used motor vehicle dealer license.

Corrective changes

- Corrects references in law to an annual renewal for specified licenses that are currently biennial.

State Board of Emergency Medical, Fire, and Transportation Services

- Eliminates a requirement that each organization nominating persons to the State Board of Emergency Medical, Fire, and Transportation Services put forth three nominees and, instead, allows each organization to nominate any number of persons.
- Does both of the following regarding the Board member who is certified to teach emergency medical services training and who holds a certificate to practice as an EMT, AEMT, or paramedic:
 - Eliminates the requirement that the Governor appoint the member from among three persons nominated by the Ohio Emergency Medical Technician Instructors Association and the Ohio Instructor/Coordinators' Society; and
 - Instead, requires the member to be appointed from among EMTs, AEMTs, and paramedics nominated by the Ohio Association of Professional Firefighters and EMTs, AEMTs, and paramedics nominated by the Northern Ohio Fire Fighters.
- Specifies that if any nominating organization ceases to exist or fails to make a nomination within 60 days of a vacancy, the Governor may appoint any person who meets the designated professional qualifications for that member.
- Extends the potential time a member of the Board may continue in office if a successor does not take office from 60 days to three years.
- Eliminates a requirement that each organization nominating persons to the Trauma Committee of the State Board put forth three nominees and, instead, allows each organization to nominate any number of persons.

- Specifies that if any nominating organization ceases to exist or fails to make a nomination of a member within 60 days of a vacancy, the DPS Director may appoint any person who meets the designated professional qualifications for that member.
- Eliminates a restriction preventing the Director from appointing more than one member to the Committee who is employed by or practices in the same health system.
- Further modifies that restriction to allow the Director to appoint persons who practice at the same hospital or with the same emergency medical service (EMS) organization, provided they do not primarily practice at the same hospital or with the same EMS organization.

Emergency medical vehicle and aircraft permits

- Shortens the timeframe by which the State Board of Emergency Medical, Fire, and Transportation Services must issue or deny a permit application for an emergency medical vehicle or aircraft from within 60 days of receiving the application to within 45 days.

Assistant EMS and firefighter instructors

- Authorizes any person issued an EMS Assistant Instructor Certificate or Assistant Fire Instructor Certificate prior to April 6, 2023, to continue to hold and renew those certifications until the person allows them to expire or lapse.
- Requires the State Board of Emergency Medical, Fire, and Transportation Services to no longer issue new certifications in order to work as an assistant EMS or assistant fire instructor.

Ohio Narcotics Intelligence Center

- Codifies the Ohio Narcotics Intelligence Center in DPS, which was originally created by a Governor's Executive Order.
- Requires the Center to perform specified duties, including coordinating law enforcement response to illegal drug activities for state agencies and acting as a liaison between state agencies and local entities for the purposes of communicating counter-drug policy initiatives.
- Requires the DPS Director to appoint an executive director of the Center, who serves at the Director's discretion.
- Requires the executive director to advise the Governor and the Director on matters pertaining to illegal drug activities.

State Hazard Mitigation Grant Program

- Requires the DPS Director to adopt rules to establish and administer a State Hazard Mitigation Grant Program to provide grants to eligible government entities to take actions that reduce impact from hazards and disasters.

- Requires the rules to establish specified requirements regarding the Program, including:
 - A list of hazards and disasters for which grants may be issued;
 - Priorities for grant funding; and
 - Eligibility requirements for applicants to receive a grant.

Security Grants Program

- Expands the eligible purposes of grants issued under the Security Grants Program managed by the Emergency Management Agency (EMA).
- Authorizes a nonprofit organization that serves a broad community or geographic area to apply for a security grant to provide antiterrorism services throughout its region, including armed security personnel.
- Authorizes multiple nonprofit organizations that are located at the same address to apply for separate security grants, provided the organizations can explain how they will each use the funding to address a different vulnerability.
- Requires the EMA to post information regarding the security grants and applicants on its website.

Public Safety – Highway Purposes Fund Study Committee

- Establishes the Public Safety – Highway Purposes Fund Study Committee, which consists of three members appointed by the Governor, three members appointed by the Senate President, and three members appointed by the Speaker of the House.
- Requires the Committee to study long term issues facing the fund and to submit a report of its findings and recommendations by July 1, 2024, to the Speaker and the President.

Specific investigatory work product

- Defines “specific investigatory work product” as used in the Public Records Law.

Trial preparation records and attorney work product records

- Exempts confidential attorney work product records from disclosure as a public record at any time.
- Clarifies that trial preparation records are exempt from the Public Records Law until after the conclusion of all direct appeals or, if no appeal is filed, at the expiration of the time during which an appeal may be filed.
- Defines “attorney work product record.”

Driver's licenses and identification cards

Limited term licenses and identification cards

(R.C. 3501.01, 4507.01, 4507.061, 4507.09, 4507.13, 4507.50, 4507.501, and 4507.52)

The bill makes changes to Ohio law that governs driver's licenses and state identification (ID) cards issued to temporary residents. Temporary residents generally are persons who are not U.S. citizens or permanent residents under U.S. immigration laws.¹⁴³ The purpose of the changes is to ensure that those licenses and ID cards issued to temporary residents conform to the federal REAL ID Act. Under that act, driver's licenses and ID cards issued to temporary residents are described as "limited term," with required expiration date standards. A temporary resident may renew a limited term license upon verification of the applicant's continued legal status in the U.S. Regarding their expiration dates, federal law requires a REAL ID-compliant license or ID issued to a temporary resident to expire as follows:

- If the license or ID is issued to a temporary resident who has a definite expiration date for the resident's authorized stay in the U.S., the license or ID must expire on that date or four years from the date of issuance, whichever is earlier.
- If the license or ID is issued to a temporary resident who does not have a definite expiration date for the resident's authorized stay in the U.S., the license or ID must expire one year from the date of issuance.¹⁴⁴

In order to conform Ohio's law to the federal REAL ID Act, the bill does all of the following:

1. Renames the "nonrenewable/nontransferable" driver's license and ID card a "limited term license," "limited term identification card," and "limited term temporary identification card." (As a conforming change, the bill excludes the use of a limited term license as a form of photo identification for purposes of voting.)

2. Requires the limited terms licenses and ID cards to have the words "limited term" printed on them, along with any other characteristics prescribed by the Registrar.

3. Authorizes the limited term licensee or cardholder to renew the license or ID card within 90 days of expiration, provided the licensee or cardholder can verify his or her continued lawful status/legal presence in the U.S.

4. Aligns the required expiration dates more clearly with the required expiration dates in the federal Real ID Act, and requires the Registrar to adopt rules regarding the issuance of the limited term licenses and ID cards and their expiration dates. (In doing so, the bill also adjusts the law concerning expiration dates for licenses and ID cards generally.)

¹⁴³ O.A.C. 4501:1-1-35 and 4501:1-1-35.

¹⁴⁴ "Real ID Act," 49 U.S.C. 30301, *et seq.*, 6 C.F.R. Part 37.

5. Requires, in general, all driver's licenses and ID cards issued in accordance with the federal REAL ID Act to comply with the corresponding federal regulations.

Return of ID cards

(R.C. 4507.52)

The bill removes the requirement that an ID cardholder surrender or return his or her original ID card to the BMV if any of the following occur:

1. The cardholder applies for a driver's license or CDL in Ohio or in another state;
2. The cardholder lost the original ID card, but then finds it after obtaining a duplicate or a reprint ID card; or
3. The cardholder changes his or her name and obtains a replacement ID card to reflect the new name.

As a conforming change, the bill also removes the requirement that the Registrar cancel any card surrendered to the BMV for any of the above reasons.

Color photographs

(R.C. 4506.11, 4507.01, 4507.06, 4507.18, 4507.51, and 4507.52)

The bill removes the requirement that the Registrar or a deputy registrar photograph an applicant for a CDL, driver's license, or ID card in color. Similarly, it removes the requirement that CDLs, driver's licenses, and ID cards display a color photograph of the cardholder. While the REAL ID Act requires those licenses and ID cards to display a photograph of the licensee or cardholder, it does not require that photograph to be in color.

ID card reimbursements

(Section 373.30)

The bill authorizes the DPS Director to certify to the OBM Director, on a quarterly basis, both of the following:

1. The amounts paid by DPS to deputy registrars to reimburse them for their services in issuing and renewing free ID cards or temporary ID cards that past quarter; and
2. The amount of fees not otherwise collected by the Registrar for any free ID cards and temporary ID cards issued or renewed by the Registrar that past quarter.

Furthermore, the bill authorizes the OBM Director to transfer up to \$4 million per fiscal year to the BMV's primary fund (Public Safety – Highway Purposes Fund) from the GRF. The money reimburses the BMV for its expenses related to the free ID cards. The General Assembly authorized any person 17 and over who applies for and receives an ID card from the BMV to

receive and renew it for free. That authorization was established by H.B. 458 of the 134th General Assembly in association with requiring photo identification for voting.¹⁴⁵

Driver's licenses and permits for dependent minors

(R.C. 2307.22, 4507.07, and 5103.162)

The bill authorizes a minor's representative to sign a minor's application for a probationary driver's license, restricted license, or temporary instruction permit (license or permit). A minor's representative is a person who has custody of a minor under the age of 18 and who is one of the following:

- A representative of a private child placing agency (PCPA) or public children services agency (PCSA); or
- A resource caregiver (meaning a foster or kinship caregiver) who has placement of a child in the custody of a PCPA or PCSA.

Under current law, only a parent, guardian, or another person having custody of the minor may sign the minor's license or permit application.

The bill excludes a minor's representative who signs a minor's application from imputed liability for the minor's negligence or willful or wanton misconduct committed while driving a motor vehicle. This imputed liability currently applies to a parent or guardian and makes the parent or guardian jointly and severally liable with the minor for damages, unless the minor has proof of financial responsibility (i.e., auto insurance).

The bill requires the Department of Job and Family Services or a minor's representative to verify that a minor has auto insurance before the minor's representative signs the minor's license or permit application. The Department or minor's representative must notify the Registrar and surrender the minor's license or permit to the Registrar upon determining that the minor does not have auto insurance. The Registrar must cancel the license or permit in that event.

The bill retains law allowing any person who signed a minor's application for a license or permit to surrender the minor's license or permit to the Registrar and ask that it be cancelled. The Registrar must cancel it in that circumstance and the person who signed the application is relieved from any imputed liability.

When signing a dependent minor's permit or license application, the bill requires a minor's representative to use the reasonable and prudent parent standard. Under current law, this standard is a standard characterized by careful and sensible parental decisions that maintain the child's health, safety, and best interests while at the same time encouraging the child's emotional and developmental growth. Under the bill, it must be used by a resource

¹⁴⁵ R.C. 4507.49, not in the bill. For additional information regarding free ID cards, see the [LSC Final Analysis for H.B. 458 of the 134th General Assembly \(PDF\)](#), which is available on the General Assembly's website: legislature.ohio.gov.

caregiver or resource caregiver's supervising agency in order to be immune in a civil action for damages resulting from the decision to allow a minor to participate in extracurricular activities, which includes driving.

Resource caregiver immunity and authority

(R.C. 2151.315 and 5103.162)

The bill expands the general immunity granted to foster caregivers for acts authorized under the public welfare law so that the immunity also applies to kinship caregivers. Currently, foster caregivers are immune in any civil action for damages for injury, death, or loss allegedly caused by an act or omission in connection with the foster caregiver's duties, powers, or responsibilities unless one of the following applies:

1. The foster caregiver acted manifestly outside the scope of the foster caregiver's power, duty, responsibility, or authorization;
2. The foster caregiver committed the act or omission maliciously, in bad faith, or wantonly or recklessly; or
3. Liability is expressly imposed by another provision of the Revised Code.

The bill applies these general principles of civil immunity to resource caregivers, which includes both foster caregivers and kinship caregivers.

Under current law, a private child placing agency (PCPA), public children services agency (PCSA), and private noncustodial agency that serves as a child's custodian or as the supervising agency for a foster caregiver is specifically immune from any civil liability resulting from the agency's or foster caregiver's decision to allow a child to participate in extracurricular, enrichment, and social activities. However, the immunity applies **only** when the agency or foster caregiver makes the decision using the reasonable and prudent parent standard described above. The bill applies this immunity to a kinship caregiver and an agency supervising a kinship caregiver who uses the reasonable and prudent parent standard regarding a child's participation in the activities.

The bill also specifies that any alleged abused, neglected, or dependent child placed with a resource caregiver is entitled to participate in any age-appropriate extracurricular, enrichment, and social activities. Under current law, that entitlement extends only if the child is subject to out-of-home care. Correspondingly, the bill requires a resource caregiver to consider certain factors when determining whether to give permission for a child to participate in those activities, as is required currently of out-of-home care facilities. Under current law, those factors include all of the following:

1. The child's age, maturity, and developmental level to maintain the overall health and safety of the child;
2. The potential risk factors and the appropriateness of the extracurricular, enrichment, or social activity; and
3. The best interest of the child based on information known by the person or facility (under the bill, includes a resource caregiver) providing out-of-home care for the child.

The bill clarifies that a resource caregiver who grants permission for a child to participate in the activities is immune from liability in a civil action to recover damages for injury, death, or loss to person or property caused to the child, provided the three factors above were considered.

Restricted driver's license

(R.C. 4507.08)

The bill eliminates the six-month validity period for a medically restricted driver's license and, instead, requires the Registrar to determine the validity period.

Under current law, the Registrar is prohibited from issuing a driver's license or temporary instruction permit to any person who has a physical or mental disability or disease that prevents the person, in the Registrar's opinion, from exercising reasonable and ordinary control over a motor vehicle. However, the Registrar may issue the person a restricted license that is valid for six months when, based on a physician's statement, the Registrar determines that the condition is dormant or is sufficiently under medical control. Each six-month interval after the medically restricted license is issued, the holder must send to the Registrar an updated statement from a licensed physician indicating that the condition is under effective medical control. The bill instead requires the statement to be sent at intervals determined by the Registrar.

Commercial driver's licenses

Online driver's license, ID card, and CDL renewal

(R.C. 4507.061)

The bill provides for the online renewal of CDLs in a similar manner as driver's licenses and ID cards under current law. In so doing, the bill prohibits online renewal or issuance of any of the following:

1. A CDL temporary instruction permit;
2. An initial CDL; and
3. A nonrenewable CDL.

Eligibility criteria

The bill modifies two existing eligibility requirements for online renewal. First, when a person is renewing a driver's license or ID card (or, under the bill, a CDL) online, the applicant's current license or ID card must have been issued when the applicant was age 21 or older. Further, the applicant must be under age 65 at the time of application. Under current law, the applicant must be between 21 and 65 years of age, and the age at which the applicant's current license was issued is not relevant. Second, the bill authorizes U.S. permanent residents who reside in Ohio to renew driver's licenses, CDLs, and ID cards online. Currently only U.S. citizens who reside in Ohio are eligible for online renewal.

The bill also establishes two new eligibility criteria that apply only to the online renewal of a CDL. Namely, a CDL holder must:

1. Be in compliance with all laws governing CDL issuance, including self-certification and medical certificate requirements; and
2. Not be under any CDL restriction specified by federal regulations.

CDL temporary instruction permit

(R.C. 4506.06)

The bill specifies that a commercial driver's license temporary instruction permit (CDLTIP) is a prerequisite to obtaining a CDL only when the CDL requires the passage of a skills test in order to receive it. Under current law, a CDLTIP is a prerequisite to obtaining any CDL. The bill also extends the maximum validity period for a CDLTIP from six months to 12 months. Finally, it repeals law that allows the Registrar to renew a CDLTIP only once in a two-year period. These changes align Ohio law with the Federal Motor Carrier Safety Administration rules.

CDL skills test third-party examiners

(R.C. 4506.09)

Under current law and as authorized by federal law, the DPS Director may contract with third parties to administer the skills test given to applicants for a CDL or a specific endorsement on the CDL. Recent updates to federal regulations pertaining to the CDL skills tests, examining locations, and the examiners necessitate corresponding changes to Ohio's laws.

Currently, third party examiners must meet the same qualification and training standards as the DPS examiners and pass a criminal background check. The bill clarifies that as part of meeting the DPS standards, third party examiners must meet the standards for the class of vehicle and the endorsements for which an applicant taking the skills test is applying. For example, an examiner giving the skills test to an applicant for the S-endorsement (school bus) must personally meet the standards for that S-endorsement. Finally, the bill reduces the number of individuals to whom a CDL skills test examiner must administer a skills test from 32 to ten individuals per calendar year.

The bill also requires the contracted third party to schedule all skills test appointments through a system or method provided by the DPS Director. If the Director does not provide a system or method, the third party must submit a schedule of the skills test appointments to the Director weekly. The Director may request that any additions to the schedule, made after the weekly submission, be submitted at least two business days prior to the additional appointment. Under current law, the third parties must submit a schedule of skills test appointments to the Director at least two business days prior to each skills test.

Finally, the bill requires the third parties to keep a copy of their third-party agreement with the Director at their principal place of business. Current law requires third parties to maintain a variety of records at their business, including their CDL skills testing program certificate, their examiners' certificates of authorization to administer skills tests, completed skills test scoring sheets, a list of test routes, and a complete and accurate copy of their examiners' training records.

Fraudulent acts related to CDL testing

(R.C. 4506.04 and 4506.10)

The bill prohibits a person from knowingly providing false statements or engaging in any fraudulent acts related to CDL testing. A violation of the prohibition is a first degree misdemeanor. The Registrar also may cancel the offender's driver's license, CDL, CDLTIP, or any pending application for a license or permit. Current law includes a parallel provision that prohibits providing false information in any application for a CDL. That prohibition carries the same penalties as discussed above.

CDL disqualifications: human trafficking

(R.C. 4506.15, 4506.16)

The bill prohibits a CDL holder from using a commercial motor vehicle in the commission of a felony human trafficking offense. A violation is a first degree misdemeanor, which is in addition to any penalties imposed for the underlying conduct. Further, the bill establishes a lifetime disqualification from operating a commercial motor vehicle for a person who is convicted of violating the prohibition.

Strict liability declaration

The bill also clarifies that various offenses related to CDL holders are strict liability offenses, including the new offense specified above.

Motor vehicle OVI violation requiring surrender of CDL

(R.C. 4506.17)

The bill clarifies that a CDL holder or CDLTIP holder must immediately surrender the holder's CDL or permit to an arresting peace officer if the holder was operating a motor vehicle in violation of the state OVI law's (operating a vehicle while intoxicated) statutory limits for alcohol or a controlled substance. Current law requires the surrender when a holder exceeds the statutory limits for alcohol or a controlled substance under the CDL law, but it does not specifically require the surrender when the violation involves the general state OVI law.

Other BMV services

Deputy registrars

(R.C. 4503.03)

Current law allows the Registrar to designate the following persons to act as a deputy registrar:

1. A county auditor if the county population is 40,000 or less;
2. A clerk of a court of common pleas if the county population is 40,000 or less (if the county population exceeds 40,000, but is less than 50,000, the clerk is eligible to act as a deputy registrar, but must participate in the competitive selection process);
3. An individual; or

4. A nonprofit corporation.

The bill eliminates the population restrictions that limit the counties in which a county auditor or clerk of court may serve. Thus, the Registrar may designate either the county auditor or clerk of court to serve as a deputy registrar in any county.

The bill then relieves the Registrar from the responsibility to appoint a deputy registrar in a county if the following apply:

1. No qualified individual or nonprofit corporation applies to be a deputy registrar via a competitive selection process or otherwise;
2. The clerk of court and county auditor do not agree to be designated as a deputy registrar; and
3. No deputy registrar in another county agrees to be designated for that county.

If the Registrar does not appoint a deputy registrar for a county, the Registrar may subsequently reestablish a deputy registrar for that county under the following circumstances:

1. The county auditor or clerk of court requests to be designated as a deputy registrar;
2. A deputy registrar operating an existing deputy registrar agency in another county requests to be designated as the deputy registrar for the county in question; or
3. A qualified individual or nonprofit corporation requests to be designated as a deputy registrar for that county. If more than one qualified individual or nonprofit corporation makes the request, the Registrar may make the designation via a competitive selection process.

As a result of these changes, the bill eliminates the requirement that a deputy registrar live within a one-hour commute from the deputy registrar's office. It also eliminates the prohibition against a deputy registrar operating more than one deputy registrar office at any time, thus allowing a person to operate multiple deputy registrar offices.

Deputy registrar fees and online transactions

(R.C. 4503.03 and 4503.038)

The bill increases the deputy registrar/BMV service fee from \$5 to \$6. Customers pay the service fee to either the deputy registrar or the BMV, depending on who is providing the service, for most BMV services and transactions (e.g., motor vehicle registration and renewal, driver's license issuance and renewal, etc.).

Additionally, in recent years the BMV has expanded the number of BMV services and transactions that customers may conduct online. For example, customers may renew certain four-year driver's licenses or ID cards online – a service that formerly always had to occur at a deputy registrar office. The bill expands the ability of deputy registrars to conduct BMV services and transactions with customers online as well. By July 1, 2025, the Registrar must provide every deputy registrar with access to an application programming interface (API) to allow the deputy registrars to conduct the same online services and transactions conducted by the BMV currently. Through the API, each deputy registrar must be assigned a unique credential. Use of

the API must be limited to the deputy registrars, their authorized agents, and the Registrar's authorized agents for technical support.

The bill authorizes the Registrar to adopt rules to implement and administer the API and its related provisions.

Regulatory restriction reduction requirement exemption

The bill exempts rules adopted by the Registrar from the law requiring agencies to reduce regulatory restrictions in their rules.

Without that exemption, the Department must do all of the following with respect to any regulatory restrictions contained in rules adopted under the bill:

- Until June 30, 2025, and for so long as the Department fails to reach the reductions required under the statutory schedule, remove two or more existing regulatory restrictions for each new restriction adopted (referred to as the “two-for-one rule”);
- Refrain from adopting a regulatory restriction when doing so would negate a previous reduction;
- Beginning July 1, 2025, refrain from adopting a regulatory restriction when doing so would cause the total number of regulatory restrictions in effect to exceed a statewide cap calculated by the Joint Committee on Agency Rule Review.¹⁴⁶

Permanent removable windshield placard

(R.C. 4503.038, 4503.44, 4511.69, 4731.481, and 4734.161)

The bill creates a permanent removable windshield placard with no expiration date that authorizes the use of accessible parking spaces for a person with a permanent disability that limits or impairs the ability to walk. The Registrar determines the form, size, material, and color of the permanent placard, but it must display the word “permanent” on it. Under current law, the BMV issues two types of removable windshield placards: a standard placard that expires five years after the date of issuance and a temporary placard that expires within six months. The temporary placard is issued to a person whose disability is expected to last for less than six months (e.g., a broken leg). Those with a permanent disability, under current law, must renew the standard placard every five years.

To obtain a permanent placard, an applicant must submit a completed application to the BMV that includes a prescription from an authorized health care provider stating that the applicant's disability is expected to be permanent. The cost of a permanent placard is \$15, compared to \$5 for the temporary or standard placard. Similar to the temporary and standard placard, that fee is waived for an armed forces veteran whose disability is service-connected.

¹⁴⁶ R.C.121.95 to 121.953.

If a person who was issued a permanent placard no longer requires it, the person must notify and surrender the placard to BMV within ten days of no longer requiring the placard. That person may still apply for a temporary or standard placard, if applicable.

The bill consolidates and makes conforming changes within the statutory language pertaining to the three different types of removable windshield placards. However, it makes no substantive changes concerning the issuance, cost, or display of the temporary placard or standard placard.

Invisible disabilities license plate and placard

(R.C. 4503.44)

The bill authorizes a person with a disability that limits or impairs the ability to walk, but whose disability is not readily apparent to another person, to apply for either:

- A license plate with an orange International Symbol of Access printed on it; or
- An orange standard removable windshield placard with a white International Symbol of Access printed on it.

The alternative license plate and placard are in lieu of the current accessible license plate (printed with a blue International Symbol of Access) and removable windshield placard (either blue or red). The orange Symbol and orange placard are meant to signal to the public that the person qualifies for the accessible parking spot, however, that person's disability is not as clearly visible (as, for example, a person using a wheelchair).

All other current law requirements relating to the issuance, expiration, revocation, surrender, and proper display of the accessible license plates and removable windshield placards apply to the new ones created by the bill. Additionally, while available to a person with an invisible disability, that person is not required to apply for and display the alternative license plate or placard instead of the license plates and placards currently available.

Titling a motor vehicle from another state

(R.C. 4505.061)

Under current law, when a person applies for a certificate of title for a motor vehicle that was last registered in another state, a physical inspection of the motor vehicle is required. The inspection may be conducted at various locations specified in the law. A physical inspection includes a verification of the make, body type, model, and vehicle identification number of the motor vehicle. The bill requires the inspection to also verify the mileage of the vehicle. The bill also clarifies that the required physical inspection certificate must be issued specifically by the Registrar, rather than DPS as in current law.

Traffic and vehicle equipment laws

Emergency vehicles using flashing lights

(R.C. 4513.17)

The bill allows a vehicle being used on a road or highway for emergency preparedness, response, and recovery activities to use flashing amber or flashing red and white lights if the vehicle is being operated by a person from one of the following:

1. The Ohio Emergency Management Agency;
2. A countywide emergency management agency;
3. A regional authority for emergency management; or
4. A program for emergency management.

Generally, under current law, flashing lights are prohibited on motor vehicles, except as a means for indicating a right or a left turn, or in the presence of a vehicular traffic hazard requiring unusual care in approaching, or overtaking or passing. Current law provides for other exceptions to this prohibition, including certain flashing lights on all of the following: emergency vehicles, road service vehicles servicing or towing a disabled vehicle, stationary waste collection vehicles actively collecting garbage, rural mail delivery vehicles, highway maintenance vehicles, farm machinery and vehicles escorting farm machinery, and a funeral hearse or funeral escort vehicle.

Vehicle platoons

(R.C. 4511.34)

Under current law, outside of a municipal corporation, the driver of any truck or motor vehicle drawing another vehicle, while ascending to the crest of a grade beyond which the driver's view of the roadway is obstructed, must not follow within 300 feet of another truck or other motor vehicle drawing another vehicle. The bill exempts a vehicle platoon from this prohibition. A vehicle platoon is the linking of two or more vehicles using electronic communication technology. The first connected vehicle in the platoon sets the speed and direction for the remaining connected vehicles, enabling all connected vehicles to follow the lead vehicle at a close distance. Connected vehicles are able to exchange information electronically with the lead motor vehicle, other vehicles in the platoon, other road users, and infrastructure.

Distracted driving safety course

(R.C. 4511.204 and 4511.991)

Driving while using an electronic wireless communication device

Under current law, a person is prohibited from using an electronic wireless communication device (EWCD) when driving a motor vehicle. For a first offense within a two-year period, an offender who violates this prohibition is subject to a fine of up to \$150 and a two point assessment on the offender's driver's license. However, if the offender completes a

distracted driving safety course, the person is not required to pay the fine and points are not assessed against the person's license. The offender is required to submit written evidence to the court of course completion.

The bill requires the offender to submit the evidence of course completion to the court within 90 days of the violation in order to qualify for the exemption from fine payment and point assessment. Further, it clarifies that successful completion of the course does not result in a dismissal of the charges for the violation, and the violation constitutes a prior offense if the offender is subsequently convicted of an EWCD violation within two years of the initial offense.

Driving distracted

The bill makes similar changes to the law governing distracted driving. Under current law, an offender who commits a moving violation while distracted may be charged with distracted driving if the distracting activity was a "contributing factor" to the commission of the underlying moving violation. Generally, distracted includes any activity that is not necessary to operate a motor vehicle and that impairs the ability of the driver to drive the motor vehicle safely. Distracted also specifically includes illegally using an EWCD while driving. The penalty for driving while distracted is up to a \$100 fine in addition to any penalties for the underlying moving violation.

Current law allows a distracted driving offender to take a distracted driving safety course in lieu of paying the \$100 fine. As with an EWCD violation, the offender must submit written evidence of the successful completion of the course to the court in order for the fine exemption to apply. The bill requires the evidence to be submitted within 90 days of the underlying violation that led to the distracted driving charge.

Civil actions related to towing

(R.C. 4513.71)

The bill establishes a process for a motor vehicle owner to file a civil action to dispute a towing service or storage facility's charges related to the towing and storage of that owner's motor vehicle, cargo, or personal property after a motor vehicle accident. The process established is similar to the current process used by insurance companies to dispute these type of charges on behalf of their customers. Under the bill, the owner may file the action on his or her own behalf or on behalf of a third party for whom the owner commercially transports the cargo that is the subject of the civil action. The owner may file the action in the municipal or county court with territorial jurisdiction over the location of the accident.

Similarly, the bill authorizes a towing service or storage facility to commence a civil action against a motor vehicle owner if all of the following apply:

1. The motor vehicle, cargo, or personal property was removed, towed, or stored after a motor vehicle accident;
2. The motor vehicle owner has not paid the amount billed or commenced the civil action described above to dispute the charges within 45 days of the owner receiving the bill from the towing service or storage facility; and

3. The towing service or storage facility is not seeking title to the motor vehicle, in accordance with current law procedures, until judgment is entered in the current civil action.

Regardless of who files the civil action, if the owner objects to the billed amount, the owner must include in the owner's complaint, answer, or objection the amount of the bill that is undisputed and the owner's reasons for objecting to the remainder. The owner must also post a bond equal to the disputed amount. After receipt of payment for the undisputed amount, within two business days, the towing service or storage facility must release the subject motor vehicle, cargo, or personal property.

If the billed amount is in dispute, the court must make a determination on the reasonableness of the amount charged by the towing service or storage facility. If the amount is reasonable, the court must order the owner to pay the remaining amount of the bill. If the amount is unreasonable, the court must determine a reasonable amount and order the owner to pay any remaining amount. Any remaining payment comes from the bond posted by the owner, and any of the bond left after payment must be returned to that owner. The court may also require either party to pay or refund any additional amounts or may impose any monetary penalties on either party, if appropriate.

Peer-to-peer car sharing programs

(R.C. 4516.01, 4516.02, 4516.05, 4516.06, 4516.08, 4516.09, and 4516.10)

The bill makes numerous changes related to a peer-to-peer (P2P) car sharing program's general responsibilities and insurance requirements. Under current law, a program must collect specified information from the shared vehicle owners and shared vehicle drivers both before entering into a P2P car sharing program agreement and as ongoing information for shared vehicles that are part of the platform. The bill removes information collection requirements for the following:

- The name and address of any alternative drivers (but still requires an alternative driver to submit their driver's license information);
- Information regarding whether the shared vehicle owner or shared vehicle drivers have a motor vehicle liability policy or other proof of financial responsibility;
- Information about any outstanding safety recalls on the shared vehicle; and
- Verification that the shared vehicle is properly registered in either Ohio or another state.

Additionally, under current law, a P2P car sharing program is prohibited from allowing a P2P car sharing agreement through its platform if it knows that (1) the person driving the shared vehicle is not a party to the agreement or does not have a valid driver's license, or (2) that the shared vehicle is not properly registered. The bill removes these prohibitions. It also removes requirements that the program collect, verify, and maintain records pertaining to the dates, times, and duration of time that a shared vehicle driver possess a shared vehicle through the program.

Similarly, the bill removes requirements that the program establish commercially reasonable procedures to determine safety recalls that apply to the shared vehicles on its platform after initial registration with the platform. However, it retains the requirements that the program verify that there are no outstanding safety recalls on initial registration and that shared vehicle owners alert the program to safety recalls after registration. The bill specifies that P2P car sharing is subject to the laws governing consumer sales practices; however, it removes current law references and specifications regarding the roles of each party (the program, the shared vehicle owner, and the shared vehicle driver) within those laws.

Related to the P2P car sharing agreement between the parties, the bill clarifies that if the parties agree to an alternative location for return of the vehicle, that new location must be incorporated into the agreement in order to trigger the car sharing termination time.

Insurance requirements

The bill expands on current law's general statement that an insurer may limit, restrict, or exclude coverage of a shared vehicle within its insurance policies. Specifically, the bill specifies that an insurer may exclude or limit coverage for bodily injury and property damage, uninsured or underinsured motorist coverage, medical payments coverage, comprehensive physical damage coverage, collision physical damage coverage, and loss of earnings coverage. Insurance companies are free to either include, exclude, or otherwise limit coverage of a shared vehicle as they determine appropriate within the policies they establish with their customers.

Given that some insurance companies may not provide shared vehicle coverage to their customers, the bill requires a P2P car sharing program to have either a policy of insurance or a self-insurance mechanism to cover its liabilities and obligations, which include providing coverage when the shared vehicle owner or shared vehicle driver cannot. Policies (and other forms of proof of financial responsibility) must still provide the minimum coverage required by Ohio law and recognize the motor vehicle as a shared vehicle. The bill adds that the policies must also not expressly exclude the use of the insured vehicle as a shared vehicle by a shared vehicle driver and that the program must cover the difference in minimum coverage if the shared vehicle is operated in a state that has higher minimum coverage requirements.

The bill retains current law that specifies that the shared vehicle owner, shared vehicle driver, or P2P car sharing program may provide the necessary insurance over the shared vehicle and the use of that vehicle through the program. However, it designates the person so providing the insurance as the "primary insurance." The primary insurance must assume primary liability for the claim if:

- There is a dispute over who was operating the shared vehicle at the time of the loss (and the program does not have any applicable records to note the operator at the time); or
- There is a dispute as to whether the shared vehicle was returned to the correct location.

Additionally, the bill removes the requirement that the P2P car sharing program examine the insurance policy of the shared vehicle owner or shared vehicle driver (to determine if car sharing coverage is excluded) if the owner or driver refuses coverage provided

by the program. The removal does not relieve the program of the requirement to provide insurance if the shared vehicle owner or shared vehicle driver's insurance does not provide the required coverage and to ensure that the shared vehicle is insured during the car sharing period.

Motor vehicle sales, dealers, and manufacturers

Motor vehicle sales

(R.C. 4517.01)

The bill expands the meaning of "person" under the Motor Vehicle Sales Law to expressly include a variety of business entities, such as a sole proprietorship, a limited liability company, a limited liability partnership, and a business trust. Thus, the bill clarifies that these legally recognized business entities are subject to the requirements, prohibitions, and penalties of that law. The current law definition already includes a variety of business entities; however, those listed above were not expressly included in that list.

The bill also expands the meaning of "business" and "retail sale" within the Motor Vehicle Sales Law to encompass activities that are conducted and sales that occur through the internet or other computer networks. In recent years, numerous motor vehicle dealers, both established dealers and newer start-ups, have attempted to make the car buying process simpler by offering online buying options. The bill ensures that businesses selling motor vehicles online are still subject to BMV regulations pertaining to motor vehicle sales by expanding those definitions.

Likewise, the bill modifies the meaning of "motor vehicle leasing dealer," affecting which entities must meet the statutory requirements for leasing dealers. The modification consists of both of the following:

1. It includes a financial institution acting as the lessor for a lease or a sublease; and
2. It excludes a new motor vehicle dealer that is not acting as the lessor and is only assisting in arranging a lease on the lessor's behalf.

Additionally, the bill creates a definitive meaning of "established place of business," which current law regulates, but does not define. Specifically, an established place of business is a permanent, enclosed building or structure that meets the following conditions:

1. It is owned, leased, or rented by the motor vehicle dealer;
2. It meets local zoning or municipal requirements;
3. At least one person regularly occupies it;
4. It is easily accessible to the public;
5. The records and files necessary to conduct the business are generally kept and maintained at the location or are readily accessible and available for reasonable inspection from that location (e.g., electronic files); and

6. It is not a residence, tent, temporary stand, storage shed, lot, or any temporary quarters, unless otherwise authorized by the Registrar.

Under law unchanged by the bill, motor vehicle dealers (new, used, and leasing), motor vehicle auction owners, and distributors are required to have an established place of business to sell, display, offer for sale, deal in, or lease motor vehicles.¹⁴⁷ Thus, the specified conditions for an established place of business could potentially prevent those that do not meet those conditions from licensure under the Motor Vehicle Sales Law.

Manufacturer, dealer, and distributor vehicle registration

(R.C. 4503.27, 4503.271, 4503.28, 4503.30, 4503.301, 4503.31, 4503.311, 4503.312, 4503.32, 4503.33, and 4503.34)

The bill requires the Registrar to issue a license plate, rather than a placard as in current law, to vehicle manufacturers, dealers, distributors, and other similar professionals that require a temporary identification for the vehicles that are in their possession. Under law unchanged by the bill, the Registrar and BMV license and regulate motor vehicle manufacturers, dealers, and distributors. As part of that licensing, the Registrar assigns those entities a distinctive number. The Registrar, historically, issued the entity a placard displaying that distinctive number. The entity could then use the placard on its various vehicles when each of the vehicles was operated on the public streets and highways (e.g., during a test drive by a customer). According to the BMV, current practice is to issue a license plate, rather than a placard, for the entities to use on the vehicles.

In addition to the original license plate, a manufacturer, dealer, or distributor may request additional license plates with the same distinctive number. Having additional copies allows the entity to have multiple vehicles driven at the same time. The entity pays an annual \$5 fee for each additional license plate. Historically, the Registrar issued certified copies of the original certificate of registration for each of the additional placards. Currently, the Registrar issues instead an additional registration certificate with the same numbering as the original. The bill updates the registration laws related to motor vehicle manufacturers, dealers, and distributors to reflect the current practices.

Along with motor vehicle manufacturers, dealers, and distributors, other similar professionals use the temporary identification placards/license plates. The bill applies the same changes to license plates and additional certificates of registration to those professionals. Those professionals include:

- Manufacturers, dealers, and distributors of commercial cars, commercial tractors, trailers, or semitrailers;
- Those engaged in testing motor vehicles or motorized bicycles;
- Those who collect motor vehicles as the collateral of a secured transaction;

¹⁴⁷ R.C. 4517.03, 4517.12, and 4517.13, not in the bill.

- Those transporting or holding motor vehicles for an insurance company for salvage disposition;
- Those engaged in salvage operations or scrap metal processing;
- Those testing motor vehicles as part of an Ohio nonprofit corporation;
- Those engaged in rustproofing, reconditioning, or installing equipment or trim on motor vehicles;
- Those engaged in manufacturing articles for attachment to motor vehicles;
- Towers (for the motor vehicle being towed to a point of storage);
- Those using trailers who are engaged in the business of selling tangible personal property other than motor vehicles;
- Manufacturers and dealers in watercraft trailers;
- Manufacturers, distributors, and retail sellers of utility trailers or trailers used for motorcycles, snowmobiles, or all-purpose vehicles; and
- A drive-away operator or trailer transporter (a person that transports new or used motor vehicles).

Licensee contact information

(R.C. 4517.23 and 4738.08; R.C. 2901.20, 2901.21, 4517.99 and 4738.99, not in the bill)

The bill prohibits a salvage motor vehicle dealer, salvage motor vehicle auction, salvage motor vehicle pool, and a motor vehicle dealer, leasing dealer, and distributor from failing to notify the Registrar of any change in status regarding the dealer's or distributor's business contact information, including the relevant business phone number and business email address. The bill imposes a criminal penalty of a fourth degree misdemeanor for a violation of the prohibition but does not specify a culpable mental state (*mens rea*) necessary to commit the offense.

Under current law, dealers, auctions, pools, and distributors are prohibited from failing to notify the Registrar of changes to ownership personnel or the location of the principal place of business. The *mens rea* for commission of the current and new offenses are not specified. However, because current law requires criminal offenses enacted after March 23, 2015, to contain a culpable mental state, a court could determine that the new offenses established by the bill are void.

Salvage dealer provisional license

(R.C. 4738.071)

Under current law, prior to the issuance of a permanent motor vehicle salvage dealer license to an applicant for an initial license, the Registrar must issue a provisional license. A provisional license is valid for 180 days. During that time, the Registrar must inspect the premises of the provisional licensee to verify compliance with the law governing motor vehicle

salvage dealers. The bill permits the Registrar to utilize an agent to inspect the place of business of the provisional licensee.

After a successful inspection of a provisional licensee's place of business, the bill requires the Registrar to issue a license without provisional status to the licensee. The bill eliminates a requirement that the Registrar provide written notice to the licensee that the license no longer has provisional status.

After an unsuccessful inspection, current law requires the Registrar to send notice of the revocation of the provisional license. The bill requires the Registrar to provide the notice in accordance with the Administrative Procedure Act (R.C. Chapter 119).

Used dealer provisional license

(R.C. 4517.10 and 4517.101)

The bill creates a provisional, 180-day, used motor vehicle dealer license, applicable for the first issuance of the license to an applicant. The provisional license is similar in structure to the provisional salvage motor vehicle dealer license. During the provisional license period, the Registrar, or the Registrar's agent, must inspect the dealer's place of business to determine compliance with the Used Motor Vehicle Dealer Law.

After the inspection, the inspector must notify the holder of whether the holder is currently in compliance. The inspector must then also notify the Registrar. If the provisional license holder is in compliance, the Registrar must issue a nonprovisional used motor vehicle dealer license. That license remains valid until its expiration date, unless it is suspended or revoked. If the provisional license holder is not in compliance, the Registrar must send a written notice, in accordance with the Administrative Procedure Act (R.C. Chapter 119), notifying the holder that the Registrar is revoking the provisional license and that the holder may appeal the revocation to the Motor Vehicle Dealers Board.

Any owner, operator, partner, or director of the applicant business entity that either (1) currently holds a valid new motor vehicle dealer license or (2) previously held a valid new motor vehicle dealer license within the two years preceding the application is exempt from obtaining a provisional used motor vehicle dealer license. If the person previously held the new motor vehicle dealer license, that license cannot have been suspended or revoked in order for the applicant to qualify for the exemption.

Corrective changes

(R.C. 4517.05, 4517.06, 4517.07, and 4517.08)

The bill makes corrective changes to several references in current law to an "annual renewal" for the used motor vehicle license, the motor vehicle leasing dealer's license, the

motor vehicle auction owner's license, and the distributor's license. In practice, and in a separate reference for all of the licenses, they renew biennially.¹⁴⁸

State Board of Emergency Medical, Fire, and Transportation Services

(R.C. 4765.02 and 4765.04)

The bill eliminates a requirement that each organization required to nominate persons to the State Board of Emergency Medical, Fire, and Transportation Services put forth three nominees. Instead, it allows each organization to nominate any number of persons. As under current law, the Governor must then appoint a Board member from those nominees.

For example, one member of the Board must be a physician certified by the American Board of Emergency Medicine or the American Osteopathic Board of Emergency Medicine who is active in the practice of emergency medicine and is actively involved with an emergency medical service organization. The Ohio Chapter of the American College of Emergency Physicians and the Ohio Osteopathic Association must each nominate three persons for this position. Under the bill, each of these organizations may nominate any number of persons for the position. The Governor must then appoint the physician Board member from those nominees.

In addition, the bill does both of the following regarding the Board member who must be certified to teach emergency medical services training and who must hold a certificate to practice as an EMT, AEMT, or paramedic:

- Eliminates the requirement that the Governor appoint the member from among three persons nominated by the Ohio Emergency Medical Technician Instructors Association and the Ohio Instructor/Coordinators' Society; and
- Instead, requires the member to be appointed from among EMTs, AEMTs, and paramedics nominated by the Ohio Association of Professional Firefighters and EMTs, AEMTs, and paramedics nominated by the Northern Ohio Fire Fighters.

The bill specifies that if any organization required to make nominations to the Board ceases to exist or fails to make a nomination within 60 days of a vacancy, the Governor may appoint any person who meets the professional qualifications designated for that member.

Finally, the bill extends the potential time a member of the Board may continue in office if a successor does not take office from 60 days to three years. For reference, a Board member's term is three years.

The bill also eliminates a requirement that each organization required to nominate persons to the Board's Trauma Committee put forth three nominees. Instead, it allows each designated organization to nominate any number of persons. The DPS Director must then

¹⁴⁸ R.C. 4517.10.

appoint members from those nominees. The bill specifies that if any nominating organization ceases to exist or fails to nominate a member within 60 days of a vacancy, the Director may appoint any person who meets the professional qualifications designated for that member.

The bill eliminates a restriction preventing the Director from appointing more than one member to the Trauma Committee who is employed by or practices in the same health system. It also allows the Director to appoint persons who practice at the same hospital or with the same emergency medical service (EMS) organization, provided they do not primarily practice at the same hospital or with the same EMS organization. Currently, the Director cannot appoint more than one member who is employed by or practices at the same hospital, health system, or EMS organization.

Emergency medical vehicle and aircraft permits

(R.C. 4766.07)

The bill shortens the timeframe by which the State Board of Emergency Medical, Fire, and Transportation Services must issue or deny a permit application for an emergency medical vehicle or aircraft from within 60 days of receiving the application to within 45 days.

Assistant EMS and firefighter instructors

(R.C. 505.38, 737.22, 4765.11, and 4765.55)

H.B. 509 of the 134th General Assembly made changes to the law governing several occupational licenses, including eliminating the EMS Assistant Instructor Certificate and the Assistant Fire Instructor Certificate. In order to effectuate the elimination of the certifications, the State Board of Emergency Medical, Fire, and Transportation Services, after April 6, 2023, was required to no longer require certification to practice as an EMS or fire assistant instructor, to no longer issue those certifications, and to no longer renew any current certifications. A person currently certified as an EMS or fire assistant instructor, however, could retain that certification until its expiration, subject to any of the conditions or responsibilities of retaining it.

The bill modifies the elimination of these certifications by allowing anyone holding an unexpired and valid EMS Assistant Instructor Certificate or Assistant Fire Instructor Certificate prior to April 6, 2023, to continue to both hold and to renew those certifications. The certification remains valid (still subject to the conditions and responsibilities of retaining it) until its holder allows it to expire or to lapse. The Board cannot issue new certifications (consistent with H.B. 509); however, the bill preserves the existing certifications and their renewal.

Ohio Narcotics Intelligence Center

(R.C. 5502.69)

The bill codifies the Ohio Narcotics Intelligence Center in DPS. According to DPS, the Center was created by Governor DeWine in 2019 via Executive Order 2019-20D.

The Center must do all of the following:

1. Coordinate law enforcement response to illegal drug activities for state agencies and act as a liaison between state agencies and local entities for the purposes of communicating counter-drug policy initiatives;

2. Collect, analyze, maintain, and disseminate information to support law enforcement agencies, other government agencies, and private organizations in detecting, deterring, preventing, preparing for, prosecuting, and responding to illegal drug activities. The records received and created are confidential law enforcement investigatory records that are not considered a public record.

3. Develop and coordinate policies, protocols, and strategies that may be used by local, state, and private organizations to detect, deter, prevent, prepare for, prosecute, and respond to illegal drug activities; and

4. Develop, update, and coordinate the implementation of an Ohio drug control strategy to guide state and local governments and public agencies.

The DPS Director must appoint an executive director of the Center. The executive director must serve at the Director's discretion. The executive director must advise the Governor and the Director on matters pertaining to illegal drug activities. To carry out the duties assigned under the bill, the executive director, subject to the direction and control of the Director, may appoint and maintain necessary staff and may enter into any necessary agreements.

State Hazard Mitigation Grant Program

(R.C. 5502.251)

The bill requires the DPS Director, in accordance with the Administrative Procedure Act (R.C. Chapter 119), to adopt rules to establish and administer a State Hazard Mitigation Grant Program. The Director must use the program to provide grants to eligible applicants to undertake actions that reduce the impact to people and property from hazards and disasters. An eligible applicant is any state agency or a municipal corporation, township, county, school district, or any other body corporate and politic that is responsible for government activities in a geographic area smaller than that of the state.

The rules must establish the following regarding the program:

1. A list of hazards and disasters for which grants may be issued;
2. Priorities for grant funding, including giving priority to applicants that intend to use grant money for both of the following:
 - a. To mitigate hazards and disasters that constitute the highest risk based on the state's hazard mitigation plan;
 - b. To undertake actions that mitigate risk during the recovery period following a disaster.

3. Eligibility requirements for applicants to receive a grant, including a requirement that all applicants have, at the time a grant is awarded, a current hazard mitigation plan approved by the Federal Emergency Management Agency;

4. A minimum percentage for nonstate matching funds to be provided by applicants;

5. Grant application forms and procedures for submitting the forms;

6. A requirement that mitigation projects be cost effective;

7. If grant money is to be used for purposes of acquisition of property and demolition actions at the property, a requirement that the property acquired must be deed restricted as open space in perpetuity; and

8. Any other requirements or procedures necessary to administer the program.

The bill exempts rules adopted by the Director governing the program from the law concerning reductions in regulatory restrictions.

Security Grants Program

(Sections 373.10 and 373.20)

The bill expands the eligible purposes of grants issued under the Security Grants Program. The Emergency Management Agency (EMA) administers the program and it has existed in its current form since approximately 2019. Through the program, the EMA issues grants of up to \$100,000 to nonprofit organizations, houses of worship, chartered nonpublic schools, and licensed preschools. Under current law, the EMA issues grants for various security and counterterrorism purposes. The bill keeps to that general purpose but expands the specific uses of the grant money to include the following:

1. The lease, in addition to purchase, of qualified equipment (e.g., equipment for emergency and crisis communication, crisis management, or trauma and crisis response);

2. The placement of qualified equipment at a location that is not owned by the grantee, provided the appropriate authorizations are given by the political subdivision or law enforcement agency with jurisdiction over the location;

3. To fund coordinated training between law enforcement, counterterrorism agencies, and emergency responders; and

4. To continue coverage of costs that were covered by a prior grant issued to the grantee by the EMA.

The bill also authorizes a nonprofit organization that serves a broad community or geographic area to use the grant money to provide antiterrorism-related services for all of its served area, including armed security personnel. Prior to receiving the grant, however, the nonprofit organization must provide the EMA with any appropriate compliance documentation required by the EMA. Additionally, multiple nonprofit organizations that are located at the same address may apply for separate security grants, if the nonprofit organizations can explain how they will each use the funding to address a different vulnerability. The bill requires the

EMA to include information about the Security Grants and the application process on its website.

Public Safety – Highway Purposes Fund Study Committee

(Section 745.10)

The bill establishes the Public Safety – Highway Purposes Fund Study Committee, which must study the long term issues facing the fund. The Committee must submit a report of its findings and recommendations by July 1, 2024, to the Speaker of the House and the Senate President. The Committee terminates upon submission of the report. The Committee consists of the following nine members:

- The following three members appointed by the Governor:
 - One member representing DPS other than BMV and the Ohio State Highway Patrol;
 - One member representing BMV; and
 - One member representing the Ohio State Highway Patrol.
- Three members appointed by the Senate President, comprised of two Republicans and one Democrat; and
- Three members of the House appointed by the Speaker, comprised of two Republicans and one Democrat.

Specific investigatory work product

(R.C. 149.43)

The bill specifies that “specific investigatory work product,” as used in the definition of “confidential law enforcement investigatory record” and therefore exempted from public disclosure by the Public Records Law, means any record, thing, or item that documents the independent thought processes, factual findings, mental impressions, theories, strategies, opinions, or analyses of an investigating officer or an agent of an investigative agency and also includes any documents and evidence collected, written or recorded interviews or statements, interview notes, test results, lab results, preliminary lab results, and other internal memoranda, things, or items created during any point of an investigation. “Specific investigatory work product” does not include basic information regarding date, time, address, and type of incident.

Trial preparation records and attorney work product records

(R.C. 149.43)

Under the bill, confidential attorney work product records are exempt from disclosure as public records at any time. The bill defines “attorney work product record” as any record that documents the independent thought processes, mental impressions, legal theories, strategies, opinions, analysis, or reasoning of an attorney for the state, including, but not limited to, reports, memoranda, or other internal documents made by a prosecuting attorney, or the prosecuting attorney’s agent, in connection with the investigation or prosecution of a case.

Additionally, under the bill, trial preparation records are exempt from the Public Records Law until after the conclusion of all direct appeals, or, if no appeal is filed, at the expiration of the time during which an appeal may be filed.

PUBLIC UTILITIES COMMISSION

Electric vehicle (EV) charging stations

- Defines certain types of vehicles as “electric vehicles” (EVs), if they are powered wholly by a system that can be recharged via an external source of electricity.
- Defines an “electric vehicle charging station” as any nonresidential electric vehicle charging system that is:
 - Capable of distributing electricity from a source outside an EV to the EV; and
 - A “direct current (DC) fast charging station” (capable of distributing electricity at least 50 kilowatts (kW) DC to an EV’s rechargeable battery at a voltage of 200 volts or more) or a “Level Two charging station” (capable of distributing electricity at least 3 but no more than 20 kW of alternating current (AC) to an EV’s rechargeable battery at a voltage of 200 volts or more).
- Excludes an electric distribution utility (EDU), an affiliate or subsidiary of an EDU, and an electric cooperative, that owns or operates an EV charging station, from being classified as an “electric vehicle charging provider” (owner or operator of an electric vehicle charging station) for the purposes of the bill’s EV charging provisions.

Prohibition against EDU owning or operating EV charging stations

- Prohibits an EDU from owning or operating publicly available EV charging stations except through a separate affiliate or subsidiary that is not subject to Public Utilities Commission (PUCO) jurisdiction.

Affiliate-, subsidiary-, and cooperative-owned EV charging stations

- Prohibits an EDU from (1) charging a subsidized rate, fee, or charge for electric service distributed to its affiliate’s or subsidiary’s public EV charging stations and (2) directly or indirectly subsidizing investments in the ownership or operation of EV charging stations with revenues from providing electric distribution service.
- Requires an electric cooperative that owns or operates publicly available EV charging stations to maintain separate books and records of its EV charging station service.
- Prohibits a cooperative from including, in the rates it charges, any EV charging station costs, or any costs, unrelated to the provision of electric service.
- Requires an EDU affiliate or subsidiary, or a cooperative, that owns or operates an EV charging station to be subject to the same rates, terms, and conditions that apply to EV charging providers in the EDU’s or cooperative’s service territory.

Cost recovery for make-ready infrastructure

- Allows an EDU or electric cooperative to recover the costs of make-ready infrastructure (electrical infrastructure, excluding an EV charging station, required to accommodate the EV charging station’s electrical load) through the EDU’s or cooperative’s rates and charges so long as the subsidy is offered to EV charging providers on a nondiscriminatory basis.

EV charging stations on EDU or cooperative premises

- Permits an EDU and electric cooperative to use an EV charging station on its own premises for the sole purpose of serving its own EVs.

Electric infrastructure development

- Allows the All Ohio Future Fund to be used for, among other projects, electric infrastructure development projects conducted by EDUs and approved by PUCO.
- Defines the following:
 - “Infrastructure development” as the planning, development, and construction of EDU infrastructure including (1) substation facilities and extensions of transmission and distribution facilities that an EDU owns and operates and (2) the performance of electric load studies.
 - “Economic development project” as a land development containing a minimum of ten contiguous acres that has the potential for commercial or industrial development and that does not currently have adequate electric distribution service from an EDU.
 - “Net infrastructure development costs” as remaining costs incurred by an EDU (including, for example, an allowance for funds used during construction, depreciation, and return on equity) that are directly attributable to an economic development project after netting any funds the EDU receives from the All Ohio Future Fund.

Infrastructure development application

- After an EDU requests a reimbursement from the All Ohio Future Fund, permits the EDU to apply to PUCO for approval of (prior to its construction) infrastructure development for economic development projects, including any project approved, certified, or funded by JobsOhio.

Application requirements

- Sets requirements for what must be included in an infrastructure development application such as, for example, (1) descriptions of the economic development project and the infrastructure development necessary to support or enable that project, (2) a summary of the net infrastructure development costs to be expended on the project, and (3) the development start and completion dates.

Approval of net costs

- Permits PUCO to approve an infrastructure development application and the collection of net infrastructure development costs, if the infrastructure development is necessary to support or enable a state or local economic development project.

Approval process

- Establishes timeframes for PUCO to approve, suspend, hold a hearing for, or deny an application.

JobsOhio participation

- Permits JobsOhio to provide PUCO with a recommendation regarding the application's approval or denial.
- Specifies that if at any time there is no contract (allowed under current law) between JobsOhio and the Department of Development (DEV) in effect, DEV would perform the JobsOhio duties under the bill.

Percentage of Income Payment Plan (PIPP) changes

- Changes, from mandatory to permissive, the authority to aggregate Percentage of Income Payment Plan (PIPP) program customers for the purpose of a competitive procurement process for the supply of retail electric service for these customers.
- Transfers this authority from the DEV Director to PUCO.
- Removes the provision requiring PUCO to design, manage, and supervise the competitive procurement process upon written request of the Director.
- Changes, from the Director to PUCO, the rulemaking authority regarding the competitive procurement process for aggregated PIPP program customers.
- Requires PUCO to inform the Director, if PUCO decides to aggregate PIPP program customers and requires that to be done as soon as possible after the decision is made for the Director's consideration of possible universal service rider adjustments allowed under ongoing law.
- Specifies that the design for the competitive procurement process may include full or partial auctions of PIPP program customers to the extent necessary to transition these customers to the applicable standard service offer (SSO) price for retail electric service.
- Repeals the law that requires winning bids under a competitive procurement process for PIPP program customers to be designed to provide reliable competitive retail electric service to these customers, reduce PIPP program costs relative to the otherwise applicable SSO, and result in the best value for those paying the universal service rider.

Electric vehicle (EV) charging stations

(R.C. 4934.01, 4934.03, 4934.05, 4934.08, 4934.11, and 4934.14)

The bill establishes certain requirements and prohibitions related to "electric vehicle (EV) charging providers" and "EV charging stations."

EV-related definitions

Under the bill, those and related terms are defined as follows:

EV-related term	Definition
Direct current (DC) fast charging station	An EV charging system capable of distributing electricity at 50 kilowatts (kW) DC or more to an EV's rechargeable battery at a voltage of 200 volts or more.
EV	A vehicle that is powered wholly by a system that can be recharged via an external source of electricity, including a vehicle for public or private use that is a passenger car, commercial car or truck, a vehicle used for public transit, a vehicle used in a vehicle fleet, a vehicle used in construction work, and a vehicle used in industrial or warehouse work.
EV charging provider	The owner or operator of an EV charging station, but excluding any electric cooperative, electric distribution utility (EDU), or EDU affiliate or subsidiary that owns or operates an EV charging station.
EV charging station	Any nonresidential electric vehicle charging system that is (1) capable of distributing electricity from a source outside an EV to the EV and (2) a DC fast charging station or Level Two charging station.
Level Two charging station	Any EV charging system capable of distributing electricity at a minimum of 3 or a maximum of 20 kW of alternating current (AC) to an EV's rechargeable battery at a voltage of 200 volts or more.
Make-ready infrastructure	Electrical infrastructure required to accommodate the electric load of an EV charging station, but excluding an EV charging station.

Prohibition against EDU owning or operating EV charging stations

The bill prohibits an EDU from owning or operating publicly available EV charging stations except through a separate affiliate or subsidiary that is not subject to Public Utilities Commission (PUCO) jurisdiction.

Affiliate-, subsidiary-, and cooperative-owned EV charging stations

EDU affiliates or subsidiaries

The bill expressly prohibits an EDU from charging its affiliate or subsidiary a subsidized rate, fee, or charge for electric service distributed to the affiliate's or subsidiary's publicly available EV charging station. It also prohibits the EDU from directly or indirectly subsidizing investments in the ownership or operation of EV charging stations with revenues it receives from providing electric distribution service.

Under the bill, an EDU's affiliate or subsidiary that owns or operates an EV charging station must be subject to the same rates, term, and conditions that apply to EV charging providers located in the EDU's certified territory.

Electric cooperatives

Similar to an EDU affiliate and subsidiary described above, an electric cooperative that owns or operates publicly available EV charging stations must be subject to the same rates, terms, and conditions for the operation of such stations that apply to EV charging providers in the cooperative's designated service territory. The bill also prohibits a cooperative from including in the rates it charges for electric service any EV charging station costs, or any costs, unrelated to the provision of electric service.

Unlike an affiliate or subsidiary, the bill requires a cooperative that owns or operates publicly available EV charging stations to maintain separate books and records of its EV charging station service.

Cost recovery for make-ready infrastructure

Nothing in the bill's EV charging provisions described above prohibits an EDU or cooperative from recovering the costs of make-ready infrastructure through rates or charges authorized under the EDU's distribution rate case under the utility ratemaking law or through rates or charges implemented by the cooperative, as applicable, so long as the subsidies for make-ready infrastructure are offered to EV charging providers on a nondiscriminatory basis.

EV charging stations on EDU or cooperative premises

Nothing in the bill's EV charging provisions described above may be construed to prohibit an EDU or cooperative from operating, leasing, installing, or otherwise procuring service from an EV charging station on its own premises for the sole purpose of serving its own EVs.

Electric infrastructure development

(R.C. 126.62 and 4928.85 to 4928.89)

The bill modifies the All Ohio Future Fund to promote economic development through loans, grants, or other incentives, including electric infrastructure development conducted by an EDU and approved by PUCO.

Infrastructure development application

The bill permits an EDU to file an application with PUCO for approval of infrastructure development necessary to support or enable a state or local economic development project, including any project approved, certified, or funded by JobsOhio. Under the bill, an application may be filed only after the EDU files a request for disbursement from the All Ohio Future Fund. The EDU, prior to beginning the infrastructure development, must file and receive PUCO approval for the application.

Under the bill, "infrastructure development" is the planning, development, and construction of EDU infrastructure, including (1) performance of electric load studies and (2) substation facilities and extensions of transmission and distribution facilities that an EDU

owns and operates. An “economic development project” is a land development containing a minimum of ten contiguous acres that has the potential for commercial or industrial development and that does not currently have adequate electric distribution service from an EDU.

Application requirements

An EDU’s infrastructure development application must include each of the following:

- Descriptions of the economic development project and the infrastructure development necessary to support or enable that project, including the general location and type of facilities that the applicant proposes to replace, construct, or improve;
- A description of potential uses or new customers that may be served by the project;
- A summary of the net infrastructure development costs to be expended on the project;
- The proposed start and completion dates for the infrastructure development;
- A statement of support of the project from any state or local entity involved with the project;
- Other information the applicant considers relevant for PUCO’s consideration.

Approval of net costs

Under the bill, PUCO may approve an infrastructure development application and the collection of net infrastructure development costs, if the infrastructure development is necessary to support or enable a state or local economic development project. The bill defines “net infrastructure development costs” as any remaining costs of infrastructure development incurred by an EDU that are directly attributable to the economic development project after netting the amount of any funds the EDU received from the All Ohio Future Fund. Infrastructure development costs include (1) an allowance for funds used during construction, depreciation, return on equity, ongoing operation maintenance and operation, and tax expenses, (2) project planning costs, and (3) the costs associated with obtaining the right-of-way for the project.

As listed above in (1), the bill refers to “operation maintenance and operation” costs. It is not clear what is meant by “operation maintenance” costs and how those costs differ from “operation costs.” If the phrase is intended to mean “operation and maintenance” costs, an amendment to the bill may be needed to clarify this intent.

PUCO approval process

PUCO must approve or deny an application within 45 days after the application’s filing date. If PUCO does not approve or deny the application within that period, the bill requires the application to be deemed approved as filed. However, under an exception created by the bill, an application is not deemed approved, if PUCO suspends the application for good cause shown. In the case of a suspension, PUCO must approve, deny, or hold a hearing on the application not later than 45 days after the suspension begins. If PUCO holds a hearing after an application suspension, PUCO must take action on the application by issuing an order approving or denying it within 30 days of the final date of the hearing.

JobsOhio participation

The bill permits JobsOhio to recommend, to PUCO, an application's approval or denial. And, as described above, an infrastructure development project application, may be for development that supports or enables any project approved, certified, or funded by JobsOhio. The bill specifies that if at any time there is no contract between JobsOhio and the Department of Development (DEV) in effect, then DEV would perform the JobsOhio duties under the bill. Under ongoing law, DEV may execute a contract with JobsOhio to assist the DEV Director with providing services to and carrying out DEV duties.¹⁴⁹

Percentage of Income Payment Plan (PIPP) program

(R.C. 4928.54, 4928.543, and 4928.544; repealed R.C. 4928.542)

The bill changes the law to *permit* PUCO to aggregate percentage of income payment plan (PIPP) program customers to establish a competitive procurement process for the supply of competitive retail electric service for those customers. Currently, the law *requires* the DEV Director to aggregate PIPP program customers.

The bill requires PUCO, rather than the Director, to adopt rules to implement the aggregated competitive procurement process for the aggregation. It also repeals the requirement that PUCO design, manage, and supervise the competitive procurement process upon written request of the Director. Presumably, PUCO would continue to be responsible for the design, management, and supervision of the process (and may adopt rules for this purpose), but without the requirement that PUCO receive a written request from the Director before that could occur.

Under the bill, if PUCO decides to aggregate PIPP program customers, PUCO must inform the Director of the decision as soon as possible after making the decision. PUCO must inform the Director of the decision for the Director's consideration of possible universal service rider adjustments.

The bill implicitly allows the transition of PIPP program customers from a competitive procurement process to the applicable SSO price for electric service under ongoing competitive retail electric service law. To the extent necessary to transition PIPP customers, the bill expressly allows the design for the competitive procurement process to include full or partial auctions of PIPP program customers.

Repealed by the bill are requirements for winning bids selected through the competitive procurement process. Under the bill, the law will no longer expressly state that winning bids must meet the following requirements:

- Be designed to provide reliable competitive retail electric service to PIPP program customers;

¹⁴⁹ R.C. 187.04, not in the bill.

- Reduce the cost of the PIPP program relative to the otherwise applicable SSO established in the competitive retail electric service law;
- Result in the best value for persons paying the universal service rider.

Background

In Ohio, low-income customers, for their electric utility service, may participate in the PIPP program administered by DEV. Upon enrollment and proof of income eligibility, PIPP program customers pay lower monthly payments that, if paid on time and in full each month, reduce the customers' outstanding balances.¹⁵⁰ The program is funded by universal service revenues collected from (1) electric distribution customers through the universal service rider, a rider on retail electric distribution rates as determined by PUCO and (2) PIPP program customer payments. PUCO may make adjustments to the universal service rider after the Director petitions PUCO for an increase in the rider. The Director must consult the Public Benefits Advisory Board before petitioning PUCO for an adjustment.¹⁵¹

¹⁵⁰ [Percentage of Income Payment Plan \(PIPP\)](http://development.ohio.gov), available at the Department of Development's website: development.ohio.gov.

¹⁵¹ R.C. 4928.51 and 4928.52, not in the bill.

DEPARTMENT OF REHABILITATION AND CORRECTION

Targeted Community Alternatives to Prison (T-CAP)

- Changes the name “Targeting Community Alternatives to Prison” program to “Targeted Community Alternatives to Prison” program.
- Requires the Department of Rehabilitation and Correction (DRC) to establish deadlines for a voluntary county to indicate its participation in T-CAP before each state fiscal biennium.
- Requires a memorandum of understanding to set forth the plans by which the county will use the grant money provided to the county in the state fiscal years within the specified state fiscal biennium under T-CAP.

Earned credit

- In the law that, effective April 4, 2024, increases the maximum credit a prisoner may earn for participating in a DRC-approved program from 8% to 15% of the prisoner’s sentence, specifies that if a prisoner has met the 8% cap as of the bill’s effective date, or reaches the 8% cap between that effective date and April 3, 2024, the cap is 15% of the prisoner’s sentence.
- Stipulates that this change applies only with respect to the time the prisoner is confined between the bill’s effective date and April 4, 2024, and the 15% cap that takes effect April 4, 2024, will apply only with respect to the time a prisoner is confined on or after that date.

Public records – correctional and youth services employee

- Modifies the public records exception for “restricted portions of a body-worn or dashboard camera recording” by adding a reference to correctional employees and youth services employees in each place there is a reference to peace officers and law enforcement.

Adult Parole Authority termination of post-release control

- Modifies provisions that pertain to Adult Parole Authority (APA) functions with respect to the classification, as “favorable” or “unfavorable,” of the termination of an offender’s post-release control.

Full board hearings

- Removes the ability for a board hearing officer, a board member, or the Office of Victims’ Services to petition for a full parole board hearing.
- Provides that if a victim of certain offenses, the victim’s representative, or specified other persons request a full board hearing, those persons must do so through the Office of Victims’ Services.

- Permits certain family members of a victim to request, through the Office of Victims' Services, for the board to hold a full board hearing and, if such a request is made, the majority of those present at the board meeting must determine whether a full board hearing will be held.
- Requires the parole board to grant a full board hearing request submitted by a prosecuting attorney.
- Allows the State Public Defender, when designated by DRC, to appear at a full board hearing and to give testimony or to submit a written statement.

Ohio Penal Industries GED requirement

- Requires DRC to allow prisoners working toward completion of a high school diploma or equivalent to participate in Ohio Penal Industries.

Victim conference communications

- Provides that communications during a victim conference are confidential and are not public records.

Sexual activity for hire – developmental disabilities

- Makes recklessly inducing, enticing, or procuring sexual activity for hire in exchange for a thing of value from a person with a developmental disability a third degree felony.

Disability intimidation

- Creates the offense of disability intimidation.

DRC doula program

- Establishes a five-year program for certified doulas to provide doula services to inmates participating in a prison nursery program.

Targeted Community Alternatives to Prison (T-CAP)

(R.C. 2929.34 and 5149.38)

The bill changes the name “Targeting Community Alternatives to Prison” program to “*Targeted* Community Alternatives to Prison” program. It clarifies that in any voluntary county, the board of county commissioners and the Administrative Judge of the General Division of the Court of Common Pleas of the county may agree to have the county participate in the Targeted Community Alternatives to Prison (T-CAP) program by submitting a memorandum of understanding (MOU), either as a single county or jointly with other counties, to the Department of Rehabilitation and Correction (DRC) for approval.

The bill requires DRC to establish deadlines for a voluntary county to indicate the voluntary county’s participation in T-CAP before each state fiscal biennium. In reviewing a submitted MOU for approval, DRC must prioritize a voluntary county that has previously been a voluntary county. DRC may review a MOU for a new voluntary county if the General Assembly

has appropriated sufficient funds for that purpose. Under current law, the MOU had to be submitted to DRC for approval by no later than September 1, 2022.

The bill requires the MOU to set forth the plans by which the county will use grant money provided to the county in the fiscal years within the state fiscal biennium. Under current law, the MOU must set forth the plans by which the county will use the grant money provided to the county in state FY 2023 and succeeding state fiscal years under T-CAP. Under continuing law, the MOU must specify the manner in which the county will address a per diem reimbursement of local correctional facilities for prisoners who serve a prison term under T-CAP. The per diem reimbursement rate must be determined and specified in the MOU.

Earned credit

(R.C. 2967.193 and 2967.194)

Under existing law, until April 4, 2024, the aggregate days of credit provisionally earned by a person for program or activity participation and program and activity completion and the aggregate days of credit finally credited to a person must not exceed 8% of the total number of days in the person's stated prison term.

The bill provides that if a person is confined in a state correctional institution or in the substance use disorder treatment program after the bill's effective date, and if the person as of that effective date has met the 8% limit specified above or the person meets that 8% limit between that effective date and April 3, 2024, both of the following apply with respect to the person:

- On or after the bill's effective date, the 8% limit specified above no longer applies to the person;
- On or after the bill's effective date, the aggregate days of credit provisionally earned by a person for program or activity participation and program and activity completion and the aggregate days of credit finally credited to a person must not exceed 15% of the total number of days in the person's stated prison term.

The bill clarifies that the above provisions will apply to the prisoner with respect to the time that the prisoner was confined on and after the bill's effective date and prior to April 4, 2024.

Under continuing law, on or after April 4, 2024, the aggregate days of credit provisionally earned by a person for program or activity participation and program and activity completion and the aggregate days of credit finally credited to a person must not exceed 15% of the total number of days in the person's stated prison term. The bill reaffirms that this provision will apply only with respect to the time that a prisoner is confined on or after April 4, 2024.

Public records – correctional and youth services employee

(R.C. 149.43)

Under continuing law, “public record” means records kept by any public office. “Restricted portions of a body-worn or dashboard camera recording” is an exception to the Public Records Law. The definition of “restricted portions of a body-worn or dashboard camera recording” contains references to peace officers and law enforcement. When the references are made, the definition sometimes refers to correctional employees and youth services employees. The bill modifies the definition of “restricted portions of a body-worn or dashboard camera recording” by adding a reference to correctional employees and youth services employees in each place there is a reference to peace officers and law enforcement. “Restricted portions of a body-worn or dashboard camera recording” means any visual or audio portion of a body-worn camera or dashboard recording that shows, communicates, or discloses any of the following:

- The image or identity of a child or information that could lead to the identification of a child who is a primary subject of the recording when DRC, Department of Youth Services (DYS), or the law enforcement agency knows or has reason to know the person is a child based on its records or content of the recording (under continuing law);
- The death of a person or a deceased person’s body, unless the death was caused by a correctional employee, youth services employee, or peace officer or the consent of the decedent’s executor or administrator has been obtained (under continuing law);
- The death of a correctional employee, youth services employee, peace officer, firefighter, paramedic, or other first responder, occurring while the decedent was engaged in the performance of official duties, unless the consent of the decedent’s executor or administrator has been obtained (under continuing law);
- Grievous bodily harm, unless the injury was effected by a correctional employee, youth services employee, or peace officer or the consent of the injured person or the injured person’s guardian has been obtained (under continuing law);
- An act of severe violence against a person that results in serious physical harm to the person, unless the act and injury was effected by a correctional employee, youth services employee, or peace officer or the consent of the injured person or the injured person’s guardian has been obtained (under continuing law);
- Grievous bodily harm to a correctional employee, youth services employee, peace officer, firefighter, paramedic, or other first responder, occurring while the injured person was engaged in the performance of official duties, unless the consent of the injured person or the injured person’s guardian has been obtained (under continuing law);
- An act of severe violence resulting in serious physical harm against a correctional employee, youth services employee, peace officer, firefighter, paramedic, or other first responder, occurring while the injured person was engaged in the performance of

official duties, unless the consent of the injured person or the injured person's guardian has been obtained (under continuing law);

- A person's nude body, unless the person's consent has been obtained (under continuing law);
- Protected health information, the identity of the person in a health care facility who is not the subject of a correctional, youth services, or law enforcement encounter, or any other information in a health care facility that could identify a person who is not the subject of a correctional, youth services, or law enforcement encounter (under the bill);
- Information that could identify the alleged victim of a sex offense, menacing by stalking, or domestic violence (under continuing law);
- Information that does not constitute a confidential law enforcement investigatory record, that could identify a person who provides sensitive confidential information to DRC, DYS, or a law enforcement agency when the disclosure of the person's identity or the information provided could reasonably be expected to threaten or endanger the safety or property of the person or another person (under continuing law);
- Personal information of a person who is not arrested, cited, charged, or issued a written warning by a peace officer (under continuing law);
- Proprietary correctional, youth services, or police contingency plans or tactics that are intended to prevent crime and maintain public order and safety (under the bill);
- A personal conversation unrelated to work between correctional employees, youth services employees, or peace officers or between a correctional employee, youth services employee, or peace officer and an employee of a law enforcement agency (under the bill);
- A conversation between a correctional employee, youth services employee, or peace officer and a member of the public that does not concern correctional, youth services, or law enforcement activities (under the bill);
- The interior of a residence, unless the interior of a residence is the location of an adversarial encounter with, or a use of force by, a correctional employee, youth services employee, or peace officer (under the bill);
- Any portion of the interior of a private business that is not open to the public, unless an adversarial encounter with, or a use of force by, a correctional employee, youth services employee, or peace officer occurs in that location (under the bill).

Adult Parole Authority termination of post-release control

(R.C. 2967.16)

The bill modifies law that currently pertains to functions of the Adult Parole Authority (APA) with respect to the termination of an offender's post-release control (PRC). PRC is imposed on specified categories of offenders convicted of a felony, upon their release from confinement in a state correctional institution. Under continuing law, when a prisoner released

under a period of PRC has faithfully performed the conditions and obligations of the prisoner's PRC sanctions and has obeyed the APA's rules and regulations that apply to the prisoner or has the period of PRC terminated by a court, the APA may terminate the period of PRC and issue to the prisoner a certificate of termination. Specifically, the bill:

1. Replaces the law that currently requires the APA to classify the termination as "favorable" or "unfavorable," depending on the offender's conduct and compliance with the supervision conditions, with a provision that instead authorizes the APA to classify the termination as "unfavorable" if the offender's conduct and compliance with the supervision conditions is unsatisfactory (it does not retain the references to a "favorable" classification);

2. Specifies that if the APA does not classify the termination of PRC as "unfavorable," the offender's conduct and compliance with the supervision conditions may not be considered as an "unfavorable" termination by a court under the provision, when considering the factors described in a specified provision of the Felony Sentencing Law at a future sentencing hearing for a felony. (The specified Felony Sentencing Law provision requires the sentencing court to consider a list of factors as indicating that the felon is likely to commit future crimes – the listed factors include that, at the time of committing the offense, the felon had been "unfavorably" terminated from post-release control for a prior offense, under the provision described above in (1) or under continuing law's R.C. 2929.141.)

3. In a provision that requires DRC, no later than January 6, 2003, to adopt a rule establishing the criteria for classification of a PRC termination as "favorable" or "unfavorable," eliminates the reference to "favorable."

Full board hearings

(R.C. 5149.101)

The bill removes the ability for a board hearing officer, a board member, or the Office of Victims' Services to petition for a full parole board hearing that relates to the proposed parole or re-parole of a prisoner. Under the bill, if a victim of certain offenses, the victim's representative, spouse, parent or parents, sibling, or child or children of a victim requests such a full board hearing, they must do so through the Office of Victims' Services.

A family member of a victim who is not listed above may also request for the board to hold such a full board hearing through the Office of Victims' Services. If such a request is made, the majority of those present at the board meeting must determine whether a full board hearing will be held.

Under the bill, if a prosecuting attorney requests such a full board hearing, the board is required to hold a full board hearing.

The bill allows the State Public Defender, when designated by the DRC, to appear at such a full board hearing and to give testimony or to submit a written statement, as permitted by the board.

Ohio Penal Industries GED requirement

(R.C. 5145.161)

The bill modifies the requirements of DRC's "program for employment of prisoners" by giving prisoners the opportunity to be assigned a job with the Ohio Penal Industries, or any other job level or grade of prisoner employment that the DRC Director may designate, if the prisoner is working toward the completion of, but has not yet obtained, a high school diploma or equivalent.

Victim conference communications

(R.C. 2930.16)

The Victim's Rights Law requires the APA to adopt rules providing for a victim conference upon request of the victim, a member of the victim's immediate family, or the victim's representative, prior to a parole hearing in the case of a prisoner who is incarcerated for the commission of aggravated murder, murder, or an offense of violence that is a felony of the first, second, or third degree or is under a sentence of life imprisonment. The rules must contain specified provisions. The bill requires the communications during a victim conference held pursuant to the Victim's Rights Law and the rules adopted by the APA to be confidential, and provides that they are not public records under the Public Records Law.

Sexual activity for hire – developmental disabilities

(R.C. 2907.231)

The bill creates the offense of "engaging in prostitution with a person with a developmental disability," which prohibits a person from recklessly inducing, enticing, or procuring another to engage in sexual activity for hire in exchange for the person giving anything of value to the other person if the other person is a person with a developmental disability and the offender knows or has reasonable cause to believe that the other person is a person with a developmental disability. "Engaging in prostitution with a person with a developmental disability" is a third degree felony.

Disability intimidation

(R.C. 2927.12)

The bill creates the offense of disability intimidation. The new offense prohibits a person from committing aggravated menacing, menacing, criminal damaging or endangering, criminal mischief, or specified telecommunications harassment offenses (see below) by reason of the disability of another person or group of persons if the other person is a person with a disability, the person knows or reasonably should know that the other person is a person with a disability, and it is the person's specific purpose to commit the offense against a person with a disability. A person who violates the provision is guilty of disability intimidation, an offense of the next higher degree than the offense the commission of which is a necessary element of disability intimidation.

Specified telecommunications harassment

Under continuing law, telecommunications harassment prohibits a person from making or causing to be made a telecommunication, or knowingly permitting a telecommunication to be made from a telecommunications device under a person's control, to another, if the caller engages in various additional conduct.

The disability intimidation offense created by the bill applies only in those cases of telecommunications harassment where the caller (1) commits aggravated menacing during the call, (2) knowingly states to the recipient of the telecommunication that the caller intends to cause damage to or destroy public or private property, and the recipient, any member of the recipient's family, or any other person who resides at the premises to which the telecommunication is made owns, leases, resides, or works in, will at the time of the destruction or damaging be near or in, has the responsibility of protecting, or insures the property that will be destroyed or damaged, or (3) knowingly makes the telecommunication to the recipient of the telecommunication, to another person at the premises to which the telecommunication is made, or to those premises, and the recipient or another person at those premises previously has told the caller not to make a telecommunication to those premises or to any persons at those premises.¹⁵²

DRC doula program

(R.C. 5120.658)

Under the bill, DRC is to operate a five-year program providing doula services to inmates participating in any prison nursery program. The doula services must be rendered by a doula holding a certificate issued by the Board of Nursing (see "**Doula certification**"). The Department may adopt rules, in accordance with the Administrative Procedure Act, implementing the bill's provisions. The bill exempts the rules adopted under it from existing law that limits regulatory restrictions adopted by certain agencies.

¹⁵² R.C. 2917.21(A)(3), (4), and (5), not in the bill.

SECRETARY OF STATE

Safe at Home fines

- Allows courts to retain for administrative purposes up to 25% of fines collected by the court for the Address Confidentiality Program administered by the Secretary of State (SOS).
- Allows a court to assign to the prosecuting attorney as reimbursement up to 25% of fines collected by the court for the Address Confidentiality Program administered by the SOS.

Public inspection of ballot drop box surveillance

- Removes the current law requirement that the video recordings of video surveillance of secure ballot drop boxes must be available for public inspection immediately upon request and instead specifies that it be made available upon request in accordance with the procedures under the Public Records Act.
- Changes the current law requirement that each day's video recordings and video surveillance of secure ballot drop boxes be made available on the internet for streaming or download to the public within 24 hours after the video ends to 72 hours.

Precinct election official training

- Requires the SOS to make grants to the boards of elections to pay the cost of precinct election official training programs, instead of reimbursing counties for those costs.

Electronic pollbook reimbursement

- Modifies procedures established under H.B. 45 of the 134th General Assembly for the SOS to reimburse the boards of elections for 85% of the cost of electronic pollbooks and ancillary equipment, up to each county's allocated share of a previously made appropriation.

Safe at Home fines

(R.C. 2929.18 and 2929.28)

The bill allows a court that imposes a fine for the Address Confidentiality Program (also known as Safe at Home) to retain up to 25% of amount collected to cover administrative costs and to assign up to 25% of the amount collected to reimburse the prosecuting attorney for costs associated with prosecution of the offense. In addition to any other fine that is or may be imposed on an offender for domestic violence, menacing by stalking, rape, sexual battery, or trafficking in persons, the court under continuing law may impose a fine of between \$75 and \$500 to be transmitted to the State Treasurer to be credited to the Address Confidentiality Program Fund. The Address Confidentiality Program allows a victim of domestic violence, menacing by stalking, human trafficking, trafficking in persons, rape, or sexual battery who fears for safety as a victim to apply to the Secretary of State (SOS) for address confidentiality.

Public inspection of ballot drop box surveillance

(R.C. 3509.05)

The bill removes the current law requirement that the video recordings of video surveillance of secure ballot drop boxes must be available for public inspection immediately upon request and instead specifies that it be made available upon request in accordance with the procedures under the Public Records Act. The Public Records Act requires responses to public records requests to be promptly prepared and made available for inspection to the requestor at all reasonable times during regular business hours.

The bill also changes the current law requirement that the board must make each day's video recording available to the public on the internet for streaming or download without charge 24 hours after the recording ends to 72 hours after it ends. Continuing law requires the board to make those video recordings available to the public upon request in accordance with the procedures under the Public Records Act.¹⁵³

Under continuing law, the board of elections may place not more than one secure ballot drop box outside the office of the board for the purpose of receiving absent voter's ballots. The ballot drop box must be open to receive ballots only during the period beginning on the first day after the close of voter registration before the election (the first day of the absent voting period) and ending at 7:30 p.m. on the day of an election (the close of polls). The drop box must be monitored by recorded video surveillance at all times.

Precinct election official training

(R.C. 3501.27)

The bill requires the SOS to make grants to the boards of elections to pay the cost of precinct election official training programs, instead of reimbursing counties for those costs. Under existing law, the SOS must reimburse counties for those costs upon receiving an itemized statement of expenses.

Electronic pollbook reimbursement

(Section 610.30 (amending Section 285.12 of H.B. 45 of the 134th G.A.))

The bill modifies provisions of H.B. 45 of the 134th General Assembly that require the SOS to reimburse the boards of elections for 85% of the cost of purchasing electronic pollbooks and ancillary equipment, up to the county's allocated share of a \$7.5 million appropriation. Each county's allocation is determined based on its number of registered electors as of July 1, 2022.

First, the bill adds a requirement that, when required under state purchasing requirements and at the request of the SOS, DAS's Office of Procurement Services must initiate a competitive solicitation for qualified vendors of electronic pollbooks that are approved for

¹⁵³ R.C. 149.43(B)(1).

use under continuing law standards. Boards of elections must choose from the vendors identified through that process.

Further, the bill allows a board of elections to be reimbursed for the cost of leasing electronic pollbooks instead of purchasing them, if the county chooses to do so. The bill also specifies that a board of elections must notify the SOS of its selected electronic pollbooks and then acquire the equipment itself, instead of notifying the Office of Procurement Services of its choice and then having the Office acquire the equipment on behalf of the board.

The bill adds a caveat to a provision of H.B. 45 requiring the SOS to reimburse a board of elections for 85% of the cost of electronic pollbooks it had already acquired on or after January 1, 2020. Under the bill, a board is eligible for that reimbursement only if it is in compliance with all applicable directives and statutes. And, the bill requires the SOS to reimburse the board of elections instead of the county's general fund.

DEPARTMENT OF TAXATION

Income tax

- Consolidates, beginning for the 2023 taxable year, the two lowest income tax brackets – reducing the number of brackets from four to three – and further lowers the rate of the new lowest bracket to 2.75%.
- Suspends the annual inflation indexing adjustment of income tax brackets and personal exemption amounts for taxable years beginning in 2023 and 2024.
- Allows a taxpayer to deduct the full amount of bonus depreciation and enhanced expensing allowances that the taxpayer deducts for federal income tax purposes in the same year the taxpayer deducts those expenses on its federal return.
- Authorizes a \$1,000 nonrefundable income tax credit for volunteer firefighters, first responders, emergency medical technicians, and paramedics who volunteer during at least six months of a taxable year.
- Removes the requirement for employers who withhold and remit employee income taxes on a partial weekly basis to file quarterly reconciliation returns, instead requiring such employers to file an annual return, starting in 2024.

Municipal income taxes

- Exempts the income of minors from municipal income taxation.
- Corrects an erroneous cross-reference governing the deduction of net operating losses and requires municipal corporations to incorporate the change in 2023.
- Limits the circumstances under which municipal income tax inquiries or notices may be sent by a municipal tax administrator or the Tax Commissioner to a taxpayer subject to a filing extension.
- Limits the penalty that may be imposed on a taxpayer for failing to timely file municipal income tax returns from a \$25 monthly penalty, up to \$150, to a one-time \$25 penalty. Exempts a taxpayer's first failure to timely file from the penalty.
- Provides an additional, automatic one-month extension for municipal income tax returns where a business entity has received a six-month federal extension.
- Requires the Department of Taxation (TAX) to provide information to municipal corporations on any businesses that had municipal taxable income apportioned to such a municipal corporation in the preceding five or seven months as opposed to in any prior year.
- Requires a municipal corporation to notify TAX any time there is a decrease in the municipal corporation's income tax rate.

Sales and use tax

- Exempts children’s diapers, creams, and wipes and car seats, cribs, and strollers from sales and use tax, beginning October 1, 2023.
- Adds specific references to construction material and services sold or rented to government entities for temporary traffic control or drainage purposes to a sales and use tax exemption for sales and rentals to government entities.
- Allows the Tax Commissioner to cancel a sales tax vendor’s license obtained while another of the vendor’s licenses is suspended or by any person that makes retail sales without a vendor’s license on more than one occasion.
- Modifies the criminal penalties and culpable mental state for certain sales and use tax offenses.

Lodging taxes

- Authorizes Hamilton County to levy an additional 1% lodging tax to fund convention, entertainment, or sports facilities, and to repurpose a portion of the revenue from its existing general and special lodging tax to fund or promote a convention, entertainment, or sports facility.
- Authorizes a municipality to repurpose a portion of the revenue from its general lodging tax to fund such facilities.
- Allows Cincinnati to repurpose a portion of the revenue from its 1% special convention center lodging tax to fund such facilities.
- Authorizes a county to use a portion of the revenue from its general lodging tax to fund public safety services in a municipality or township designated as a resort area.
- Authorizes a county with a population exceeding 800,000 or a municipality within such a county to wholly or partially exempt from county and municipal lodging taxes a designated hotel associated with a convention center (“headquarters hotel”).
- Authorizes the county or municipality to require payments in lieu of taxes (PILOTs) from the headquarters hotel, to be remitted to the county or municipality and used to finance facilities associated with the hotel or convention center.
- Authorizes the county or municipality, or a port authority, to enter into an agreement with the headquarters hotel operator for the operator to make binding payments to ensure funds for the completion of such associated facilities.

Commercial activity tax (CAT)

- Excludes from gross receipts taxable under the CAT any federal, state, or local grants received or debt forgiven to provide or expand broadband service in Ohio.
- Reallocates CAT revenue, increasing the share to the GRF.

- Clarifies a CAT provision that governs how gross receipts from transportation and delivery services are allocated to Ohio.

Financial institutions tax

- Clarifies which entities are included in a taxpayer group subject to the financial institutions tax (FIT).
- Repeals an expired FIT deduction allowed for investments in a qualifying real estate investment trust.

Sports gaming tax

- Limits, at \$15 million per fiscal year, the portion of sports gaming tax revenue that must be used to support K-12 athletics and other extracurricular activities.

Cigarette and tobacco and vapor product taxes

- Allows a wholesaler or distributor to obtain a refund of excise taxes on cigarettes, other tobacco products, and nicotine vapor products remitted on bad debts arising from the sale of those products and charged off on or after January 1, 2024.
- Extends the deadline for renewing annual cigarette tax licenses to June 1 instead of the 4th Monday in May.

Motor fuel taxes

- Authorizes townships to use motor fuel tax revenue to purchase buildings suitable for housing road machinery and equipment, in addition to the currently permitted uses of planning, constructing, and maintaining such buildings.
- Imposes personal liability for the fuel use tax on individual owners, employees, officers, and trustees who are responsible for reporting and paying the tax for a taxpayer.

Tax incentives

Low-income housing tax credit

- Authorizes a nonrefundable credit against the insurance premiums, financial institutions, or income tax for the development of low-income rental housing that is awarded in conjunction with the federal low-income housing tax credit (LIHTC).
- Allows the Ohio Housing Finance Agency (OHFA) to reserve a state tax credit for any project in Ohio that receives a federal LIHTC allocation, as long as the project is located in Ohio and begins renting units after January 1, 2023.
- Prohibits OHFA from reserving any credits after December 31, 2028.
- Generally limits the amount of state credits that may be reserved in a fiscal year to \$500 million, but allows unreserved credit allocations and recaptured or disallowed credits to be added to the credit cap for the next fiscal year.

- Limits the amount of credit reserved for any single project to an amount necessary, when combined with the federal credit, to ensure financial feasibility.
- Allows project and equity owners to claim an advance credit after the project is placed in service but before the Director issues an eligibility certificate so long as they reconcile any difference between the advance credit amount and the actual credit amount through an amended tax return or report.

Film and theater credit

- Increases the total amount of film and theater tax credits that may be awarded each fiscal year, from \$40 million to \$75 million.

Historic building rehabilitation credit

- Increases, from \$60 million to \$120 million, the amount of historic building rehabilitation tax credits that DEV may award in FY 2025.

Job creation and retention credits

- Authorizes the Tax Credit Authority to adjust the amount that a noncompliant taxpayer must repay from a job creation or job retention tax credit one time within 90 days after initially certifying a repayment.

Research and development credits

- Modifies the manner in which a taxpayer that consists of multiple individuals or entities may compute and claim a research and development (R&D) tax credit against the FIT or CAT.
- Requires a taxpayer claiming a R&D credit to retain records substantiating the claim for four years.
- Allows TAX to audit a representative sample of a taxpayer's R&D expenses to verify that the taxpayer correctly computed the R&D credit.

Exemption and exclusion for consumer-grade fireworks fee

- Exempts the 4% fee on the sale of consumer-grade fireworks from sales and use tax, so long as the fee is separately stated on the sales receipt.
- Authorizes a CAT exclusion for collections of the separately stated fireworks fees.

Deduction and exclusion for East Palestine derailment payments

- Authorizes a personal income tax deduction for government or railroad company payments received by a taxpayer as the result of the February 3, 2023, train derailment in East Palestine.
- Authorizes a CAT exclusion for compensation for business losses resulting from that derailment.

Property tax

- Eliminates the authority of political subdivisions to levy replacement property tax levies, beginning with elections held on or after January 1, 2025.
- Authorizes a park district to renew, increase, or decrease an existing voted property tax levy.
- Indexes the amount of all homestead exemptions so that each exemption, and the resulting tax savings, increase in proportion to the increase in a broad price inflation index (gross domestic product deflator).
- Requires the Tax Commissioner to prescribe a formula for uniformly valuing federally subsidized rental housing that takes into account a property's operating income and expenses and a uniform capitalization rate.
- Sets a minimum total value for such property of 150% of the value of the underlying land or \$5,000 per dwelling unit, whichever is greater.
- Requires the owner of such property to regularly report the property's operating income and expenses to the county auditor of the county in which the property is located.
- Removes law explicitly authorizing a county auditor to value LIHTC property by employing the income approach, cost approach, or comparable sales approach.
- Exempts from property tax the value of unimproved land subdivided for residential development in excess of the fair market value of the property from which that land was subdivided, apportioned according to the relative value of each subdivided parcel.
- Authorizes the development exemption for up to eight years, or until residential construction begins or the land is sold.
- Does not allow the exemption for development land included in a tax increment financing (TIF) project.
- Authorizes owners of real property which qualified for a brownfield tax abatement in 2020 but which was not subject to the abatement until 2022 to apply for the abatement to apply retroactively for two years and terminate two years earlier than scheduled.
- Allows a subdivision to remove a parcel from a TIF and include the parcel in a new TIF under certain circumstances.
- Allows a municipality to extend the life of an existing TIF for up to 15 years if certain conditions are met.
- Authorizes the second and third publication of a notice of an impending property tax foreclosure action to be made online, provided the notice's first publication continues to be made in a newspaper of general circulation.

- Specifies that existing abbreviated newspaper publication procedures for government notices apply to the publication of a property tax foreclosure notice if the second and third publication of the notice continues to be made in a newspaper.
- Extends the sunset date of a property tax exemption for qualified energy projects from 2025 to the later of 2032 or the year the federal government determines there has been a 75% reduction in greenhouse gas levels compared to 2022.
- Reduces the ratio of Ohio-domiciled full-time equivalent (FTE) employees required to be employed, as a condition of receiving that exemption, at a new solar energy project from 80% to 70% of all FTE project employees.
- Requires new large renewable energy projects to comply with prevailing wage and apprenticeship requirements as a condition of obtaining that exemption.
- Allows existing solar energy projects that voluntarily comply with the prevailing wage and apprenticeship requirements that apply to new projects to apply the same reduced 70% ratio for Ohio-domiciled FTE employees.
- Includes out-of-state workers who reside within 50 miles of Ohio and are members of certain labor organizations as “Ohio-domiciled” employees for purposes of calculating compliance ratios for that exemption.
- Changes the calculation of FTE employee hours for the purpose of complying with the terms of that exemption.
- Prohibits an electric company from requesting, and the Tax Commissioner from approving, a reduction in the taxable value of the company’s tangible personal property (TPP) of more than 7.5% per year, beginning in tax year 2024.
- Creates a joint legislative committee to make recommendations on reforms to property tax law and hold hearings on pending property taxation legislation.

Tax administration

- Authorizes TAX to send any tax notice currently required to be sent by certified mail by ordinary mail or, with the taxpayer’s consent, electronically.
- Removes required recordkeeping standards a delivery service must meet before it may be used by TAX to deliver tax notices.
- Requires county auditors to accept real property and manufactured home conveyance forms electronically.
- Eliminates a requirement that taxpayers file amended reports with respect to the defunct corporation franchise tax.
- Streamlines the authority of TAX to share confidential tax information with state agencies.

- Directs the Tax Commissioner and Treasurer of State to jointly study and design a tax-favored savings account for home purchases and improvements.

Local Government and Public Library Funds

- Permanently increases the percentage of state tax revenue that the Local Government Fund (LGF) and Public Library Fund (PLF) each receive per month, from 1.66% to 1.7%.
- Increases the minimum amount that may be distributed from the LGF to each county to \$850,000, beginning in FY 2024.
- Requires the county budget commission of a county that adopts an alternative distribution formula for the county undivided local government fund, using the standard procedure to adopt such a formula, to hold a hearing on the formula every five years.

Income tax

Rate reduction

(R.C. 5747.02)

The bill makes two changes to the income tax brackets applicable to nonbusiness income, beginning with the 2023 taxable year. First, the bill reduces the number of brackets, from four to three, by consolidating the two lowest brackets. Second, the bill reduces the rate of the new lowest bracket to 2.75%. The tax taxable for the 2022 taxable year compared to the 2023 tax table, as modified by the bill, is as follows:

TY 2022		TY 2023, as modified by the bill	
Ohio taxable income	Marginal tax rate	Ohio taxable income	Marginal tax rate
\$26,050-\$46,100	2.765%	\$26,050-\$92,150	2.75%
\$46,100-\$92,150	3.226%	\$92,150-\$115,300	3.688%
\$92,150-\$115,300	3.688%	More than \$115,300	3.99%
More than \$115,300	3.99%		

Inflation indexing adjustment

(Section 757.50)

Continuing law requires the Tax Commissioner to adjust the income tax brackets and personal exemption amounts for inflation on an annual basis.¹⁵⁴ The bill suspends the adjustments to the tax brackets and personal exemption amounts for taxable years beginning in 2023 and 2024. Consequently, the 2022 income tax brackets will also apply in 2023 and 2024 (although the tax rates corresponding with two of those brackets will be reduced as described above). The indexing of tax brackets and personal exemption amounts resumes in 2025.

Taxation of depreciation allowances

(R.C. 5733.40 and 5747.01(A)(17) and (18) and (S)(14))

The bill “re-couples” Ohio’s income tax with federal tax law that allows businesses to claim enhanced depreciation deductions with respect to certain assets. Currently, Ohio has elected to blunt the revenue effects of the federal deductions by requiring businesses to add back a portion of their federal deduction in the year it is claimed and deduct the amount added-back over several years.

Federal enhanced depreciation allowances

Federal tax law gives enhanced depreciation allowances for businesses that invest in certain depreciable business assets. There are two forms of the enhanced allowances: “bonus depreciation” and “enhanced expensing.” Both are intended to induce increased business investment by permitting businesses to accelerate the tax benefit of asset depreciation deductions, moving it into earlier years than customarily allowed.

Congress originally enacted the allowances in 2002, and has extended and increased them several times since. The bonus depreciation allowance is currently being phased-down, and is scheduled to end in 2026. For assets acquired in 2023, businesses may immediately deduct 80% of the cost of the asset, instead of using the usual depreciation schedules. Enhanced expensing increases the value of an asset that can be immediately deducted when it is acquired or placed in service. For 2023, that amount is \$1.16 million, though the deduction begins to phase-out at \$2.89 million. The enhanced expensing allowance is adjusted for inflation each year, and is not currently being phased-out.¹⁵⁵

Ohio’s treatment of enhanced depreciation allowances

The enhanced federal deductions reduce a taxpayer’s federal adjusted gross income (FAGI) in the early years after the asset is acquired, as compared to the usual depreciation schedule, and therefore reduce Ohio taxable income and income tax revenue. When these federal enhancements were enacted, Ohio and several other states whose income tax bases were tied to the federal tax base decided to blunt the state revenue reductions that would have

¹⁵⁴ R.C. 5747.02(A)(5); R.C. 5747.025, not in the bill.

¹⁵⁵ 26 U.S.C. 168 and 179.

resulted from the enhancements by not allowing taxpayers to claim the enhanced depreciation deductions all in a single year.

Instead, Ohio generally requires taxpayers to spread the deduction across several years by “adding back” part of the allowance claimed on the taxpayer’s federal return. In general, the deduction must be spread over six years, although businesses with certain net operating losses (NOLs) or businesses that increase their income tax withholdings by a certain amount may either spread the deduction over three years or not have to add-back amounts at all.

As a general example, a taxpayer claiming a federal bonus depreciation deduction of \$120,000 in 2023 is only permitted to deduct one-sixth of that amount, or \$20,000, for Ohio tax purposes in that year. The taxpayer must add-back \$100,000 and deduct that amount in equal \$20,000 increments over the next five years.

Elimination of add-backs

The bill eliminates the requirement that businesses add-back any enhanced depreciation allowances. Instead, a taxpayer can deduct the full amount of allowances that the taxpayer deducts for federal income tax purposes in the same year the taxpayer deducts those expenses on its federal return. Using the example above, the taxpayer may use the full \$120,000 federal deduction when computing its Ohio tax liability.

For taxpayers that were required to add-back an allowance before 2023, the bill provides for an election. The taxpayer may either (a) continue to deduct any add-backs that the taxpayer would have otherwise been able to deduct, according to the same schedule the taxpayer would have followed, were the bill not enacted or (b) deduct the entire unused portion of the taxpayer’s deductions in 2023.

Income tax credit for volunteer emergency personnel

(R.C. 5747.64 and 5747.98; Section 803.180)

The bill authorizes a \$1,000 nonrefundable income tax credit for a volunteer firefighter, first responder, emergency medical technician, or paramedic who volunteers at least one day during at least six months of a taxable year.

The credit applies to taxable years beginning on or after January 1, 2023.

Eliminate quarterly employer reconciliation return

(R.C. 5747.07 and 5747.072; Section 803.60)

The bill removes the requirement in current law that employers who withhold and remit employee income taxes on a partial weekly basis, i.e., two times in a single week, file quarterly withholding reconciliation returns. Instead, these employers will only be required to file the annual reconciliation returns required for other employers under continuing law starting on January 1, 2024. Reconciliation returns allow an employer to calculate and pay any required employee withholding that was not remitted in the preceding period.

Under continuing law, employers are required to remit employee withholding on a partial weekly basis if they withhold and accumulate a significant amount of it. Employers with smaller accumulated withholding may remit it monthly or quarterly.

Municipal income taxes

Exemption for minors' income

(R.C. 718.01(C)(15); Section 803.10)

The bill requires municipal corporations to exempt the income of individuals under 18 years of age from municipal income taxation. The exemption applies to taxable years beginning on or after January 1, 2024. Under current law, only municipal corporations that authorized such an exemption before 2016 are authorized to grant such an exemption.

Net operating loss deduction cross-reference

(R.C. 718.01; Section 803.10)

The bill corrects an erroneous cross-reference in the municipal income tax law governing the deduction of net operating loss (NOL). From 2018-2022, a business was allowed to deduct 50% of its NOL from its taxable net profits. Beginning in 2023, the 50% limitation is discontinued and a business may deduct the full amount of its NOL. The bill's correction clarifies that the 50% limitation ceases to apply in 2023. The bill requires municipalities that levy an income tax to incorporate this cross-reference change into their municipal tax ordinances and apply it to taxable years beginning in 2023.

Prohibited inquiries and notices

(R.C. 718.05 and 718.85; Section 803.100)

The bill limits when a municipal tax administrator or the Tax Commissioner may make inquiries or send notices to taxpayers whose income tax filing deadline has been extended. Under continuing law, taxpayers generally report and remit municipal income tax to municipal tax administrators, but a business that owes taxes on its net profits may elect to report and remit municipal net profits taxes to TAX, which then disperses payments to each municipality to which such tax is owed.

Under current law, the due date of a taxpayer's municipal income tax return, whether filed with a municipality or the Tax Commissioner, may be extended under various circumstances, including any of the following:

- The taxpayer has requested an extension of the deadline to file the taxpayer's federal income tax return.
- The taxpayer has requested an extension of the deadline to file the taxpayer's municipal income tax return from the municipal tax administrator or Commissioner.
- The Commissioner extends the state income tax filing deadline for all taxpayers.

When a taxpayer receives an extension, the bill prohibits a municipal tax administrator or the Commissioner from sending any inquiry or notice regarding the municipal return until

after either the taxpayer files the return or the extended due date passes. If a tax administrator sends a prohibited inquiry or notice, the municipality must reimburse the taxpayer for any reasonable costs incurred in responding to it, up to \$150. If the Commissioner sends such an inquiry or notice, the taxpayer's costs, up to \$150, are reimbursed from the GRF.

The bill's new limitations apply to taxable years ending on or after January 1, 2023. The limitations do not apply, and a municipal tax administrator or the Commissioner may send an otherwise prohibited inquiry or notice, if either has actual knowledge that the taxpayer did not actually file for a federal or municipal income tax extension.

Penalty limitations

(R.C. 718.27 and 718.89; Section 803.100)

The bill limits the penalty a municipal corporation or the Tax Commissioner may impose for the failure to timely file a municipal income tax return. Currently, a municipal corporation may impose a penalty of \$25 for each month a taxpayer fails to file a required income tax or withholding return, up to \$150 for each return. The Commissioner may impose the same monthly penalty on those unfiled returns as well as on unfiled estimated tax declarations. The bill reduces these penalties to a one-time \$25 penalty. The bill also exempts a taxpayer's first failure to timely file from the penalty, requiring the municipal corporation or Commissioner to either refund or abate the penalty after the taxpayer files the late return. These changes also apply to taxable years ending on or after January 1, 2023.

Extension for businesses

(R.C. 718.05(G)(2) and 718.85(D)(1); Section 803.100)

The bill provides an additional, automatic one-month filing extension for municipal income tax returns where a business entity has received a six-month federal extension, bringing the full duration of the extension to seven months beginning in taxable years ending on or after January 1, 2023. The current extended deadline for individuals and business entities is the same as the extended federal deadline.

Net profits tax reports and notifications

(R.C. 718.80 and 718.84; Section 803.80)

Under continuing law, a business that operates in multiple municipalities, and is therefore subject to multiple municipal income taxes, may elect to have TAX serve as the sole administrator for those taxes. For electing taxpayers, a single municipal net profit tax return is filed through the Ohio Business Gateway for processing by TAX, which handles all administrative functions for those returns, including distributing payments to the municipalities, billing, assessment, collections, audits, and appeals. The bill modifies, as described below, the reporting and notification requirements associated with this state-administered municipal net profits tax.

TAX's municipal income tax report

The bill requires that twice a year, in May and December, TAX provide information to municipalities on any businesses that had net profits apportioned to the municipality, as

reported to TAX, in the preceding five or seven months only, as applicable. (Net profits apportionable to the municipality, e.g., earned in the municipality, are generally subject to the municipality's income tax.) Under current law, this twice-per-year notification, done in May and November, is required to list information for businesses that had net profits apportioned to the municipality in any prior year. This change applies to reports required to be filed after the bill's 90-day effective date.

Rate decrease notification

Under continuing law, by January 31 of each year, a municipal corporation levying an income tax must certify the rate of the tax to TAX. If the municipality increases the rate after that date, the municipality must notify TAX of the increase at least 60 days before it goes into effect. The bill requires a municipality to notify TAX, within the same 60-day notice period, when there is any change in its municipal income tax rate, including a decrease.

Sales and use tax

Baby product exemption

(R.C. 5739.01 and 5739.02; Section 803.50)

The bill exempts, beginning October 1, 2023, children's diapers, creams, and wipes and car seats, cribs, and strollers from sales and use tax. Under continuing law, sales of both children and adult diapers are exempt during the first weekend of August each year as part of Ohio's "sales tax holiday" for school supplies and clothing. In addition, adult diapers are exempt under continuing law if sold to a Medicaid recipient pursuant to a prescription.

Sales and rentals to government entities

(R.C. 5739.02(B)(1) and (10); Section 803.140)

Continuing law exempts sales and rentals to federal, state, and local government entities from the sales and use tax. The bill specifically adds construction material and services sold or rented to government entities for temporary traffic control or drainage purposes are subject to those exemptions. The bill also specifies that the addition is a remedial measure intended to clarify existing law and applies to all cases pending on a petition for reassessment or on further appeal, and to transactions subject to an audit by the Department of Taxation.

Vendor's license suspensions

(R.C. 5739.31)

Continuing law requires every retail vendor to obtain a vendor's license from TAX or a county auditor and collect and remit state and local sales taxes. TAX may suspend the license of a vendor that repeatedly fails to timely file sales tax returns or remit taxes.¹⁵⁶ A vendor with a suspended vendor's license is prohibited from obtaining another vendor's license from TAX or "the" county auditor during the suspension period. The bill clarifies that the prohibition on

¹⁵⁶ R.C. 5739.30(B)(2), not in the bill.

duplicate licenses applies to those obtained from any – as opposed to “the” – county auditor. The bill also allows TAX to cancel any duplicate vendor’s license obtained by a vendor during the suspension period or obtained by any person who has violated the prohibition on making retail sales without holding a vendor’s license more than once.

Criminal penalties and mental states

(R.C. 5739.99)

The bill modifies the criminal penalties for certain sales and use tax offenses. In particular, the bill classifies several offenses, typically to the closest classified misdemeanor or felony based on current penalties:

Offense	Current penalty	Classification and penalty under the bill
Failure to pay or collect sales or use tax, or providing a false tax exemption certificate	Fine between \$25-\$100 for the first offense; for each subsequent offense, a fine between \$100-\$500 (corporations) or between \$25-\$100 and imprisonment of up to 60 days (individuals).	Minor misdemeanor of the first offense (up to \$150 fine); for each subsequent offense, a misdemeanor of the third degree (fine of up to \$500 or imprisonment of up to 60 days).
Failing to file a sales or use tax return or filing a fraudulent return	Fine between \$100-\$1,000 or imprisonment of up to 60 days.	Misdemeanor of the third degree.
Making retail sales without a vendor’s license	Fine between \$25-\$100 for the first offense, and a felony of the fourth degree; for each subsequent offense (fine of up to \$5,000 or imprisonment of 6-18 months).	Minor misdemeanor for the first offense; misdemeanor of the first degree for the second offense (fine of up to \$1,000 or imprisonment of up to 180 days); felony of the fourth degree for each subsequent offense.
Making retail sales as a transient vendor without a license	Fine between \$100-\$500 or imprisonment of up to 10 days for the first offense; for each subsequent offense, a fine of between \$1,000-\$2,500 or imprisonment of up to 30 days.	Minor misdemeanor for the first offense; misdemeanor of the fourth degree for each subsequent offense (fine of up to \$250 or imprisonment of up to 30 days).
Making retail sales with a suspended license	Felony of the fourth degree.	Misdemeanor of the first degree for the first offense; felony of the fourth degree for each subsequent offense.

The bill also lowers the requisite culpable mental state for these offenses, from “recklessly” to “negligently.” Current sales tax law does not specify a mental state for the offenses described above, but under continuing law generally, if no mental state is specified, “recklessly” is considered the default.¹⁵⁷ A person acts recklessly when with heedless indifference to the consequences, the person disregards a substantial and unjustifiable risk that the person’s conduct is likely to cause a certain result or is likely to be of a certain nature. The bill overrides this default rule by only requiring negligence on the part of the offender, i.e., because of a substantial lapse from due care, the offender fails to perceive or avoid a risk that the offender’s conduct may cause a certain result or may be of a certain nature.¹⁵⁸

Lodging taxes

Convention, entertainment, and sports facilities

(R.C. 5739.08 and 5739.09(X))

Under continuing law, counties, municipal corporations, and townships are authorized to levy an up to 3% excise tax on transactions by which hotels provide lodging to transient guests (referred to in this analysis as the “3% general lodging tax”). For counties, the use of such a tax’s revenue is generally limited to making contributions to a convention and visitors’ bureau under current law.

The bill authorizes a county with a population between 800,000 and 1 million, i.e., Hamilton County, to repurpose a portion of the revenue from its existing lodging taxes (its 3% general lodging tax and a special 3.5% convention center tax that county is authorized to levy) and to levy an additional 1% lodging to fund the acquisition, construction, renovation, expansion, maintenance, operation, or promotion by a convention facilities authority, convention and visitors’ bureau, or port authority of a convention, entertainment, or sports facility.

The bill also authorizes any municipality to repurpose a portion of the revenue from its existing 3% general lodging tax for those same purposes. The bill further allows Cincinnati to repurpose a portion of the revenue from its existing 1% special convention center lodging tax for the same purposes.

Public safety services in a resort area

(R.C. 5739.09(A))

The bill authorizes a county to use a portion of the revenue from its 3% general lodging tax to fund public safety services in a municipality or township designated as a resort area, which is an area where at least 62% of the housing units are for seasonal, recreational, or occasional use, and where there are seasonal peaks of employment and demand for

¹⁵⁷ R.C. 2901.21(C)(1), not in the bill.

¹⁵⁸ R.C. 2901.22, not in the bill.

government services, among other similar requirements. Certain Lake Erie islands are the only currently designated resort areas in Ohio.

Headquarters hotel exemption and financing

(R.C. 5739.093)

The bill authorizes a county with a population exceeding 800,000, i.e., Cuyahoga, Franklin, or Hamilton County, or a municipal corporation located in such a county (“eligible subdivision”) to wholly or partially exempt a hotel associated with a convention center and located in that subdivision from county and municipal lodging taxes. Only one such hotel, referred to in the bill as a “headquarters hotel,” may be designated for any convention center.

Alongside the exemption, the eligible subdivision may impose payments in lieu of taxes (PILOTs) on the hotel operator, up to the amount of the exempted taxes. The eligible subdivision may then use these PILOTs, which are collected in the same manner as the exempted lodging taxes, to pay the costs of acquiring, constructing, renovating, or maintaining the headquarters hotel, the associated convention center, or any related infrastructure improvements. In essence, the bill creates a mechanism by which lodging tax revenue may be redirected to those specific facility projects, similar to a tax increment financing (TIF) arrangement in the context of property taxes.

To initiate this process, the eligible subdivision must notify any other eligible subdivision, the county’s convention and visitors’ bureau (CVB), and any township that levies a lodging tax on the proposed headquarters hotel. Then the eligible subdivision may adopt a resolution designating the headquarters hotel and listing the percentage of county and municipal lodging taxes that will be exempt and the duration of the exemption, which may not exceed 30 years. The resolution must list whether PILOTs will be imposed and to whom they are to be pledged.

The PILOTs must be pledged by the eligible subdivision to an “issuing authority,” i.e., an eligible subdivision, convention facilities authority, or port authority, to pay the costs of the project for which the PILOTs are imposed, including the costs of any debt issued for that project. The issuing authority may also authorize the eligible subdivision to use PILOTs for the same purposes as any exempted lodging taxes could be used for, e.g., funding CVBs or general municipal purposes. Any PILOTs unspent at end of the project may be used by the eligible subdivision for the same purposes as its lodging taxes. The hotel operator may charge hotel guests for the cost of the PILOTs, in the same manner as lodging taxes are collected from guests.

An eligible subdivision may enter into an agreement with the headquarters hotel’s operator by which the operator, and any succeeding operator, pledges to make binding payments to the subdivision or a port authority to ensure sufficient funds are available to finance the PILOT-funded facilities project.

Commercial activity tax (CAT)

Broadband funding exclusion

(R.C. 5751.01(F)(2)(rr); Section 803.190)

The bill excludes from gross receipts taxable under the CAT any federal, state, or local funding received or debt forgiven to provide or expand Internet broadband service in Ohio, including video service, voice over internet protocol service, and internet protocol-enabled services. The exclusion applies to CAT tax periods ending on or after the bill's 90-day effective date.

Revenue distribution

(R.C. 5751.02; Section 812.20)

The bill reduces, from 13% to 2.25%, the amount of CAT receipts allocated to the School District Tangible Property Tax Replacement Fund (Fund 7047) and reduces, from 2% to 0.25%, CAT receipts allocated to the Local Government Tangible Property Tax Replacement Fund (Fund 7081), both beginning in FY 2024. The bill reallocates the 12.5% difference to the GRF.

Situsing of transportation services

(R.C. 5751.033; Section 803.30)

The bill clarifies a CAT provision that governs how gross receipts from transportation and delivery services are allocated, or "sitused," to Ohio. The bill specifies that this situsing provision applies to services provided by common carriers, rather than motor carriers. The term "motor carriers" applies only to transportation or delivery by motor vehicle, while the phrase "common carriers" includes transportation by other means, such as trains and aircraft.

The statute had previously applied to common carriers, but, in 2012, the terminology was changed as part of a larger overhaul of motor carrier regulations.¹⁵⁹ The bill states that this change is intended to be remedial and to clarify the law as it existed before the amendment.

Financial institutions tax

Financial institution taxpayer group

(R.C. 5726.01; Section 803.70)

Continuing law imposes the financial institutions tax (FIT) on financial institutions, including all entities that are reported on the institution's federal regulatory FR Y-9 or call report. The bill clarifies that a "financial institution" includes all of the entities consolidated, rather than "included," in the institution's report. The bill further clarifies that, in the case of a small bank holding company that is not required to file a FR Y-9 under federal law, the financial institution includes all of the entities that would be included in statement FR Y-9 if the company were required to file one.

¹⁵⁹ H.B. 487 of the 129th General Assembly.

Repeal deduction for REIT investments

(R.C. 5726.04; repealed R.C. 5726.041)

The bill repeals an expired FIT deduction that was allowed for an institution's investment in a qualifying real estate investment trust. The deduction was available between 2014, the first year the FIT was levied, and 2017. It essentially allowed an institution that owned shares of a publicly traded REIT to phase in the value of that investment into the institution's tax base over those four years.

Sports gaming tax

Revenue distribution

(R.C. 5753.031; Section 803.40)

The bill modifies the formula for allocating sports gaming tax revenue. Under continuing law, almost all of the revenue from the tax is used to fund education. After deductions are made for administrative expenses, 98% of the tax revenue is allocated to the Sports Gaming Profits Education Fund, while the other 2% is allocated to prevent gambling addiction.

Currently, 50% of the Education Fund must be used to support K-12 athletics and other extracurricular activities, while the other 50% is used generally to support K-12 education. The bill limits the portion of revenue that must be used specifically for athletics and other extracurricular activities, at \$15 million per fiscal year. If, in any fiscal year, the total amount allocated to the fund exceeds \$30 million, each dollar over that amount can be used to support K-12 education generally.

Cigarette and tobacco and vapor product taxes

Refund on bad debts

(R.C. 5743.06 and 5743.53; Section 803.150)

The state levies excise taxes on the sale of cigarettes, other tobacco products (OTP), and vapor products containing nicotine. Cigarette taxes are generally paid by wholesalers, whereas, OTP and vapor products taxes are paid by distributors. The bill allows a wholesaler or distributor to obtain a refund of excise taxes remitted on certain bad debts arising from the sale of those products, less any discounts allowed, under continuing law, for affixing the tax stamp or prompt payment (referred to in this analysis as "qualifying bad debts"). The deduction applies only to the specific tax levied on the product that is the basis of the qualifying bad debt, and applies to both the state and, if applicable, local excise taxes.

The bill allows a wholesaler or distributor to apply to the Tax Commissioner for a refund of the cigarette, OTP, or vapor products taxes paid on qualifying bad debts. The application must include a copy of the original invoice and evidence of delivery of the product to the purchaser, that the purchaser did not pay, and that the wholesaler or distributor used reasonable collection practices to try to collect the debt. An application must also include evidence of the wholesale price or vapor volume, as applicable, at the time the product was subject to taxation and any other information the Commissioner requires.

A qualifying bad debt is any debt arising from the sale of cigarettes, OTP, or vapor products that satisfy each of the following criteria:

- The cigarette, OTP, or vapor products tax has been paid.
- The debt has become worthless or uncollectible.
- The debt has been uncollected for at least six months, but not more than three years from either the time the debt became uncollectible (in the case of cigarette taxes) or the time the tax was remitted (OTP and vapor products taxes).
- The wholesaler or distributor charges off the debt as uncollectable on its books on or after January 1, 2024.
- The wholesaler or distributor deducts, or would be allowed to deduct, the bad debt in calculating federal income tax liability.

A qualifying bad debt does not include interest or financing charges, collections costs, accounts receivable that have been sold or assigned to a third party, or repossessed property. No person other than a wholesaler or distributor that remitted the applicable tax and generated the bad debt may receive a bad debt refund. If any portion of a bad debt for which a wholesaler or distributor receives a refund is later paid, the wholesaler or distributor must pay the applicable tax on the amount of the debt recovered.

The Commissioner may adopt any rules necessary to administer these refunds. These rules are not subject to the requirements in continuing law governing agency review of rules to identify regulatory restrictions. In addition, the Commissioner is exempted from the provision of that law requiring the removal of two regulatory restrictions upon adoption of one regulatory restriction.

Continuing law authorizes a very similar deduction and refund for sales taxes paid on bad debt.¹⁶⁰ However, sales taxes are assessed against a consumer and remitted to the vendor, for payment to the state. In contrast, the wholesaler or distributor is generally liable for the cigarette, OTP, and vapor products tax even though each tax is generally passed down to retailers and consumers as a matter of practice.

Cigarette tax license renewal deadline

(R.C. 5743.15; Section 757.10)

The bill extends the deadline for renewing annual cigarette tax licenses. Under continuing law, a retailer, wholesaler, importer, or manufacturer of cigarettes is required to hold a license issued by TAX before selling or otherwise trafficking in cigarettes in Ohio. Such cigarettes are subject to state and county cigarette excise taxes. Under current law, each license expires on, and must be renewed by, the fourth Monday in May. The bill extends the renewal deadline to June 1.

¹⁶⁰ R.C. 5739.121, not in the bill.

The bill applies the renewal extension to existing licenses, so those licenses will remain valid until June 1, 2024, rather than May 27, 2024.

Motor fuel taxes

Revenue for township garages

(R.C. 5735.27)

The bill authorizes townships to use state motor fuel tax revenue distributed to the township to purchase buildings suitable for housing road machinery and equipment. Under continuing law, townships are only authorized to use such revenue for planning, constructing, and maintaining such buildings. Counties are permitted under continuing law to use their portion of motor fuel tax revenue to purchase such buildings.

Fuel use tax personal liability

(R.C. 5728.16)

The bill imposes personal liability for the fuel use tax on individual owners, employees, officers, and trustees who are responsible for reporting and paying the tax on behalf of a business taxpayer. An individual's personal liability under the bill is not discharged by the dissolution, termination, or bankruptcy of the business. If more than one individual has personal liability under the bill for the unpaid taxes, all of those individuals will be joint and severally liable. Several other state taxes have similar personal liability imposed.¹⁶¹

Fuel use tax background

In addition to a motor fuel tax imposed on motor fuel dealers, the state imposes a motor vehicle fuel use tax on heavy trucks on the amount of motor fuel consumed in Ohio, but purchased outside Ohio. The rate of this tax is the same as for the dealer-imposed motor fuel tax. A refund or credit is allowed for the fuel use tax on fuel purchased in Ohio for use in another state, provided that the other state imposes a tax on such fuel and allows a similar credit or refund.

Tax incentives

Low-income housing tax credit

(R.C. 175.16, 5725.36, 5726.58, 5729.19, and 5747.83 with conforming changes in R.C. 175.12, 5725.98, 5726.98, 5729.98, and 5747.98)

The bill authorizes a nonrefundable tax credit for the development of low-income rental housing that is awarded in conjunction with an existing federal low-income housing tax credit (LIHTC). The credit may be claimed against the insurance premiums, financial institutions, or income tax. The Director of the Ohio Housing Finance Agency (OHFA) reserves credit amounts

¹⁶¹ E.g., R.C. 5735.40 (motor fuel tax), 5743.57 (tobacco and vapor products taxes), and 5747.07 (employer income tax withholding), not in the bill.

for federal LIHTC projects up to the amount necessary to ensure the project's financial feasibility. The total amount of state credits reserved by OHFA is limited to \$500 million per fiscal year, though unreserved or recaptured amounts in one fiscal year may be carried forward and reserved in the next. Eligibility begins for projects placed in service on or after January 1, 2023, and OHFA is prohibited from reserving credits after December 31, 2028.

Federal LIHTC

The federal LIHTC is a federal income tax credit that offsets a portion of a developer's construction costs in exchange for reserving a certain number of rent-restricted units for lower-income households in a new or rehabilitated facility. In Ohio, the federal LIHTC is administered by the OHFA.

To receive a federal LIHTC, developers must apply to OHFA before undertaking a project. If the project preliminarily qualifies for credit, based on federal criteria and the state's allocation plan, OHFA may set aside (or "allocate") a credit. Receipt of the credit is contingent upon completion of the project and the project entering service, i.e., beginning to rent units, generally within two years of allocation.¹⁶² In practice, developers typically sell the rights to claim federal LIHTCs upon receiving an allocation to secure up-front financing necessary to undertake the project.

Ohio LIHTC

Any project that is allocated a federal LIHTC may also qualify for the bill's Ohio LIHTC, as long as the project is located in Ohio and placed into service at any time on or after January 1, 2023.

Reserved credit

A developer does not need to separately apply for the Ohio LIHTC. Instead, OHFA may reserve a state credit for any qualified project when allocating a federal LIHTC. When reserving a state credit, OHFA must send written notice of reservation to each of the qualified project's owners, which must include the aggregate amount of the credit reserved for all years of the qualified project's ten-year credit period and state that the receipt of the credit is contingent upon issuance of an eligibility certificate after the project is placed into service.

The amount of credit reserved for any particular qualified project is determined by OHFA, but in no case may the reserved credit, combined with the allocated federal credit, exceed the amount necessary to ensure the financial feasibility of the project.

Awarded credit

After the project for which a credit is reserved is placed into service and OHFA approves the federal LIHTC, OHFA must issue an eligibility certificate to each project owner and send a copy to TAX and the Superintendent of Insurance (INS). The certificate must state the amount

¹⁶² 26 U.S.C. 42.

of the credit that may be claimed for each year of the ten year credit period, which is the lesser of:

- The amount of the federal LIHTC that would be awarded for the first year of the federal credit period absent a first-year reduction required by federal law;
- $\frac{1}{10}$ of the reserved credit amount stated in the notice reserving the state LIHTC.

This provision effectively caps the amount of a state LIHTC at the amount of the corresponding federal credit.

Claiming the credit and reporting requirements

The bill allows the qualified project's owners, or the equity owners of a pass-through entity that is the project owner, to claim the state LIHTC. An owner is a person holding a fee simple or ground lease interest in the project. An advance credit may be claimed after the project is placed in service but before the Director issues an eligibility certificate so long as they reconcile any difference between the advance credit amount and the actual credit amount through an amended tax return or report.

The credit may be applied against more than one tax over more than one year, and the credit may be allocated amongst various owners and their equity owners by agreement. The total credits claimed in connection with the applicable year of the project's credit period must not, however, exceed the amount stated on the eligibility certificate. Even though the credit is nonrefundable, any unclaimed amounts may be carried forward for up to five years.

If a PTE project owner allocates a credit among its equity owners, it must list the amount of the credit allocated to each equity owner, and include that information with the project owner's tax return or report. The bill also requires each project owner that is awarded a state LIHTC to designate itself, or, if applicable, one of its equity owners as a "designated reporter." The designation must be made to the Tax Commissioner and Superintendent of Insurance in the time and manner each officer prescribes. Every calendar year, the designated reporter for each project awarded a credit must provide certain information to the Commissioner and Superintendent, again at the time and in the manner prescribed by the Commissioner, in consultation with the Superintendent. The report must identify the total credits allocated for that year among all equity owners and identify the amount allocated to each such equity owner.

The bill also requires the designated reporter to inform the Commissioner and Superintendent if any of the reported information changes. An equity owner may not claim a credit unless they appear on the designated reporter's annual, or updated, report. Information provided by a designated reporter is not a public record subject to disclosure under Ohio's public records law.

Recapture

Federal law allows for the recapture of federal LIHTCs. Under the bill, if any portion of the federal LIHTC allocated to a qualified project is recaptured, OHFA must recapture a proportionate amount of the state credit allocated to the same project. To effectuate this recapture, OHFA must request that TAX or INS, as applicable, issue an assessment to recover

any previously claimed credit. Statutes of limitations that normally apply to the issuance of tax assessments, i.e., three or four years after the tax is due, do not apply to these assessments.

Rules

The bill requires the OHFA, in consultation with TAX and INS, to adopt rules necessary to administer the credit. The bill specifies that these rules are not subject to the requirements in continuing law governing agency review of rules to identify regulatory restrictions. In addition, with respect to those rules, OHFA is exempted from the provision of that law requiring the removal of two regulatory restrictions upon adoption of one regulatory restriction.

Film and theater credit cap

(R.C. 122.85)

The bill increases the total amount of film and theater tax credits that may be awarded each fiscal year, from \$40 million to \$75 million. Continuing law allows a refundable tax credit for companies that produce all or part of a motion picture or Broadway theatrical production in Ohio and incur at least \$300,000 in Ohio-sourced production expenditures. The credit equals 30% of the company's Ohio-sourced expenditures for goods, services, and payroll involved in the production. A company can claim the credit against the CAT, FIT, or income tax.

Under continuing law, DEV awards credits in two rounds, with the first ending July 31 and the second ending January 31. Currently, DEV may only award up to \$20 million in the first round, plus any unused credits from the previous year. The bill increases that limit to \$37.5 million. For FY 2024, however, the first round limit remains \$20 million because this provision will not have taken effect before the July 31 application deadline.

Historic building rehabilitation credit cap

(R.C. 149.311)

The bill extends a temporary increase in the amount of historic building rehabilitation tax credits that DEV may award to FY 2025. Continuing law generally limits the amount of rehabilitation tax credit certificates that may be awarded by DEV to \$60 million per fiscal year, plus any unallocated credits from previous fiscal years. That cap was previously increased to \$120 million for both FYs 2023 and 2024.¹⁶³ The bill extends this increase to FY 2025. The cap reverts to \$60 million in FY 2026.

Continuing law authorizes a historic rehabilitation tax credit equal to a percentage, generally 25%, of the qualified expenditures incurred by the owner or, in some cases, lessee of a building of historical significance to rehabilitate the building in accordance with certain preservation criteria. Credits are awarded through a competitive application process administered by DEV, in consultation with the State Historic Preservation Officer. Credit recipients are issued a rehabilitation tax credit certificate, which may be used to claim a credit against the income tax, financial institutions tax, or insurance premiums taxes.

¹⁶³ S.B. 225 of the 134th General Assembly.

Job creation and retention credit recapture adjustments

(R.C. 122.17 and 122.171)

Under continuing law, when DEV discovers that a taxpayer that has received a job creation or job retention tax credit (JCTC or JRTC) is not in compliance with the agreement for the credit, DEV may report that noncompliance to the Tax Credit Authority (TCA). After giving the taxpayer an opportunity to explain the noncompliance, TCA may require the taxpayer repay a portion of the credit by certifying the repayment to TAX or INS. The bill authorizes TCA to adjust that repayment amount if circumstances change after this, but only once within 90 days after the certification. However, no adjustment is allowed if the taxpayer has already repaid the amount or if TAX's or INS's assessment has been certified to the Attorney General for collection.

Background

Under continuing law, the TCA is authorized to enter into JCTC and JRTC agreements with employers to foster job creation or retention and capital investment in the state. The amount of the credit equals an agreed-upon percentage of the amount by which the employer's "Ohio employee payroll" (i.e., the compensation paid by the employer and used in computing the employer's tax withholding obligations) exceeds the employer's "baseline payroll" (i.e., Ohio employee payroll for the 12 months preceding the tax credit agreement). The credits may be claimed against the CAT, FIT, petroleum activity tax, domestic or foreign insurance premiums taxes, or personal income tax. The JCTC is a refundable credit, while the JRTC is nonrefundable. To ensure compliance with the terms of the agreement, each employer must file an annual report with TCA in which it reports its number of employees and payroll, among other metrics.

Research and development tax credits

(R.C. 5726.56 and 5751.51)

Continuing law allows a nonrefundable tax credit against the FIT and CAT equal to 7% of the taxpayer's excess qualified research and development (R&D) expenses above the average of the taxpayer's R&D expenses in the three preceding years. Unclaimed credits may be carried forward for up to seven years. The bill changes the way certain taxpayers calculate and claim that credit, imposes recordkeeping requirements, and allows TAX more flexible audit authority.

Taxpayer groups

The bill modifies how a taxpayer comprised of more than one person – e.g., a pass-through entity with several owners – may calculate and claim R&D credits. Both the FIT and CAT require or allow such a "taxpayer group" to file and pay the tax as a single taxpayer.

The bill requires a taxpayer group to compute the R&D credit on a member-by-member basis, rather than across the entire taxpayer group. In other words, the group's total R&D credit equals the aggregate credit computed against each member's qualified R&D expenses. This computation and the R&D credit that may be claimed must be made on a form prescribed by TAX.

The bill also limits the members whose R&D expenses may be included in a group's aggregate credit amount by only allowing such members to include their portion of the credit if they are members of the group on December 31 of the year during which the R&D expenses are incurred. A similar membership requirement applies to the computation of any R&D credit carryforwards.

Recordkeeping requirements

The bill requires a taxpayer claiming an R&D credit to retain records substantiating the claim. The records must be kept for four years after the due date for the return on which the credit is claimed, or four years after it is actually filed, whichever is later. Records required to be retained include those relating to any R&D expenses used in calculating the credit and incurred in the year for which the credit was claimed and for the three preceding years.

Audits

In addition to TAX's general audit authority, the bill authorizes TAX to audit a representative sample of a taxpayer's R&D expenses to verify that the taxpayer has correctly computed its R&D credit. In undertaking this audit, the bill requires that TAX make a good faith effort to agree on a representative sample, but it does not preclude a representative sample audit absent such an agreement.

Exemption and exclusion for consumer-grade fireworks fees

(R.C. 5739.02(B)(65) and 5751.01(F)(2)(tt); Sections 803.50 and 803.190)

Continuing law imposes a 4% fee, collected by the State Fire Marshal, on the gross receipts from consumer-grade fireworks sales by licensed fireworks manufacturers, wholesalers, and retailers. The manufacturer, wholesaler, or retailer may separately or proportionately bill the fee to another person, including the consumer.¹⁶⁴

The bill exempts the consumer-grade fireworks fees from sales and use tax, beginning October 1, 2023, so long as they are separately stated on the invoice, bill of sale, or similar document the vendor gives the consumer in the retail sale. The bill also authorizes a business to exclude from its taxable gross CAT receipts collections of any separately stated fireworks fees, beginning for CAT tax periods ending after the bill's 90-day effective date.

Deduction and exclusion for East Palestine derailment payments

(R.C. 5747.01(A)(39) and 5751.01(F)(2)(ss); Section 803.160)

The bill also authorizes an income tax deduction and a more limited CAT exclusion for certain payments received by a taxpayer and related to the train derailment near East Palestine that occurred on February 3, 2023. The deduction and exclusion applies to taxable years or tax periods beginning on or after January 1, 2023.

¹⁶⁴ R.C. 3743.22, not in the bill.

Income tax deduction

Under federal income tax law, a taxpayer may deduct payments received to reimburse or compensate the taxpayer for costs incurred for certain declared disasters.¹⁶⁵ The bill authorizes a state income tax deduction for any such payments resulting from that derailment that would be deductible under federal law if the derailment was a declared disaster that triggered the federal deduction. The payments must be made by a federal, state, or local government agency, Norfolk Southern railway, or any subsidiary, insurer, related person, or agent of Norfolk Southern railway (“eligible payers”). The bill additionally authorizes the taxpayer to deduct any payments received from an eligible payer to compensate for business losses.

CAT exclusion

The bill authorizes a CAT exclusion for gross receipts received by a taxpayer from an eligible payer as compensation for business losses resulting from that derailment.

Property tax

Replacement property tax levies

(R.C. 5705.192 and 1545.21)

The bill eliminates the authority of political subdivisions to levy replacement property tax levies, beginning with elections held on or after January 1, 2025.

Under current law, a subdivision may propose a replacement levy to extend the term of an existing levy. A replacement levy is imposed at the same original millage rate of the levy it is replacing. By contrast, subdivisions may also propose renewal levies, which extend the term of an existing levy at its current effective millage rate – i.e., its rate after reductions resulting from the H.B. 920 tax reduction factors. The tax reduction factors have the effect of lowering a levy’s effective millage over time, since they are designed to prevent a subdivision’s tax revenue from growing at the same rate as property values. Consequently, unlike a renewal levy, a replacement levy allows subdivisions to receive the benefit of any growth in property tax values that occurred during the life of the existing levy.

Park district renewal levies

(R.C. 1545.21)

The bill authorizes park districts to propose renewal levies, which extend the term of an existing levy at its current effective millage rate unless coupled with an increase or decrease. Under current law, a park district’s voted property tax may only be extended through a replacement procedure unique to park districts; a procedure that the bill discontinues starting in 2025 (see **“Replacement property tax levies,”** above). Unlike the discontinued replacement levies, a renewal levy authorized by the bill may only be proposed in the last year

¹⁶⁵ 26 U.S.C. 139.

of the levy it is renewing or the following year. Most other types of voted property taxes may be renewed, increased, or decreased under continuing law in a similar manner.

Index homestead exemption to inflation

(R.C. 323.152 and 4503.065; Section 803.90)

The bill indexes the amount of the property tax homestead exemption for a homeowner who is elderly or disabled, a disabled veteran, or the surviving spouse of a public service officer killed in the line of duty so that the exemption amounts – and therefore the tax savings – increase according to increases in the prices of all goods and services composing the national gross domestic product (GDP).

Continuing law provides a property tax credit for the residence, or “homestead,” of certain qualifying individuals. Under current law, this “homestead exemption” equals the taxes that would be charged on up to \$25,000 of the true value of a home owned by a person who (a) is 65 years of age or older, permanently and totally disabled, or at least 59 years old and the surviving spouse of an individual who previously received the exemption, and (b) has an Ohio modified adjusted gross income of \$36,100 or less, as computed for state income tax purposes (including all business income and excluding Social Security and disability benefits). Under continuing law, this income limit is increased each year to adjust for inflation. Homeowners who received this homestead exemption before 2014 are not subject to the income limit. The credit essentially exempts \$25,000 of the value of a homestead from taxation.

Also under current law, special “enhanced” exemptions of \$50,000 are available for homes of military veterans who are totally disabled and their surviving spouses and for surviving spouses of peace officers, firefighters, or other emergency responders who die in the line of duty or by an injury or illness sustained in the line of duty. No income limit applies to either enhanced exemption.

The bill requires the amount of each homestead exemption to be adjusted for inflation each year. The adjustments are made in the same manner as inflationary adjustments are made to the income limit for the \$25,000 homestead exemption: by multiplying the current year’s exemption amount by the percentage increase in the GDP deflator over the preceding year and adding that result to the current exemption amount. An adjustment would not be made for any year the GDP deflator does not increase.

The Tax Commissioner must compute the adjustments and certify the resulting amounts to each county auditor by December 1 to be applied the following tax year, or, in the case of the manufactured home tax, the second ensuing tax year. The difference in application is accounted for by the fact that the manufactured home tax is payable on a current-year basis, whereas property tax is payable in arrears. Because of this, the bill’s adjustment and certification requirements begin to apply in tax year 2023 or, for the manufactured home tax, 2024.

Valuation of subsidized residential rental housing

(R.C. 5713.03, 5713.031, and 5715.01)

The bill requires the Tax Commissioner to adopt rules prescribing a uniform tax valuation method for federally subsidized residential rental property, which is any property subsidized by the following programs, listed according to their most commonly used name and the section of federal law they are authorized under:

- Section 42, federal low-income housing tax credit (LIHTC);
- Section 202, Supportive Housing for the Elderly;
- Section 811, Supportive Housing for Persons with Disabilities;
- Section 8, Housing Choice Voucher Program;
- Section 515, Rural Rental Housing Loans;
- Section 538, Guaranteed Rural Rental Housing Program; and
- Section 521, USDA Rural Rental Assistance Program.

Generally, under continuing law and practice, real property is appraised for tax purposes by a county auditor by using one of three methods – the income method (i.e., capitalizing the income generated by the property), cost method (i.e., the cost of constructing or improving the property), or comparable sales method (i.e., a comparison of the neighborhood sales prices of comparable properties).¹⁶⁶ All three methods are employed to value real property at its true, or fair market value, which is the uniform standard that all real property, except certain agricultural property, must be valued at, as required by the Ohio Constitution.¹⁶⁷ In the context of federally subsidized rental housing, courts have generally held that using the income approach is superior to the other two approaches when determining the property's fair market value. These cases generally result in subject property's fair market value being determined on the basis of its market rent, rather than any subsidized contract rent.¹⁶⁸ Courts and continuing law additionally require any valuation to take into account the effect of limitations on the property's value due to involuntary, governmental actions, such as the rent restrictions federal subsidies may impose.¹⁶⁹

Under current, recently enacted law, county auditors are explicitly authorized to use any of the three methods in valuing LIHTC property. The bill repeals this authorization and instead requires the Tax Commissioner to adopt rules prescribing a formula for the uniform valuation of

¹⁶⁶ O.A.C. 5703-25-05 and 5703-25-07.

¹⁶⁷ Ohio Constitution, Article XII, Section 2.

¹⁶⁸ See, e.g., *Alliance Towers v. Stark Cty. Bd. of Revision*, 37 Ohio St.3d 16, 23 (1988).

¹⁶⁹ R.C. 5713.03; *Woda Ivy Glen L.P. v. Fayette Cty. Bd. of Revision*, 121 Ohio St.3d 175, 2009-Ohio-762, ¶¶ 17, 23-24.

all federally subsidized residential rental property, including LIHTC property. The formula must take into account the operating income and expenses of the property, as reported by the owner, and a uniform capitalization rate.

The formula must consider up to three years of operating income, which includes gross potential rent, forgiveness of or allowance received for vacancy or unpaid rent losses, and any income derived from other sources. Certain income and expense amounts are presumed as a percentage of gross potential rent including the allowance for vacancy losses (4%) and unpaid rent losses (3%) for income and repair or replacement reserve fund or account contributions (5%) for expenses. Expenses as a whole are presumed to be 48% of total operating income, plus utility expenses as reported by the owner. These presumptions may be exceeded based on any evidence of the actual income or expenses reported by the property owner. Operating expenses do not include property taxes, depreciation, and amortization expenses. Finally, the capitalization rate must be uniform and market-appropriate and include a tax additur accounting for the property tax rate applicable to a particular property's location. For LIHTC property, the capitalization rate must be 1% lower than the uniform rate applied to all other subsidized properties. Though the bill prescribes the factors that must be included in the formula, the bill delegates the task of prescribing the formula to the Tax Commissioner.

The rules must also set a minimum total value for subsidized residential rental property of 150% of the value of the unimproved land upon which it is situated or \$5,000 per dwelling unit, whichever is greater.

The formula is only utilized so long as the property remains subject to the conditions and restrictions imposed by the federal program that subsidizes it and the owner makes the required reports (see **"Information sharing,"** below). If it is no longer subject to federal restrictions, then the property is valued as other real property, presumably employing the income, cost, or comparable sales method.

Information sharing

The bill requires the owner of subsidized residential rental property to report to the county auditor of the county in which the property is located the property's operating income and expenses a prospective buyer might consider in purchasing the property. The report must include all of the information necessary to value the property via the formula described above, such as gross potential rent, allowances for losses due to vacancy or unpaid rent, any other income, expenses such as those related to staffing, utilities, repairs, supplies, audits, legal and contract services, and any contributions to a replacement reserve fund. This information must be audited by an independent public accountant or auditor or another certified public accountant before it is submitted to the auditor. If such an audit was not completed by the filing deadline, the owner must file updated records within 30 days after an audit is done.

A property owner must file this information before the subject property is placed in service, after commencing operations, and each following reappraisal or update year, i.e., every three years, on or before March 1. If an owner fails to timely file the information, the county auditor is not required to utilize the formula described above to value the property. The information submitted must cover up to three previous years. Any submitted information is not

a public record. As with the formula, this submission is no longer required after the property is no longer subject to any federally imposed conditions and restrictions.

Residential development land exemption

(R.C. 5709.56)

The bill authorizes a partial property tax exemption for unimproved land that has been subdivided for residential development. The value exempted is the value in excess of the fair market value of the property from which that land was subdivided, apportioned according to the relative value of each subdivided parcel (see “**Exempted portion**,” below). Specifically, the exemption applies to any unimproved parcel subdivided pursuant to a plat and on which construction of residential buildings, e.g., single- or multi-family dwellings, is planned but has not started. The exemption does not apply to land included in a tax increment financing (TIF) arrangement.

The exemption applies beginning with the tax year in which the subdivided parcel first appears on the tax list, but no sooner than the tax year that includes the bill’s 90-day effective date. The exemption may be claimed for up to eight years, or until either the land is sold to another person or construction begins on a residential building. The exemption ceases to apply to the tax year following the year in which either event occurs. Construction of streets, sidewalks, curbs, or driveways or the installation of water, sewer, or other utility lines does not trigger the end of the exemption. Transferring the parcel to another person without consideration does not terminate the exemption.

The exemption is only available to the owner or owners of the land at the time it was subdivided, unless transfer to another without consideration as mentioned above. As with other property tax exemptions, a parcel’s owner is required to apply annually to the Tax Commissioner for the exemption. As part of an exemption application, the owner must expressly certify that the parcel qualifies as preresidential development property.

Exempted portion

Under continuing law, real property is valued according to its “fair market value,” which, generally, is the unconditioned price the property would sell for in an arm’s length sale, or the price for which it has in fact been sold recently in such a sale. However, certain agricultural land may alternatively be valued according to the land’s current agricultural use value (CAUV), which is the estimated value of the land based on its income-producing potential as farmland. County auditors must appraise the fair market value of CAUV land even though the land is taxed according to its CAUV.

Regardless of whether the original property was valued according to its fair market value or CAUV, the bill attributes a base, taxable value to each parcel resulting from the subdivision since a subdivided parcel would not have had its own individual assessed value before it was subdivided. This base value equals the original property’s fair market value, and not its CAUV, apportioned to each subdivided parcel according to the parcel’s appraised value once the subdivision occurs in proportion to the total of the appraised values of all parcels resulting from the subdivision.

The bill accounts also for how the exemption applies if a residential development parcel that resulted from a prior subdivision is itself further subdivided. In such a case, the exemption continues to apply to the new parcels resulting from the later subdivision, with each of the new parcels having an unexempted value that is a proportion of the unexempted value of the larger parcel from which it was most recently subdivided; the proportion is based on each new parcel's appraised value relative to the total appraised value of all the new parcels.

The bill specifies that the partial exemption does not create a new method for valuing property for tax purposes and reaffirms that fair market value and CAUV are the only two authorized valuation methods.

Brownfield property tax abatement

(Section 757.40)

The bill authorizes the owner of property currently subject to a ten-year property tax exemption for remediated brownfield development land to apply for an abatement or refund of taxes assessed on the property in tax years 2020 and 2021 that would not have been assessed had the property been subject to that exemption for those years. The property only qualifies if the owner was issued a covenant not to sue by the Ohio EPA in 2020 based on the owner's remediation activities and if the owner applies for the abatement within one year after the bill's 90-day effective date.

Under continuing law, the brownfield remediation exemption starts to apply not in the tax year that the covenant not to sue is issued, but the year in which the Ohio EPA certifies the covenant to TAX.¹⁷⁰ Thus, the bill applies to a situation where the covenant not to sue was issued two years before it was certified to TAX.

If the abatement is obtained, the bill shortens the exemption's duration by two years to account for the two years of abatement.

Tax increment financing

(R.C. 5709.40 and 5709.73)

TIF background

Continuing law allows municipalities, townships, and counties to create a tax increment financing (TIF) arrangement to finance public infrastructure improvements. Through a TIF, the subdivision grants a property tax exemption for the increase in the assessed value of designated parcels that are part of a development project. The exemption may apply to specific parcels or to entire areas, known as "incentive districts." The owners of the parcels make payments in lieu of taxes to the subdivision equal to the amount of taxes that would otherwise have been paid with respect to the exempted improvements ("service payments"). TIFs thereby create a flow of revenue back to the subdivision, which generally uses those service payments to pay the public infrastructure costs necessitated by the development project.

¹⁷⁰ R.C. 5709.87(B) and (C), not in the bill.

Removal of nonperforming parcels

The bill authorizes a township or municipality to remove a parcel from an existing municipal or township TIF, either individually or as part of an incentive district, and add the parcel to a new incentive district TIF, if the parcel's owner is required to make service payments under the existing TIF, but has not yet done so. Once added to the new TIF, the parcel is excluded from its former TIF and the owner is no longer required to make service payments under that former TIF.

Extension of certain municipal TIFs

The bill also allows a municipality that created an incentive district TIF before 2006 to extend that TIF for up to 15 years, provided that certain conditions are met. In general, under continuing law, a subdivision can authorize a TIF for up to 30 years with school board approval or up to ten years without school board approval.

To be eligible for the extension, the municipality must (a) obtain the approval of the school board of each district in which the TIF is located and (b) notify each county in which the TIF is located. Unlike continuing law generally, if a school board fails to either approve or deny the TIF within the time allocated, the municipality cannot create the TIF. However, similar to continuing law, if the resolution creating the TIF provides for compensation to be paid to a school district, or if a school district has adopted a resolution waiving its right to approve TIFs, the school board's approval is not required.

If the TIF is extended, the percentage of improvements exempted cannot exceed the percentage originally authorized. For example, if 80% of the value of improvements were exempted under the original TIF, the extended TIF cannot allow an exemption of more than 80%.

Property tax foreclosure notice publication

(R.C. 323.25, 323.69, 5721.14, and 5721.18)

The bill modifies publication procedures for notices of impending tax foreclosure actions. Specifically, the bill allows a tax foreclosure notice to be published online if the notice is first published in a newspaper of general circulation in the county where the property is located. If online notice is used, the notice must begin to appear one week after the initial newspaper publication and continue to appear until one year after the foreclosure proceeding results in a judgment and finding against the property. The county clerk of courts decides which website of the county or court the online notice will appear. Online publication is considered "served" and a foreclosure proceeding action may thus continue two weeks after the clerk first posts the notice.

Under current law, publication of the notice must be made three times in a newspaper. Publishing the notice of a foreclosure action, along with other steps taken during the tax foreclosure process, such as title searching and notification by mail or in person, is meant to fulfill the state's obligation under the Due Process Clause to provide notice to property owners and lienholders of an impending action that may result in the property being taken and sold.

The bill also specifies that if a property tax foreclosure notice is not published online, then all publications of the notice beyond the first may be made in an abbreviated form in a newspaper pursuant to continuing law's abbreviated newspaper publication procedures for government notices.

Qualified energy project tax exemptions

(R.C. 5727.75)

The bill makes several changes to a real and tangible personal property tax exemption authorized for certain renewable energy projects. In particular, the bill extends the sunset date of those exemptions and adjusts the requirements an exempt project must meet to qualify and maintain an exemption. In general, a project seeking exemption must (1) apply to DEV to be certified as a qualifying project, (2) in some cases obtain the approval of a county in which the project will be located, (3) comply with certain deadlines and construction, safety, education, and labor requirements, and (4) make payments in lieu of taxes (PILOTs) to be distributed in the same manner as property taxes.

Extend sunset date

Under current law, these exemptions for qualifying projects that are in their construction or installation phases are generally scheduled to sunset after 2025. The bill extends the sunset date the later of after 2032 or the year the U.S. Treasury Secretary determines there has been, from 2022, a 75% or greater reduction in annual greenhouse gas emissions from electricity production in the United States. This is the same deadline as when a federal income tax credit for clean electricity production begins to phase out.¹⁷¹ In line with that extension, the bill extends other deadlines projects must satisfy to obtain the exemption.

Under current law, if a renewable energy project is placed in service by December 31, 2025, the property tax exemption may continue in perpetuity, as long as the project continues to comply with certain certification requirements. The bill extends the placed-in-service deadline to the last day of the new sunset year.

Certification of qualified energy projects

The bill changes requirements that a solar energy project must comply with to obtain and retain a tax exemption. Under current law, to be certified as a qualified energy project, a project must maintain a ratio of Ohio-domiciled full-time equivalent (FTE) employees employed in the project's construction or installation to the total number of FTE employees employed in the construction or installation of at least 80% for a solar project and 50% for other projects.

The bill reduces the ratio to 70% for solar projects but retains the 50% minimum for other renewable energy projects. It also requires all renewable energy projects with greater than 20 megawatts of generating capacity applying for certification after the bill's 90-day effective date to compensate project employees at local prevailing wage rates and ensure that

¹⁷¹ 26 U.S.C. 45Y.

15% of total project labor is performed by apprentices. (Similar requirements apply to renewable energy projects seeking to qualify for the federal renewable electricity production income tax credit.¹⁷²) If a solar project for which certification was sought before the bill's effective date agrees to be bound by the same prevailing wage and apprenticeship requirements as new projects, it may take advantage of the reduced Ohio-domiciled employee ratio.

The bill expands, for all renewable energy projects, who may qualify as an Ohio-domiciled employee for the purpose of meeting this threshold. Under current law, an employee must actually be domiciled in Ohio, i.e., lives in their primary residence in Ohio, in order for their work project hours to count. The bill also allows hours worked by a project employee who lives within 50 miles of Ohio and who is a member of a trade union that has members in Ohio to qualify as Ohio-domiciled employee hours.

The bill also limits, for all renewable energy projects, how the number of FTE employees on a project is calculated. Under continuing law, the number of project FTE employees is calculated by dividing the total number of compensated work hours at the project during the year, divided by 2,080 hours. The bill specifies that only hours worked by employees devoted to site preparation and protection, construction and installation, and material unloading and distribution count as project work hours. Hours worked by management and purely logistical positions are not counted.

Electric company TPP devaluation limits

(R.C. 5727.47(A) and (G); Section 803.130)

The bill limits the extent to which an electric company can seek to reduce the taxable value of its tangible personal property (TPP) each year.

Under continuing law, a utility company's tangible personal property (TPP), such as equipment and machinery, is subject to property tax. TPP is taxed similarly to real property, in that the property is assigned a value and that value is multiplied by the same local tax rates that apply to real property. In general, the true value of TPP is its cost, less annual depreciation allowances. That value is multiplied by an assessment rate to arrive at the TPP's taxable value.

Continuing law allows a public utility to request a reduction in its TPP's taxable value. The bill, however, limits this option for electric companies. Under the bill, an electric company cannot request, and the Tax Commissioner cannot approve, a reduction in the taxable value of the company's TPP of more than 7.5% compared to the preceding year. This limit begins to apply in tax year 2024.

¹⁷² 26 U.S.C. 45.

Joint committee on property tax review and reform

(Section 757.60)

The bill creates the Joint Committee on Property Tax Review and Reform, comprised of five Senators (three of the majority party appointed by the Senate President; two of the minority party appointed by the Senate Minority Leader) and five Representatives (three of the majority party appointed by the Speaker; two of the minority party appointed by the House Minority Leader). The Committee, co-chaired by a House and Senate majority party member, is required to review the history and purpose of Ohio's property tax law, including levies, exemptions, and local subdivision budgeting. The Committee may also hold hearings on pending legislation related to property taxation.

The bill requires the Committee to submit a report to the General Assembly making recommendations on reforms to property tax law by December 31, 2024, and afterwards terminates the Committee.

Tax administration

Delivery of tax notices

(R.C. 5703.056 and 5703.37; conforming changes in numerous other R.C. sections)

The bill expands the means by which TAX may send tax notices. For any tax notice currently required to be sent by certified mail, the bill allows TAX to alternatively send the notice by ordinary mail or electronically, including by email or text message. Under continuing law, electronic delivery is only allowed if the taxpayer gives consent.

In addition, the bill specifies that electronic notices can be sent to a taxpayer's authorized representative, and requires TAX to establish a system to issue notifications of tax assessments to taxpayers through secure electronic means. Under continuing law, if an electronic notice is not accessed after two attempts, TAX must send it by ordinary mail.

The bill also eliminates certain recordkeeping requirements that a delivery service must meet before it can be used by TAX to deliver tax notices. Specifically, it eliminates the requirement that the delivery service record the date on which the document was sent and delivered.

Electronic conveyance forms

(R.C. 319.20)

Under continuing law, whenever real property or a manufactured or mobile home is transferred, the grantee is required to file a statement with the county auditor attesting to the property's value and acknowledging that certain information related to the property's eligibility for the homestead exemption or current agricultural use valuation (CAUV) status has been considered as part of the transfer. The statement must be accompanied by any required property transfer tax.

Continuing law requires the grantee to file three copies of this statement, but the bill alternatively allows a grantee to submit a single copy of the statement electronically.

Corporation franchise tax amended filings

(R.C. 5733.031; Section 757.30)

The bill eliminates a requirement that taxpayers file amended corporation franchise tax (CFT) reports. The CFT was fully repealed in 2013, but if an adjustment to a corporation's federal tax return alters the corporation's previous CFT tax liability, the corporation must still file an amended CFT report. Under the bill, corporations are no longer required to file amended reports after December 31, 2023. Similarly, no corporation may request a refund after that date.

Disclosure of confidential tax information

(R.C. 5703.21 with conforming changes in R.C. 1346.03, 1509.11, 4301.441, and 5749.17)

The bill streamlines the authority of TAX to share confidential tax information with state agencies. Under continuing law, unless an exception applies, tax return information is confidential and cannot be disclosed by an employee of TAX or any other individual. Currently, the law lists several exceptions authorizing the disclosure of information to specific state agencies. The bill replaces much of this list, which involves specific state agencies, with a general authorization for TAX to share information with any state or federal agency when disclosure is necessary to ensure compliance with state law. The receiving agency is prohibited from disclosing any of this shared information, except as otherwise authorized by state or federal law.

Tax-favored home purchasing savings account research

(Section 701.10)

The bill directs the Tax Commissioner and Treasurer of State, or their designees, to jointly study and design a tax-favored savings account for home purchases and improvements.

Local Government and Public Library Funds

Permanent increase

(R.C. 131.51; Section 387.20)

The bill permanently increases, beginning in FY 2024, the percentage of state tax revenue that the Local Government Fund (LGF) and Public Library Fund (PLF) each receive per month, to 1.7%.

Under current law, the LGF and PLF are each allocated 1.66% of the total tax revenue credited to the GRF each month. This percentage has been set in permanent law since FY 2014, following a series of decreases in allocations to both funds. Over the past decade, however, the actual percentage of tax revenue allocated to the LGF and PLF has fluctuated slightly. The General Assembly has repeatedly authorized "temporary" increases to the PLF allocation, ranging from 1.68% to 1.70%. The PLF allocation for FYs 2022 and 2023 currently stands at

1.70%. The LGF allocation was temporarily increased once, to 1.68% for FYs 2020 and 2021, but the current allocation stands at 1.66%.¹⁷³

Under continuing law, most of the money in the LGF and PLF is distributed monthly to each county's undivided local government or public library fund, largely based upon that county's historical share. Each county distributes its share among local governments or libraries, respectively, according to a locally approved formula or, in a few counties, a statutory need-based formula. A smaller portion of the LGF is paid directly to townships, smaller villages, and municipalities.

Minimum county distributions

(R.C. 5747.501; Sections 803.170 and 812.20)

The bill also increases the minimum amount distributed from the LGF to counties, beginning in FY 2024.

Under continuing law, LGF funds are distributed to each county in the state. In FY 2013, LGF distributions were reduced by 50% compared to previous levels. At the time, the proportionate share of the reduced LGF received by each county was held at FY 2013 levels, which included a minimum distribution for certain counties: if a county's LGF was less than \$750,000, that county's distribution was not reduced; if the 50% reduction reduced a county's LGF below \$750,000, the county received \$750,000.

The bill increases the minimum LGF threshold for all counties to \$850,000. Based on calendar year 2022 LGF data, the change appears to affect six counties who in that year received less than \$850,000: Harrison, Monroe, Morgan, Noble, Paulding, and Vinton counties. Under continuing law, as necessary, the proportionate shares of other counties may be adjusted to produce the funds needed to meet the minimum distribution requirement.

Alternative method to apportion county undivided funds

(R.C. 5747.53)

Under continuing law, a portion of the funds in the state's LGF are deposited in each county's undivided local government fund (CULGF) each year. Those funds are then distributed to the county and townships, municipalities, and park districts in the county according to a statutory formula or by an alternative method of apportionment provided for by the county budget commission.¹⁷⁴

A budget commission may adopt alternative methods of apportioning CULGF funds through one of two methods. The first, sometimes referred to as the "standard procedure," requires approval of the county commissioners, the city with the largest population residing in

¹⁷³ Section 387.20 of H.B. 110 of the 134th General Assembly, Section 387.20 of H.B. 166 of the 133rd General Assembly, Section 387.20 of H.B. 49 of the 132nd General Assembly, and Section 375.10 of H.B. 64 of the 131st General Assembly.

¹⁷⁴ R.C. 5747.51 and 5747.52, not in the bill.

the county, and a majority of the county's other municipal corporations and townships. Under continuing law, an alternative method of apportionment adopted under this method continues until it is revised, amended, or repealed. The bill requires the county budget commission to review such an alternative method at a public hearing held at least once in the year following the bill's 90-day effective date and once in every fifth year thereafter. The budget commission is required to give notice of this hearing to political subdivisions eligible to receive CULGF funding and allow their representatives to testify on the alternative apportionment method. The bill does not, however, require any changes based on the review.

A second method for the approval of an alternative method of apportionment, unchanged by the bill, allows approval of an alternative apportionment method without consent from a county's largest city if that city and the other political subdivisions meet certain requirements. Such a method is only effective for one year.

DEPARTMENT OF TRANSPORTATION

Transportation Review Advisory Council

- Alters the membership of the Transportation Review Advisory Council (TRAC), which currently and under the bill consists of nine voting members, as follows:
 - Reduces the number of members appointed by the Governor from six to five;
 - Increases the number of members appointed by the Senate President from one to two;
 - Increases the number of members appointed by the Speaker of the House from one to two; and
 - Makes the Director of Transportation a nonvoting member.

Connect4Ohio Program

- Establishes the Connect4Ohio Program to be administered by the Ohio Department of Transportation (ODOT), for purposes of making the home-to-work commute easier for Ohio workers.
- Requires ODOT, TRAC, and the Public Works Commission to work together to prioritize the following projects:
 - Completing existing corridor projects, particularly those that benefit rural counties;
 - Eliminating traffic impediments along highways, particularly within rural counties;
 - Replacing at least one bridge in certain rural counties that have been identified as requiring replacement.
- Specifies that ODOT must use money appropriated for the program to fund the projects listed above, to provide funding at 100% of the project cost when appropriate, and to provide matching community funds that are required for TRAC approval of a project.
- Requires the ODOT Director to establish any necessary procedures or requirements for purposes of the program.
- Appropriates \$1 billion for the program and specifies certain amounts for particular aspects of the program.

Transportation Review Advisory Council

(R.C. 5512.07; Section 755.20)

The Transportation Review Advisory Council (TRAC) consists of nine voting members (under the bill and current law). The bill alters the membership of the Council by doing the following:

- Reducing the number of members appointed by the Governor from six to five;

- Increasing the number of members appointed by the Senate President from one to two;
- Increasing the number of members appointed by the Speaker of the House from one to two; and
- Making the ODOT Director a nonvoting member instead of a voting member as under current law.

To effectuate the alterations to Council membership, the bill requires the following to occur not later 60 days after the bill's effective date:

- The Governor must remove one person from the Council who was previously appointed;
- The Senate President must appoint one additional person who serves the remaining term of the member removed by the Governor; and
- The Speaker must appoint one additional member to serve a five-year term from the date of appointment.

Under current law, the Council reviews the written project selection process for proposed new transportation capacity projects submitted to it by the Director. The Council may approve the process or make revisions to it.

Connect4Ohio Program

(Sections 411.10, 411.30, 513.10, and 755.30)

The bill establishes the Connect4Ohio Program, administered by the Ohio Department of Transportation (ODOT). The purpose of the program is to make the home-to-work commute easier for Ohio workers, particularly in rural areas of the state. For purposes of the program, a rural county means a county that does not contain a municipal corporation with a population exceeding 65,000 residents, according to the most recent federal decennial census.

As part of the program, ODOT, TRAC, and the Public Works Commission must work together to prioritize the following projects:

1. Completing existing corridor projects, especially those benefiting two or more connected rural counties;
2. Eliminating traffic impediments (e.g., traffic lights and stops) along highways, particularly along highways within rural counties; and
3. Replacing at least one bridge in each rural county with a population of 90,000 residents or less, with a preference given to bridges that have already had a general appraisal and that either ODOT or the county engineer have identified as requiring replacement.

The bill appropriates \$1 billion for the program, which ODOT must use as follows:

1. For funding projects that align with the program's priorities (at least \$200 million is allocated for the bridge replacement specified above);

2. Funding certain projects at 100% of the project cost, when appropriate, particularly for projects located in a rural county or that extend between two or more connected rural counties; and

3. Providing any necessary matching funds to receive TRAC approval for construction projects that are related to the program and its priorities (at least \$200 million is allocated for this purpose).

An additional 33% of the remaining appropriation (\$200 million) must be used for eligible rural county construction projects. Thus, leaving \$400 million not specifically allocated. The ODOT Director must establish any procedures and requirements necessary to administer the program.

TREASURER OF STATE

Pay for Success contracts

- Eliminates the requirement that at least 75% of Pay for Success contracts include performance targets requiring greater improvement in the targeted area vs. other areas (based on scientifically valid regional or national data).
- Removes the requirement that the Treasurer of State (TOS) adopt rules establishing a process to determine whether the regional or national data used to determine the performance targets are scientifically valid.

State real property

- Transfers, from the TOS to the Department of Administrative Services (DAS), the responsibility to develop and maintain a comprehensive and descriptive database of all real property under the custody and control of the state, and requires each state agency to collect and maintain information on its respective landholdings.
- Adds a member of the Senate and a member of the House to the Ohio Geographically Referenced Information Program Council, and removes the TOS.

Homeownership Savings Linked Deposit Program

- Creates the Homeownership Savings Linked Deposit Program administered by the TOS.
- Authorizes eligible participants to receive above-market interest rates on savings accounts with financial institutions participating in the program for the purpose of making a down payment and paying closing costs associated with the future purchase of a primary residence.
- Authorizes an income tax deduction for amounts contributed to a homeownership savings linked deposit account by certain taxpayers, subject to annual and lifetime contribution limits.
- Authorizes, for account owners, an income tax deduction for interest earned on savings in, and employer contributions to, homeownership savings linked deposit accounts.
- Requires amounts withdrawn from a homeownership savings linked deposit account and not used to purchase a home for use as the account owner's primary residence to be added to the account owner's taxable income.
- Requires the TOS and the Tax Commissioner to issue a report regarding the efficacy of the program no later than January 31, 2027.

Pay for Success contracts

(R.C. 113.60)

Continuing law requires the Treasurer of State (TOS) to specify performance targets to be met by a service provider under a Pay for Success contract. If scientifically valid regional or national data is available to compare the targeted area vs. other areas, the performance targets must require greater improvement within the targeted area vs. other areas.¹⁷⁵ The bill eliminates the requirement that at least 75% of Pay for Success contracts include performance targets requiring greater improvement in the targeted area vs. other areas. And, the bill removes the requirement that the TOS adopt rules establishing a process to determine whether the regional or national data is scientifically valid.¹⁷⁶

State real property

(R.C. 125.901 and 125.903)

The bill transfers, from the TOS to DAS, the responsibility to develop and maintain a comprehensive and descriptive database of all real property under the custody and control of the state. Under continuing law, the database must adequately describe, when known, the location, boundary, and acreage of the property, the use and name of the property, and the contact information and name of the state agency managing the property. Information in the database must be available to the public free of charge through a searchable internet website. The bill removes the requirement for the Treasurer to allow public comment on property owned by the state.

Ohio Geographically Referenced Information Program Council

The bill requires each landholding state agency to collect and maintain a geographic information systems database of its landholdings, and to provide the database to the Ohio Geographically Referenced Information Program Council, a Council established by law within DAS to coordinate the property owned by the state. Current law requires the Council and the TOS to collect the information. The bill removes the TOS from the Council, and adds two new members: a member of the Senate, appointed by the Senate President, and a member of the House, appointed by the Speaker.

Homeownership Savings Linked Deposit Program

(R.C. 135.98, 135.981, 135.982, 135.983, 135.984, 135.985, 135.986, 135.63, 135.78, 1733.04, 1733.24, 5747.01(A)(40) and (41), and 5747.84; Section 803.220)

Overview

The bill creates a Homeownership Savings Linked Deposit Program through which “premium savings rate” accounts at “eligible savings institutions” are made available to “eligible

¹⁷⁵ R.C. 113.61, not in the bill.

¹⁷⁶ R.C. 113.60.

participants” to be used for “eligible home costs” associated with the future purchase of a home. Under the bill, an “eligible participant” means an individual resident of Ohio who agrees to use amounts deposited to the savings account for “eligible home costs,” i.e., the down payment and closing costs associated with the purchase of a home. Account holders may also transfer funds from one homeownership savings linked deposit account to another homeownership savings linked deposit account at a different eligible savings institution.

Under the bill, the TOS must establish and adopt rules to administer the program. Under continuing law, the TOS administers several other linked deposit programs, such as the Ag-Link, Adoption Linked, and the Business Linked Deposit programs to provide certain eligible businesses and consumers, through participating financial institutions, low interest rate loans to be used for purposes specified in the programs.¹⁷⁷ Similarly, under the Homeownership Savings Linked Deposit Program created by the bill, the TOS is authorized to invest state funds in certificates of deposit or other financial instruments with an eligible savings institution and, in doing so, agree to receive a reduced rate of return on the investment. The eligible savings institution then must agree to pass on its interest rate savings to eligible participants in the form of a higher interest rate, referred to by the bill as a “premium savings rate,” on the Homeownership Savings Linked Deposit Accounts established at the savings institution by the participants.

Eligible savings institutions and eligible participants

The bill defines “eligible savings institution” as a financial institution that is eligible to offer accounts to Ohio residents for the purpose of saving for eligible home costs, agrees to participate in the program, and is either a public depository eligible to accept state funds under the Uniform Depository Act (banks, federal savings associations, savings and loan associations, or savings banks) or a credit union. The bill specifies that the savings institution must comply with Ohio’s Uniform Depository Act. Once the savings institution is eligible for the program, it can accept and review applications for homeownership savings linked deposit accounts from eligible participants.

An eligible participant must certify on the application that they reside in Ohio, that the funds in the account will be used exclusively for eligible home costs, and that they agree to hold only one account under the program per program period. The program period is five years from the date the participant opens an account with the savings institution. A person who makes a false statement on the application is guilty of falsification, a first degree misdemeanor.¹⁷⁸

The savings institution may then forward to the TOS a homeownership savings linked deposit package, which includes a certification by the savings institution that each applicant included in the package is eligible to participate in the program. The bill prohibits any fees

¹⁷⁷ R.C. 135.71 to 135.76 (Ag-Link Deposit Program), 135.79 to 135.796 (Adoption Linked Deposit Program), and 135.77 to 135.774 (Business Linked Deposit Program), not in the bill.

¹⁷⁸ R.C. 2921.13, not in the bill.

charged to any party for the preparation, processing, or reporting of any application to a savings institution related to participation in the program.

Treasurer of State

The TOS may accept or reject a homeownership savings linked deposit package, or any portion of it, based on the TOS's evaluation of the amount of state funds to be deposited with the savings institution. Under continuing law, the TOS can invest in linked deposits provided that, at the time of placement, the combined amount of the investments in all the linked deposit programs are not more than 12% of the state's total average investment portfolio. If the TOS accepts the homeownership savings linked deposit package, or any portion of it, the TOS may place, purchase, or designate a linked deposit with the savings institution at the discount interest rate, and in accordance with the deposit agreement and any additional procedures established by the TOS.

Deposit agreement

The savings institution and the TOS must enter into a deposit agreement, which includes the requirements necessary to carry out the purposes of the program, including details relating to the maturity period of the linked deposit (which cannot exceed five years), the times the interest must be paid, and any other information, terms, or conditions the Treasurer requires.

Premium savings rate account

Upon the TOS's placement, purchase, or designation of the linked deposit, the savings institution must offer and place the premium savings rate on the participant's account. Unless otherwise specified in the deposit agreement, the premium savings rate must be at a rate equal to or exceeding the present savings rate applicable to each specific participant in the accepted package plus the difference between the prevailing interest rate and the discount interest rate at which the linked deposits were placed, made, or designated. The rate will only apply to the account for the duration of the program period as designated in the agreement. After that, the savings account is no longer a part of the program and the savings institution can apply a market interest rate to the savings account. The bill does not prohibit participants from reapplying for the program at the same savings institution or another savings institution, so long as the participant only has one account enrolled in the program at any time.

At the conclusion of the program period and at the time of maturity, the savings institution must provide a certificate of compliance to the TOS in the form and manner prescribed by the TOS and must return the amount of the corresponding linked deposit to the TOS in a timely manner.

Early withdrawal

If a savings institution changes the terms of a participant's account, the amount of the linked deposit associated with the account plus applicable interest must be returned to the TOS in a timely manner, and without early withdrawal penalties.¹⁷⁹

Income tax deduction and addition

The bill authorizes two income tax deductions related to homeownership savings linked deposit accounts. The first is for certain taxpayers who contribute to an account. The deduction is for up to \$10,000 per year per account for couples filing joint returns and \$5,000 per year per account for individual filers, with a lifetime maximum per contributor, per account of \$25,000. Only contributors who are the account owner, or the owner's parent, spouse, sibling, stepparent, or grandparent are eligible to take the deduction.

The second deduction may be taken by account owners, and is for interest earned on deposits in, and employer contributions to, homeownership savings linked deposit accounts.

In addition to the deductions, the bill requires a taxpayer to add to the owner's taxable income amounts withdrawn from a homeownership savings linked deposit account and not used for eligible expenses, for the taxable year in which the amount is withdrawn. Eligible expenses are home purchase costs for the account owner's primary residence and account fees. The addition is to the account owner's income regardless of who originally contributed the withdrawn amount to the account.

The deductions and addition apply to taxable years beginning in or after 2024. The bill allows the Tax Commissioner to adopt rules to administer the deductions and provides that any such rules are not subject to provisions of continuing law requiring two regulatory restrictions to be repealed for every one enacted.

Legal immunity

The bill specifies that the state and the TOS are not liable to any savings institution or any eligible participant for the terms associated with a homeownership savings linked deposit account. Any misuse or misconduct on the part of a savings institution or an eligible participant does not affect the deposit agreement between the savings institution and the TOS.

Report

The bill requires the TOS and the Tax Commissioner to issue a report regarding the efficacy of the Homeownership Savings Linked Deposit Program no later than January 31, 2027. The report must contain information on the number of accounts created, the number of participating savings institutions, the total amount contributed into the accounts, the total tax deductions claimed for the accounts, the average yield on the accounts, and any other information the TOS and Commissioner deem relevant. The report must be delivered to the Governor, the Speaker of the House, and the Senate President.

¹⁷⁹ R.C. 135.985(B).

BUREAU OF WORKERS COMPENSATION

Workers' compensation coverage for certain prison laborers

- Eliminates a requirement that inmates participating in the Federal Prison Industries Enhancement Certification Program must be covered by a disability insurance policy to provide benefits for loss of earning capacity due to an injury and for medical treatment of the injury following the inmate's release from prison.
- Requires inmates participating in the program to be covered as employees of the Department of Rehabilitation and Correction (DRC), or a private party participating in the program under certain circumstances, for purposes of the Workers' Compensation Law.
- Prohibits a private party from participating in an employer model enterprise under the program unless the private party meets certain requirements and is approved by the DRC Director.
- Requires an inmate to voluntarily consent to participate in the program before participating.
- Suspends an award of compensation or benefits under Workers' Compensation while a claimant is imprisoned, similar to current law workers' compensation claims.
- Requires an inmate who is injured or who contracts an occupational disease arising out of participation in authorized work activity in the program to receive medical treatment and medical determinations for purposes of Workers' Compensation from DRC's medical providers while in DRC custody.
- Requires DRC to provide and pay for all medical care rendered to an inmate related to an injury or occupational disease arising out of participation in authorized work activity in the program while the inmate is imprisoned.
- Limits medical determinations made by DRC's providers to initial claim allowances and requests for additional conditions.
- Allows the Administrator of Workers' Compensation to adopt rules necessary to implement the bill's provisions related to workers' compensation coverage and the program.
- Requires the DRC Director to make certain notifications and disclosures to implement the bill's provisions related to workers' compensation coverage and the program.

Employers providing work-based learning programs

- Makes permanent a pilot program set to expire March 23, 2024, prohibiting the Administrator from charging an employer's experience for a workers' compensation claim if the employer provides work-based learning experiences for career-technical education program students and the claim is based on a student's injury, occupational disease, or death.

- Exempts the program's rules from review by the Joint Committee on Agency Rule Review, similar to other rules related to ratemaking under continuing law.

Workers' compensation coverage for certain prison laborers

(R.C. 4123.543 and 5145.163)

The bill eliminates the requirement that inmates participating in the Federal Prison Industries Enhancement Certification Program must be covered by a disability insurance policy to provide benefits for loss of earning capacity due to an injury and for medical treatment of the injury following the inmate's release from prison. Instead, these inmates are to be covered as employees under the Workers' Compensation Law. The Federal Prison Industries Enhancement Certification Program is a federal program that allows prison industry enterprises under the program to be exempt from federal restrictions on prisoner-made goods in interstate commerce. Federal law prohibits program participants from denying workers' compensation coverage to inmates who work under the program.¹⁸⁰

Under continuing law, there are two enterprise models under the program: (1) customer model enterprises and (2) employer model enterprises. In a customer model enterprise, a private party participates in the enterprise only as a purchaser of goods. In an employer model enterprise, a private party participates in the enterprise as an operator of the enterprise.

If an inmate works in a customer model enterprise under the program, the bill requires DRC to be the inmate's employer for workers' compensation purposes. If the inmate works in an employer model enterprise under the program, the bill requires the private participant to be the inmate's employer for workers' compensation purposes. The bill specifies that inmates are not employees of DRC or a private participant in an enterprise under the program for any other purpose.

Under the Workers' Compensation Law, every employee who is injured or who contracts an occupational disease arising out of the employee's employment, and the dependents of each employee who dies as a result of such an injury or occupational disease, is generally entitled to receive compensation for loss sustained on account of the injury, occupational disease, or death, and the medical, nurse, and hospital services and medicines, and funeral expenses in the case of death. Compensation and benefits are paid either directly from the employee's self-insuring employer or from the State Insurance Fund in the case of an employer who pays premiums into the fund.¹⁸¹

¹⁸⁰ 18 U.S.C. 1761.

¹⁸¹ R.C. 4123.54, not in the bill.

Administration of the program

Under the bill, to participate in an employer model enterprise under the program a private party must be approved by the DRC Director. The Director may approve a private party to participate in an employer model enterprise only if the private party meets the following requirements:

- The private party provides proof of workers' compensation coverage;
- The private party carries liability insurance in an amount the DRC Director determines to be sufficient;
- The private party does not have an unresolved finding for recovery by the Auditor of State.

The bill requires an inmate to voluntarily consent to participate in the program before participating. This consent disclaims the inmate's ability to choose a medical provider while the inmate is imprisoned and subjects the inmate to the bill's requirements related to workers' compensation coverage and the program.

Workers' compensation while imprisoned

If an inmate is injured or contracts an occupational disease arising out of participation in authorized work activity in the program, the bill allows the inmate to file a workers' compensation claim while the inmate is in DRC custody. Consistent with continuing law prohibiting payment of compensation or benefits while a claimant is confined in correctional institution or county jail in lieu of a correctional institution, compensation or benefits under the Workers' Compensation Law cannot be paid during the period of a claimant's confinement in any correctional institution or county jail.¹⁸² The bill requires any remaining amount of an award of compensation or benefits to be paid to a claimant after the claimant is released from imprisonment. However, compensation and benefits are suspended if a claimant is reimprisoned and resume on the claimant's release.

If an inmate is killed or dies as the result of an occupational disease contracted in the course of participation in authorized work activity in the program, the inmate's dependents may file a claim.

Medical treatment and determinations

If an inmate in DRC custody files a claim, the bill requires the inmate to receive medical treatment and medical determinations for purposes of the Workers' Compensation Law from DRC's medical providers. DRC must provide and pay for all medical care rendered to an inmate related to the injury or occupational disease while the inmate is imprisoned. The bill limits medical determinations made by DRC's providers to initial claim allowances and requests for additional conditions.

¹⁸² R.C. 4123.54, not in the bill.

An inmate may request a review by DRC's chief medical officer, and in the event of an appeal, a medical evaluation from a medical practitioner affiliated within DRC's network of third-party medical contractors or a medical practitioner in a managed care organization located in Franklin County. A managed care organization manages the medical portion of a workers' compensation claim for claimants who are not imprisoned under continuing law.¹⁸³

Administration of workers' compensation coverage for inmates

The bill allows the Administrator of Workers' Compensation to adopt rules necessary to implement the bill's provisions related to workers' compensation coverage and the program.

The DRC Director must do all of the following to implement the bill's provisions:

- Notify the Administrator of any injury, occupational disease, or death of an inmate that arises out of participation in the program;
- On request from the Administrator, provide medical records, or other relevant information, related to an injury, occupational disease, or death of an inmate that arises out of participation in the program.
- Notify the Administrator when an inmate who has an award of compensation or benefits that is suspended because of being imprisoned is released from imprisonment or reimprisonment.

Employers providing work-based learning program

(R.C. 111.15 and 119.01; Sections 107.10 and 107.11, codifying Section 3 of S.B. 166 of the 134th G.A. as R.C. 4123.345)

The bill makes the Employers Providing Work-Based Learning Pilot Program a permanent program. Currently, the two-year pilot program expires March 23, 2024. The program requires the Administrator, subject to the approval of the Bureau of Workers' Compensation Board of Directors, to adopt a rule prohibiting the Administrator from charging any amount with respect to a claim for compensation or benefits under the Workers' Compensation Law to an employer's experience if both of the following apply:

- The employer provides a work-based learning experience for students enrolled in an approved career-technical education program;
- The claim is based on a student's injury, occupational disease, or death sustained in the course of and arising out of the student's participation in the employer's work-based learning experience.

Under continuing law, Ohio's Minor Labor Law requirements (concerning minor work hours and activities in which a minor may engage) does not apply to a student participating in the program.

¹⁸³ R.C. 4121.44, not in the bill.

An employer's experience in being responsible for its employees' workers' compensation claims may be used in calculating the employer's workers' compensation premiums. Thus, not charging a claim to the employer's experience may result in a mitigation of an increase in the employer's premiums as a result of the claim.¹⁸⁴

The bill exempts the program's rules from legislative review by the Joint Committee on Agency Rule Review (JCARR). Under continuing law, rules relating to ratemaking are exempt from JCARR review.

¹⁸⁴ See R.C. 4123.29, 4123.34, and 4123.39, not in the bill, and O.A.C. 4123-17-03.

LOCAL GOVERNMENT

Local competitive bidding thresholds

- Increases statutory competitive bidding thresholds to \$75,000 for counties, townships, municipal corporations, libraries, fire and ambulance districts, regional airport authorities, and regional water and sewer districts, and subsequently increases the amount annually by 3%.
- Prohibits subdividing projects or purchases to avoid competitive bidding requirements.

County road improvements

- Increases (from 10% to 20%) the allowable difference between a county road improvement project's estimate and the project's contract price.

County credit cards

- Allows a county to use its credit card to pay fees or charges related to a state-issued license or certificate.

County recorder

- Allows a county recorder to extend current approved funding requests for the county recorder's technology fund beyond those formerly allowed, and requires a board of county commissioners to approve the extension.

Good Samaritan Law

- Removes the requirement that, within 30 days of seeking or obtaining medical assistance, a qualified individual must seek or obtain a screening and receive a referral for treatment from a community addiction services provider.
- Removes the requirement that, upon the request of a prosecuting attorney, a qualified individual must submit documentation verifying that the individual has sought or obtained a screening and received a referral for treatment as described in the preceding dot point.
- Removes the cap on immunity under the Good Samaritan Law.

Drainage Assessment Fund

- Abolishes the Drainage Assessment Fund, which was funded by the General Assembly and which was used to pay each state agency's share of local drainage assessments made under the county ditch laws.
- Eliminates an associated requirement that state agencies include the cost of the state's share of drainage assessments billed by county auditors in budget requests from the fund.

Township deputy fiscal officer appointments

- Clarifies that a board of township trustees may appoint a deputy fiscal officer to act as a fiscal officer when the office is vacant, until a successor fiscal officer is appointed or elected, rather than until a successor fiscal officer is elected.

Township cemetery deeds

- Allows a township to record cemetery lot/right deeds with the county recorder as an alternative to the township maintaining a book of the deeds.

County political party committees

- Permits a county controlling committee of a major political party to change its bylaws to allow a person who is not a resident of the relevant precinct to fill a vacant seat on the committee, so long as the person is a resident of the township or municipal corporation in which the precinct is located.
- Specifies that a member who is appointed in that manner has the same duties and privileges as a member who resides in the precinct the member represents.
- Requires the committee to file a copy of its updated constitution and bylaws with the board of elections.

New community authorities (NCAs)

- Allows inclusion of township-owned property in a new community district.
- Allows a board of township trustees to approve creation of a new community authority (NCA) or a change to the territory of an existing new community district, if the territory of the district (or the territory added or removed) is located entirely in the township and meets certain population criteria.
- Specifies that property subject to an NCA development charge may not also be exempted from taxation by a downtown redevelopment district (DRD) or transportation finance district (TFD).

Free assistance dog registration

- Expands the types of assistance dogs that qualify for free dog registration from the county auditor to include those trained by for-profit special agencies, in addition to those trained by nonprofit special agencies as in current law.
- Eliminates an ambiguity in the law related to the training of assistance dogs.

Local government bidding thresholds

(R.C. 9.17, 307.86, 307.861, 308.13, 505.08, 505.37, 505.376, 511.01, 511.12, 515.01, 715.18, 731.141, 735.05, 737.03, 3375.41, 5549.21, and 6119.10)

The bill increases statutory competitive bidding thresholds from \$50,000 to \$75,000 for counties, townships, municipal corporations, libraries, fire and ambulance districts, regional airport authorities, and regional water and sewer districts.¹⁸⁵ Starting in 2025, the bill increases the threshold amount by 3% each year; the Director of Commerce must calculate and publish the new amount each year.

The increase from \$50,000 to \$75,000 also applies when a town hall is being built in a township. Under continuing law, to build, improve, enlarge, or remove a town hall at a cost exceeding that threshold, the trustees must get the approval of the voters.

The county competitive bidding requirement currently allows the commissioners to exempt an expenditure from the requirement if an emergency exists and the cost is less than \$100,000; the bill increases this amount to \$125,000.

Finally, throughout the competitive bidding laws applicable to each type of political subdivision, the bill prohibits subdividing a purchase, lease, project, or other expenditure into components or separate parts in an effort to avoid a competitive bidding requirement.

County road improvements

(R.C. 5555.61)

Currently, the contract price of a county road improvement project may exceed the estimate by only 10%. The bill increases this to 20%.

County credit cards

(R.C. 301.27)

Counties may use their credit cards only for the purposes prescribed by state law (e.g., transportation expenses or internet service provider expenses). The bill allows a county to use its credit card to pay fees or charges related to a state-issued license or certificate.

County recorder

(R.C. 317.321)

The bill allows a county recorder to extend current approved funding requests for the county recorder's technology fund beyond those formerly allowed, and requires a board of county commissioners to approve these extensions, notwithstanding continuing statutory limitations. Under continuing law, a county recorder's funding request for technology fund purposes generally is limited to a five-year period. However, in 2013 and again in 2019,¹⁸⁶ the

¹⁸⁵ One threshold applicable to municipal corporations is currently \$10,000. See R.C. 715.18.

¹⁸⁶ H.B. 59 of the 130th General Assembly and H.B. 166 of the 133rd General Assembly.

General Assembly enacted language that allowed, temporarily, for extensions of funding beyond the five-year period and a mandatory bump of up to \$3 to be directed to the county recorder's technology fund from the county general fund. Absent the extensions, it appears the law would resort to discretionary county commissioner approval, rejection, or modification with a mandatory bump of up to \$3, for a period of up to five years, provided the total of such allocations could not exceed \$8. Essentially, the General Assembly has "grandfathered" allocation of recorder's fees to the technology fund since 2013, notwithstanding the approved proposal agreement provided for the term of the funding.

The bill similarly extends any proposal that was approved by the board of county commissioners before, and is in effect on the bill's effective date, to continue to January 1, 2030, notwithstanding the number of years of funding specified in the approved proposal. The bill also provides that a proposal submitted between October 1, 2019, and October 1, 2028, for the mandatory bump of up to \$3 be credited to the technology fund, in addition to the other funding allocation; if the total of those two amounts does not exceed \$8, the board must approve the proposal.

Good Samaritan Law

(R.C. 2925.11)

Requirements

Under the Good Samaritan Law, a qualified individual must not be arrested, charged, prosecuted, convicted, or penalized for a violation of a minor drug possession offense, possessing drug abuse instruments, use or possession of drug paraphernalia, or illegal use or possession of marijuana drug paraphernalia, if all of the following apply:

1. The evidence of the obtaining, possession, or use of the controlled substance or controlled substance analog, drug abuse instruments, or drug paraphernalia that would be the basis of the offense was obtained as a result of the qualified individual seeking medical assistance or experiencing an overdose and needing medical assistance.
2. Within 30 days after seeking or obtaining medical assistance, the qualified individual seeks and obtains a screening and receives a referral for treatment from a community addiction services provider or a properly credentialed addiction treatment professional.
3. The qualified individual who obtains a screening and receives a referral for treatment, upon the request of any prosecuting attorney, submits documentation to the prosecuting attorney that verifies that the qualified individual satisfied the above requirements.

The bill eliminates the requirements in (2) and (3). It also removes the cap on immunity under the Good Samaritan Law. Under current law, no person may be granted immunity more than two times.

Under current law, "qualified individual" means a person who is acting in good faith who seeks or obtains medical assistance for another person who is experiencing a drug overdose, a person who experiences a drug overdose and who seeks medical assistance for that overdose, or a person who is the subject of another person seeking or obtaining medical assistance for that overdose.

Conforming changes

In accordance with the above changes, the bill eliminates the definition of “community addiction services provider” and a reference to compelling a qualified individual to disclose protected health information in a way that conflicts with the requirements of the Health Insurance Portability and Accountability Act of 1996.

Drainage Assessment Fund

(R.C. 6131.43; repealed R.C. 6133.15)

The bill abolishes the Drainage Assessment Fund. The fund was established in the state treasury and funded by the General Assembly. It was used to pay each state agency’s share of local drainage assessments made under the county ditch laws. Correspondingly, the bill eliminates an associated requirement that state agencies include the cost of the state’s share of drainage assessments billed by county auditors in budget requests from the fund.

Township deputy fiscal officer appointments

(R.C. 507.02)

The bill clarifies that a township deputy fiscal officer temporarily acting as a fiscal officer serves until a new fiscal officer is appointed or elected, rather than just elected as under current law.

Under continuing law, when a township fiscal officer’s office becomes vacant, or the officer is incapacitated, the board of township trustees must appoint a deputy fiscal officer to exercise the full power to discharge the duties of the office. Appointing the deputy fiscal officer is temporary, and not the same as filling a vacancy in the office. To fill a vacancy, the township board of trustees must appoint a person with the qualifications of an elector for the unexpired term, or until a successor is elected.¹⁸⁷

Continuing law specifies that, until a successor is elected, a deputy fiscal officer must fill the position. Because a vacancy can be filled by election or appointment under continuing law, the bill clarifies that a deputy fiscal officer must fill the position until a successor is elected or appointed, rather than just elected.

Township cemetery deeds

(R.C. 317.08, 517.07, and 517.271)

The bill provides townships an alternative means of maintaining a record of cemetery lot/right deeds. Currently each township fiscal officer must record the deeds in a book kept by the township. The bill allows a township, alternatively, to record the deeds with the county recorder.

¹⁸⁷ R.C. 503.24, not in the bill.

County political party committees

(R.C. 3517.02 and 3517.03)

When a vacancy occurs on a county controlling committee (central committee) of a major political party, the bill modifies the eligibility requirements for the person the committee appoints to fill the vacancy. Currently, each member of a county controlling committee is elected to represent a particular precinct, and if a seat on the committee becomes vacant, the committee appoints another resident of the precinct to fill the vacancy.

The bill permits a county controlling committee to change its bylaws to allow a person who is not a resident of the relevant precinct to fill a vacant seat on the committee, so long as the person is a resident of the township or municipal corporation in which the precinct is located. A member who is appointed in that manner has the same duties and privileges as a member who resides in the precinct the member represents. If a committee adopts such a bylaw, it must file a copy of its updated constitution and bylaws with the board of elections.

Under continuing law, a person must be a resident of a precinct in order to be *elected* to represent the precinct on the committee. A person who fills a vacancy as permitted under the bill would not be eligible to be elected to continue to hold that seat unless the person moved into the precinct.

New community authorities (NCAs)

(R.C. 349.01, 349.03, 349.04, and 349.14)

Background

Continuing law allows for the creation and implementation of “new community development programs,” which aim to develop new properties in relation to existing communities while incorporating planning concepts that promote utility, open space, and supportive facilities for industrial, commercial, residential, cultural, educational, and recreational activities. The resulting “new community districts,” each of which is governed by a body referred to as a new community authority (NCA), are intended to be characterized by well-balanced and diversified land-use patterns.

Township developers

Under existing law, changed in part by the bill, a developer that controls or owns land and would like to form a new community district must file a petition with the clerk of the appropriate organizational board of commissioners to create an NCA. A “developer,” under existing law, includes a person, municipal corporation, county, or port authority. The bill adds a township to that definition and, thereby, explicitly authorizes townships to petition to form a new NCA, or add or delete territory from an existing new community district.

New NCAs

Under existing law, the board of county commissioners or sometimes, depending on the location of the new community district, the legislative authority of a municipal corporation, is the organizational board of commissioners with the authority to approve the district and create an NCA. Additionally, depending on the location of the proposed district, the petition must also

be approved by the most populous municipal corporation of the county or the most populous municipal corporation of a neighboring county. If more than half of the proposed NCA is located within the most populous municipal corporation of a county, the legislative authority of that municipal corporation, and not the board of county commissioners of the county, must approve the petition.

The bill specifies that if a proposed new community district is comprised entirely of unincorporated territory within the boundaries of a township with a population of at least 5,000, and it is also located in a county with a population of at least 200,000 and not more than 400,000 (i.e., Butler, Stark, Lorain, Warren, Lake, Mahoning, Delaware, Clermont, or Trumbull county), then the organizational board of commissioners may be either the board of county commissioners or the board of township trustees of the township. Furthermore, if the petition to create an NCA for such a district is submitted to the board of county commissioners, and not to the board of township trustees, the bill allows the board of township trustees to intervene and disallow the NCA.

Existing NCAs

Under continuing law, changed in part by the bill, a developer that wishes to add or delete territory from an existing new community district may file an application with the clerk of the organizational board of commissioners that originally approved creation of the NCA. If the territory proposed to be added or deleted from the district is (1) located entirely within a municipal corporation, (2) mostly located in the most populous municipal corporation in the county, or (3) located in the unincorporated area of a township described above, the bill requires the developer to submit the petition to both the original organizational board of commissioners and the legislative authority of the municipal corporation or board of trustees of the township, as applicable. The bill specifies that the legislative authority of the municipal corporation or board of trustees of the township is the “acting organizational board of commissioners” for the purposes of the petition and, therefore, has the authority to approve or disapprove the proposed territory changes.

Community development charge

Under continuing law, an NCA may levy a “community development charge” within its boundaries to pay for its community development programs. If an NCA imposes a community development charge determined on the basis of rentals received from leases of real property, that real property cannot be exempted from taxation under a tax increment financing (TIF) arrangement. The bill also prohibits exemption of such property under a downtown redevelopment district (DRD) or transportation finance district (TFD) arrangement. Under continuing law, a DRD and TFD generate revenue for economic development projects in the same manner as a TIF – by exempting improvements to real property and requiring the property owner to make service payments in lieu of taxes.

Free assistance dog registration

(R.C. 955.011)

The bill expands the types of assistance dogs that qualify for free dog registration from the county auditor. Under current law, an assistance dog is a guide dog, hearing dog, or dog that has been trained to assist a person with a mobility impairment (service dog). An assistance dog owner is exempt from county dog registration fees if the owner shows proof that the dog is, in fact, an assistance dog. To qualify for free registration, the dog must be trained by a nonprofit special agency. The bill allows an assistance dog to be trained by a for-profit special agency, in addition to a nonprofit, to qualify for free dog registration.

In addition, the bill eliminates an ambiguity in the law related to the training of assistance dogs. Under current law, it is unclear what qualifies as “training” because the phrase “by a nonprofit special agency” may only apply to the training of a service dog under a legal interpretation known as the doctrine of the last antecedent. R.C. 1.42 provides that statutory words and phrases must be read in context and construed according to the rules of grammar and common usage. The rules of grammar provide that absent of legislative intent to the contrary, qualifying words and phrases must be applied only to their immediate or last antecedent, and not to the other remote or preceding words.¹⁸⁸

Current law defines “assistance dog” to mean “a guide dog, hearing dog, or service dog that has been trained by a nonprofit special agency.” Therefore, when applying the doctrine of the last antecedent, the phrase “that has been trained by a nonprofit special agency” may only apply to a service dog. The bill eliminates this ambiguity by removing the last antecedent and clarifying that the training applies to each type of assistance dog, not just service dogs.

¹⁸⁸ See *Ohio Neighborhood Fin., Inc. v. Scott*, 139 Ohio St.3d 536, 2014- Ohio-2440, 13 N.E.3d 1115 and *Hedges v. Nationwide Mut. Ins. Co.*, 109 Ohio St.3d 70, 2006-Ohio-1926, 846 N.E.2d 16.

9-1-1 EMERGENCY TELEPHONE SERVICE LAW

9-1-1 Steering Committee

- Renames the “Emergency Services Internet Protocol Network Steering Committee” as the “9-1-1 Steering Committee” and does the following:
 - Requires the Steering Committee to advise and recommend policies or procedures to effectively govern a statewide next generation 9-1-1 (NG 9-1-1) system.
 - Requires each entity operating a public safety answering point (PSAP) to cooperate with the Steering Committee and provide them with certain data.
 - Requires the Steering Committee to meet at least once a quarter instead of once a month as current law requires.

Subcommittees

- Allows for the Steering Committee’s permanent subcommittees to meet either in person or utilize telecommunication-conferencing technology.
- Establishes that a majority of the voting members of a subcommittee constitutes a quorum.
- Adds to the PSAP Operations subcommittee one member representing the Division of Emergency Medical Services of the Department of Public Safety.

Rules and guidelines

- Requires all PSAPs that answer 9-1-1 calls for service to be subject to the PSAP operation rules, with a two-year compliance window for PSAPs not originally subject to the rules to become compliant.
- Requires the Steering Committee to establish guidelines for the Tax Commissioner regarding disbursing and using funds from the 9-1-1 Government Assistance Fund and to periodically review and adjust those guidelines as well as those for the NG 9-1-1 fund.
- Requires the Steering Committee to report any adjustments to the Department of Taxation and delays the adjustments from taking effect until six months after the Department has been notified.

Countywide 9-1-1 system

- Requires a countywide 9-1-1 system to include all of the territory of the townships and municipal corporations, including portions that extend into an adjacent county.
- Allows a countywide 9-1-1 system to be either an enhanced or NG 9-1-1 system, or some combination of the two, and must be designed to provide access to emergency services from all connected communications sources.

- Allows for a countywide 9-1-1 system to be provided directly by the county, by a regional council of governments (RCOG), or by connecting directly to the statewide NG 9-1-1 system for call routing and core services.
- Requires each county to appoint a county 9-1-1 coordinator to serve as the administrative coordinator for all PSAPs participating in a countywide 9-1-1 system final plan, and to serve as liaison with other county coordinators and the 9-1-1 Program Office.

County 9-1-1 Program Review Committee

- Requires each county to maintain a county 9-1-1 Program Review Committee consisting of six voting members.
- Changes the provisions governing who may be members of the Review Committee.
- Requires the Review Committee to consist of five members in counties with fewer than five townships and a population in excess of 750,000.
- Requires the Review Committee to consist of three members in counties that contain only one PSAP, or if the PSAP is operated by the board of county commissioners, then the board will serve as the Committee.
- Requires each Review Committee to maintain and amend a final plan for implementing and operating a countywide 9-1-1 system.
- Requires each Review Committee must convene at least once annually for the purposes of maintaining or amending a final plan and requires any amendment to the final plan to receive a two-thirds vote of the Committee.
- Requires, not later than March 1 each year, for each Review Committee to submit a report to the political subdivisions within the county and to the 9-1-1 Program Office detailing the sources and amounts of revenue expended to support, and all costs incurred to operate, the countywide 9-1-1 system.

Countywide final plan

- Makes various changes regarding countywide final plan, including the following changes to what should be specified in the final plan:
 - Specifies how the PSAPs will be connected to a county's preferred NG 9-1-1 system;
 - Requires either enhanced 9-1-1 or NG 9-1-1 service, repealing the ability to allow basic 9-1-1 service to be provided;
 - Details how originating service providers must connect to the core 9-1-1 system identified by the final plan, and what methods will be used by the providers to communicate with the system;
 - Describes the capability of transferring or otherwise relaying information to the entity that directly dispatches emergency services should a PSAP not properly dispatch the needed services;

- Explains how each emergency service provider (ESP) will respond to a misdirected call or a false caller location, or if the call fails to meet FCC or accepted national standards.
- Requires, not later than six months after this requirement takes effect, each county Review Committee to file a copy of its current final plan with the 9-1-1 Program Office and requires any revisions or amendments to be filed no later than 90 days after adoption.
- Requires an amended final plan whenever there is any upgrade to the countywide 9-1-1 system, and whenever there is a change or removal of a 9-1-1 system service provider as a participant in the countywide 9-1-1 system.
- Repeals the requirement that an entity wishing to be added as a participant in a 9-1-1 system to file a letter of intent to the board of county commissioners.

NG 9-1-1 core services & Ohio 9-1-1 Program Office

- Requires the 9-1-1 Program Office to coordinate and manage a statewide NG 9-1-1 core services system, which must be capable of providing service for the entire state.
- Repeals the requirement that the 9-1-1 Program Office Administrator report directly to the State Chief Information Officer.
- Requires, not later than six months after this requirement takes effect, the program Office to draft, submit, or update an Ohio 9-1-1 plan to the Steering Committee, which must include the following:
 - A plan to address amendments made by the bill;
 - Specific details regarding interoperability among counties, the states bordering Ohio, and Canada;
 - A progression plan for the system for sustainability within the funding method provided by the bill.
- Requires the Steering Committee to review and permits it to make a determination on approval of the plan within six months after it was submitted.
- Requires any Ohio entity operating a 9-1-1 system, ESINET, or PSAP that seeks a state or federal 9-1-1 grant to present a letter of coordination, containing certain information required by the bill, from the 9-1-1 Program Office.

State 9-1-1 Program Office powers

- Allows the 9-1-1 Program Office to do the following:
 - Expend funds from the 9-1-1 Program Fund for 9-1-1 public education purposes;
 - Ensure an effective statewide interconnected 9-1-1 system through proper coordination, adoption, and communication of all necessary technical and operational standards and requirements;

- Collect and distribute data from, and to, PSAPs, service providers, and ESPs regarding both the status and operation of the statewide 9-1-1 system, and certain location information;
 - Ensure that data collection and distribution meets legal privacy and confidentiality requirements;
 - With advice from the 9-1-1 Steering Committee, enter into interlocal, interstate, intrastate, and federal contracts to implement statewide 9-1-1 services.
- Protects all data described above in accordance with relevant Ohio law and grants the Steering Committee jurisdiction over the use of that data for purposes of 9-1-1.
- Allows for data and information that contributes to more effective 9-1-1 services and emergency response to be accessed and shared amongst 9-1-1 and emergency response functions.

Telecommunication service providers

- Requires every telecommunication service provider able to generate 9-1-1 traffic to do the following:
 - Register with the 9-1-1 Program Office and provide the Program Office a single point of contact who has authority to assist in location-data discrepancies;
 - Provide accurate and valid location data for all 9-1-1 traffic to ensure proper routing to the most appropriate PSAP or local NG 9-1-1 system.
- Requires service providers to correct any discrepancy in location data within 72 hours after notification by the Program Office.
- Subjects all the data described above to all applicable privacy laws and exempts it from being a public record under Ohio's Public Record Law.

Multiline telephone systems

- Requires each operator of a multiline telephone system (MTS) that was installed or substantially renovated on or after the this requirement's effective date to do the following:
 - Provide the end user the same level of 9-1-1 service that is provided to other in-state end users of 9-1-1 which includes the provision of certain services and data;
 - Provide an emergency-response-location identifier as part of the location transmission to the PSAP using certain technologies;
 - Identify the caller's specific location using an emergency response location that includes the public street address of the building from which the call originated and other specific location data.
- Provide locations that are either master-street-address-guide valid or next-generation-9-1-1-location-validation-function valid.

- Exempts from the above requirements MTS in a workplace of less than 7,000 square feet in a single building, on a single level of a structure, and having a single public street address.

Business service user

- Requires, not later than one year after this requirement's effective date, a business service user (BSU) that provides residential or business facilities, owns or controls a MTS or voice over internet protocol (VOIP) system in those facilities, and provides outbound dialing capacity from those facilities, to ensure the following:
 - For a MTS that can initiate a 9-1-1 call, that the system is connected so a caller using 9-1-1 is connected to the PSAP without requiring the user to dial any additional digit or code;
 - The system is configured to provide notification of any 9-1-1 call made through it to a centralized location on the same site as the system and the BSU is not required to have a person available at the location to receive a notification.
- Exempts a BSU, for two years after the effective date of the requirements described above, from those if all of the following apply:
 - The requirements would be unduly and unreasonably burdensome;
 - The MTS or VOIP needs to be reprogrammed or replaced;
 - The BSU made a good-faith attempt to reprogram or replace the system;
 - The BSU agrees to place an instructional sticker next to the telephones that explains how to access 9-1-1 and other information.
- Requires the BSU to submit an affidavit affirming that the conditions described above apply to the BSU and must include the manufacturer and model number of the system the BSU uses.

Preemption

- Specifies that the provisions described above ("**Multiline telephone systems**" and "**Business service user**") do not to apply if they are preempted by, or in conflict with, federal law.

Other requirements for 9-1-1 operation

- Requires the following regarding participation in statewide 9-1-1:
 - Counties must provide a single point of contact to the 9-1-1 Program Office that can assist in location-data discrepancies, 9-1-1 traffic misroutes, and boundary disputes between PSAPs;
 - Requires, not later than five years after operational availability of the statewide NG 9-1-1 core services system to all counties, each county, or RCOG, if applicable, to provide NG 9-1-1 service for all areas to be covered as set forth in the county's final plan or the RCOG's agreement.

- Requires a service provider operating within a county, or an area served by a RCOG, that is participating in the statewide NG 9-1-1 core services system to deliver the 9-1-1 traffic that originates in that geographic area to the NG 9-1-1 core for that area.
- Requires such service providers and counties participating in the statewide NG 9-1-1 core services system to adhere to the standards of the 9-1-1 Program Office, including standards created by the National Emergency Number Association and the Internet Engineering Task Force.

Monthly charges

Charges for county 9-1-1

- Repeals, and expressly terminates, any adopted and imposed monthly charge a board of county commissioners has imposed on telephone access lines.

Wireless 9-1-1 charges

- Terminates, three months after the bill's effective date, the wireless 9-1-1 charges imposed on both wireless service subscribers and customers for the retail sale of prepaid wireless calling services under current law.
- Exempts subscribers of wireless lifeline service and providers of such service from these charges prior to termination.

NG 9-1-1 access fee for subscribers

- Replaces the wireless 9-1-1 charge on subscribers (being terminated as described above) with a NG 9-1-1 access fee that is imposed on certain communications services as follows:
 - For a two-year period, 64¢ per service per month;
 - For a subsequent five-year period, 64¢ per service per month;
 - After the five-year period and beyond, 64¢ fee per service per month;
 - An alternate amount determined by the Steering Committee, designated on January 1 each year, not exceeding 64¢ and not more than 2¢ higher than the previous year.
- Allows the Steering Committee to raise the NG 9-1-1 access fee and report it to the General Assembly.
- Imposes the NG 9-1-1 access fee on each communications service for which a subscriber is billed.
- Requires, for MTS, the fee must be paid with a separate fee per line, with a maximum of 200 separate fees per building for a single subscriber, and for VOIP, the subscriber must pay a separate fee for each voice channel provided to the subscriber.
- Exempts the following from the NG 9-1-1 access fee for subscribers:

- A subscriber of wireless lifeline service;
- Wholesale transactions between telecommunications service providers where the service is a component of a service provided to an end user, as well as network access and interconnection charges paid to a local exchange carrier;
- Devices that solely rely on ancillary connection services for direct connection to the 9-1-1 system, excluding any devices capable of both direct and ancillary connection to the 9-1-1 system.
- Requires service providers and resellers to collect the NG 9-1-1 access fee as an expressly designated specific line item on each subscriber's monthly bill or point of sale invoice.
- Requires, not later than one year after the effective date of this requirement, the Steering Committee to submit a report to the General Assembly on the effectiveness of the NG 9-1-1 access fee.
- Requires the Steering Committee to also submit a report to the General Assembly regarding a future amount for the access fee once the five-year period described above is expired.
- Requires, not later than 24 months after this requirement's effective date, the Steering Committee, in conjunction with the Tax Commissioner, to deliver a report to the General Assembly detailing any legislative recommendations concerning the collection and use of the NG 9-1-1 access fees.
- Requires, for one year after the installation and operation of the statewide NG 9-1-1 system, the Steering Committee to monitor the accounts where the funds are generated for the NG 9-1-1 access fee.
- Permits the Steering Committee to reduce the NG 9-1-1 access fee if it determines that the obligations of the funds can still be met to avoid over-collection of fees.
- Provides that, if the NG 9-1-1 access fee is reduced, the Steering Committee may increase the fee to a maximum of 64¢ to ensure adequate funding exists to meet the obligations of the funds.
- Requires the Steering Committee to notify the Tax Commissioner of any intent to adjust the fee not later than six months before the adjustment takes effect.

NG 9-1-1 access fee for prepaid wireless service

- Imposes, as a replacement of the wireless 9-1-1 charge on the retail sale of prepaid wireless calling services (being terminated as described above), a separate NG 9-1-1 access fee of .005% of the sale price of a prepaid wireless calling service for retail sales that occur in Ohio.
- Requires the seller of the prepaid calling service to collect the NG 9-1-1 access fee from the customer, and disclose the amount of the fee at the time of the retail sale.

- Provides that the NG 9-1-1 access fees generally applies to the entire nonitemized price when a prepaid calling service is sold alongside other products or services for a single, nonitemized price.

Tax exemption

- Exempts the NG 9-1-1 access fees for subscribers and for prepaid wireless service from state and local taxation.

Administration of charges or fees

- Directs the Tax Commissioner to provide notice of increases or decreases in the NG 9-1-1 access fees to all known wireless service providers, resellers, and sellers of prepaid wireless calling services.
- Instructs each entity required to collect the wireless 9-1-1 charge (being terminated as described above) or NG 9-1-1 access fees to keep complete and accurate records relating to sales with respect to the charges and fees.
- Requires all records kept by entities regarding wireless 9-1-1 charges (being terminated as described above) and NG 9-1-1 access fees be open to inspection by the Tax Commissioner during business hours, and generally retained for four years.

Collection of charges or fees

- Provides that NG 9-1-1 access fees are subject to the same collection processes and are subject to the same procedures as wireless 9-1-1 charges under current law.
- Removes the option of filing the required return using the Ohio Telefile system for the wireless 9-1-1 charges (being terminated as described above) or NG 9-1-1 access fees.
- Changes to “Special Judgements for 9-1-1 Charges and Fees” the name of the loose-leaf book that an appropriate court of common pleas clerk may enter judgement in following a final assessment against an entity regarding 9-1-1 charges and fees.

9-1-1 funds and distribution of wireless 9-1-1 charges and fees

- Removes “wireless” from the names of three of the four funds established to receive the 9-1-1 charges and fees to be the 9-1-1 Government Assistance Fund, 9-1-1 Administrative Fund, and the 9-1-1 Program Fund.
- Changes deposits into the 9-1-1 Government Assistance Fund to be 72% of the 9-1-1 charges and fees instead of the current 97% and retains the current law provision that all interest earned on the fund must be credited to the fund.
- Changes deposits into the NG 9-1-1 Fund to be (1) 25% of the 9-1-1 charges and fees, (2) interest earned on the NG 9-1-1 Fund, and (3) if the Steering Committee allows, any excess remaining in the 9-1-1 Government Assistance Fund.

Disbursements from the 9-1-1 funds

- Specifies that disbursements from the 9-1-1 Government Assistance Fund to each county treasurer must be made not later than the tenth day of the month succeeding the month in which the 9-1-1 charges and fees are remitted.
- Requires the Department of Administrative Services to administer the NG 9-1-1 Fund, which fund must be used exclusively to pay costs of installing, maintaining, and operating the call routing and core services statewide NG 9-1-1 system.

Allowable uses of disbursements

- Extends existing allowable costs of designing, upgrading, purchasing, leasing, programming, installing, testing, or maintaining the necessary data, hardware, software, and trunking required for PSAPs of the 9-1-1 system to the allowable costs for the provision of NG 9-1-1.
- Adds, as allowable costs, the costs for:
 - Processing 9-1-1 emergency calls from point of origin to include expenses for interoperable bidirectional computer aided dispatch data transfers with other PSAPs or emergency services organizations; and
 - Transferring and receiving law enforcement, fire, and emergency medical service data transfers via wireless or internet connections from PSAPs or emergency services organizations to all applicable emergency responders.
- Repeals certain current law limitations on allowable costs for wireless enhanced 9-1-1 and repeals the requirement that a RCOG operating a PSAP must consider the technical and operational standards before incurring the designing, upgrading, purchasing, leasing, and other costs listed in ongoing law.

NG 9-1-1 access fees and countywide 9-1-1 systems

- Requires all funds from the NG 9-1-1 access fees to be used only for 9-1-1 related expenses.
- Specifies that, beginning three months after the bill's effective date, sellers of a prepaid wireless access calling service that collect a NG 9-1-1 access fees are subject to the state sales tax, as those provisions apply to the audit, assessment, appeals, enforcement, liability, and penalty provisions of the sales tax law.

Tax Refund Fund

- Includes NG 9-1-1 access fees among the fees and charges that may be refunded from the state's Tax Refund Fund if illegally or erroneously assessed, collected, or overpaid.

Commercial Activity Tax

- Specifies that receipts from NG 9-1-1 access fees imposed under the 9-1-1 provisions are not included as "gross receipts" under the commercial activity tax law.

Civil liability

- Extends protection from civil liability, with some exception, to 9-1-1 system service providers and their officers, directors, employees, agents, and suppliers for damages resulting from their 9-1-1 systems work, or compliance with emergency-related information requests from state or local government officials.

Penalties regarding MTSs

- Imposes penalties ranging from \$1,000 to \$5,000 for a violation of, or a failure to meet, certain requirements regarding a MTS, unless preempted or in conflict with federal law.

Laws repealed by the bill

- Repeals provisions of law, including the law that:
 - Allow a municipal corporation or township that contains at least 30% of the county's population, or a group of contiguous municipal corporations or townships, to establish, within their boundaries, a 9-1-1 system and to enter into an agreement with one or more telephone companies and repeals related provisions.
 - Require wireline service providers designated in a final 9-1-1 plan to install the wireline telephone network portion of the system within three years from the date the initial final plan and repeals the provisions regarding the placement, maintenance, and design of county 9-1-1 system highway and road signs.
 - With one exception, limit to three the number of PSAPs within a 9-1-1 system that may use disbursements from the Wireless 9-1-1 Government Assistance Fund.
 - Require the amounts of the wireless 9-1-1 charges to be prescribed by the General Assembly.
 - Establish provisions governing emergency service telecommunicators (ESTs) for training, curriculum, certification, and continuing education and certain training for ESTs, who are PSAP employees, handling 9-1-1 calls about an apparent drug overdose.

Changes to current law definitions

(R.C. 128.01)

The bill makes a number of changes to existing definitions governing emergency service communications. These changes are as follows:

- "Ancillary connection service" is defined as a communication connection service that allows devices, not otherwise able to connect directly with a 9-1-1 system, to communicate with a 9-1-1 system.
- "Basic 9-1-1" is defined to mean an emergency telephone system to which all of the following apply: (1) it automatically connects to a designated public safety answering

point, (2) call routing is determined by a central office only, and (3) automatic number identification (ANI) and automatic location information (ALI) does not need to be supported.

- Current law defines “basic 9-1-1” to mean a 9-1-1 system [which is a system permitting individuals to request emergency service by dialing 9-1-1] in which a caller provides the nature and location of an emergency and the personnel receiving the call determines the appropriate emergency service provider to respond.
- “Enhanced 9-1-1” is defined to mean an emergency telephone system that includes both (1) network switching, and (2) database- and public-safety-answering-point premise elements capable of providing ALI data, selective routing, selective transfer, fixed transfer, and a call back number.
- Under current law, “enhanced 9-1-1” is defined to mean a 9-1-1 system capable of providing both enhanced wireline 9-1-1 and wireless enhanced 9-1-1.
- “[S]ervices for communicating voice, text, and data” are included in the definition of “wireless service.” Additionally, the current law exempting paging or any service that cannot be used to call 9-1-1 from being subject to the 9-1-1 Emergency Telephone Service Law is eliminated.
- “Wireless service provider” is defined to mean any of the following that provides wireless service to one or more end users in Ohio: a facilities-based provider, mobile virtual network, or mobile other licensed operator.
 - Under current law, a wireless service provider is only a facilities-based provider of wireless service to one or more end users in the state.
- “Public safety answering point” (PSAP) is defined to mean an entity responsible for receiving requests for emergency services sent by dialing 9-1-1 within a specified territory and processing those requests for emergency services according to a specific operational policy that includes directly dispatching the appropriate emergency service provider, relaying a message to the appropriate emergency service provider, or transferring the request for emergency services to the appropriate emergency services provider. Under the definition, a PSAP may be either of the following: (1) located in a specific facility, or (2) virtual, if telecommunicators are geographically dispersed and do not work from the same facility. The virtual workplace may be a logical combination of physical facilities, an alternate work environment such as a satellite facility, or a combination of the two. Workers may be connected and interoperate via internet-protocol connectivity.
 - Current law defines a PSAP as a facility to which 9-1-1 system calls for a specific territory are initially routed for response and where personnel respond to specific requests for emergency service by directly dispatching the appropriate emergency service provider, relaying a message to the appropriate provider, or transferring the call to the appropriate provider.

9-1-1 Steering Committee

(R.C. 128.01, 128.02, 128.021, and 128.022)

The bill renames the “Emergency Services Internet Protocol Network Steering Committee” to the “9-1-1 Steering Committee” and makes various other changes to the operation of the Committee as follows.

Duties

The bill makes a variety of technical changes to remove dates and deadlines that have passed, as well as changes to the Steering Committee’s duties.

Advising the state

The bill requires the Steering Committee to generally advise the state on the implementation, operation, and maintenance of (1) a statewide emergency services internet protocol network (ESINET), (2) a statewide Next Generation 9-1-1 core-services system, and (3) the dispatch of emergency services providers. Current law simply requires the Steering Committee to generally advise the state regarding implementation, operation, and maintenance of a statewide ESINET that would support state and local government NG 9-1-1 and the dispatch of emergency service providers.

The bill defines “ESINET” to mean a managed internet-protocol network that is used for emergency services communications and provides the internet-protocol transport infrastructure upon which independent application platforms and core services can be deployed, including those necessary for providing next generation 9-1-1 services. The term designates the network and not the services that ride on the network. “Next generation 9-1-1 (NG 9-1-1)” is defined by the bill as an internet-protocol based system comprised of managed emergency services internet-protocol networks, functional elements, and databases that replicate traditional enhanced 9-1-1 features and functions and provide additional capabilities. “Core services” means the base set of services needed to process a 9-1-1 call on an emergency services internet protocol network. It includes all of the following: (1) emergency services routing proxy, (2) emergency call routing function, (3) location validation function, (4) border control function, (5) bridge, policy-store, and logging services, and (6) typical internet-protocol services such as domain name system and dynamic host configuration protocol. The term includes the services and not the network on which they operate.

PSAP consolidation and operation recommendations

The bill changes the requirement for the Steering Committee to make recommendations for consolidation of PSAPs to accommodate NG 9-1-1 technology and to facilitate a more efficient and effective emergency services system. The bill only requires the recommendations to be made “where feasible.” The bill also requires the Steering Committee to recommend policies, procedures, and statutory or regulatory authority to effectively govern a statewide NG 9-1-1 system, instead of a statewide ESINET, as required in current law.

Steering Committee meetings

The bill requires the Steering Committee to meet at least once a quarter. Current law requires they meet at least once a month.

Subcommittees

The bill makes changes to the operation and composition of the Steering Committee's subcommittees as follows:

- Requires the permanent Technical-Standards Subcommittee and Public-Safety-Answering-Point-Operations Subcommittee to meet either in person or utilizing telecommunication-conferencing technology.
- Requires a majority of the voting members to be present to constitute a quorum.
- Adds an additional member to the Public-Safety-Answering-Point-Operations Subcommittee who represents the Division of Emergency Medical Services of the Department of Public Safety.

PSAPs subject to operating rules

The bill requires all PSAPs that answer 9-1-1 calls for service from communications services to be subject to the PSAP Operation Rules developed by the Steering Committee under continuing law. Under the bill, PSAPs that were not originally required to be compliant must comply with the standards not later than two years after the bill's effective date.

The bill defines "communications service" to include wired or wireless telecommunications, voice over internet protocol service (VOIP), multiline telephone systems (MTS), nonvoice messaging devices, devices such as sensors that generate data-only messages such as photos or videos, and other similar services or devices, regardless of whether those services or devices existed on the bill's effective date. "VOIP" is defined to mean technologies for the delivery of voice communications and multimedia sessions over internet-protocol networks, including private networks or the internet. "MTS" is a system that (1) consists of common control units, telephone sets, control hardware and software, and adjunct systems, including network and premises-based systems, and (2) is designed to aggregate more than one incoming voice communication channel for use by more than one telephone.

Guidelines for distribution of funds

The bill requires the Steering Committee to develop guidelines for the Tax Commissioner to use when distributing money from the 9-1-1 Government Assistance Fund. Current law only requires the Steering Committee to develop guidelines for the distribution of money from the NG 9-1-1 fund.

Under the bill, the Steering Committee must also periodically review and adjust those guidelines, as well as similar guidelines established as required under continuing law for the NG 9-1-1 Fund, as needed. The bill further requires the Steering Committee to report any adjustments to the guidelines to the Department of Taxation. The adjustments take effect six months from the date the Department is notified of the adjustments.

Countywide 9-1-1 systems

(R.C. 128.02, 128.03, 128.05, 128.06, 128.07, and 128.12)

The bill makes a number of changes to current law regarding countywide 9-1-1 systems.

Repeal of territorial exclusion

The bill repeals all of the law that requires exclusion of territory served by a wireline service provider (which is a facilities-based provider of Basic Local Exchange Service transmitted by interconnected wires or cables) that is not capable of reasonably meeting the technical and economic requirements of providing the wireline telephone network portion of the countywide system or enhanced 9-1-1 for that territory. As a result of these repeals, a countywide 9-1-1 system must include all of the territory of the townships and municipal corporations in the county and any portion of such a municipal corporation that extends into an adjacent county.

Enhanced, NG 9-1-1, or combination system

The bill allows a countywide 9-1-1 system to be either an enhanced or NG 9-1-1 system, or some combination of the two, and must be designed to provide access to emergency services from all connected communications sources. Basic 9-1-1 may not be utilized in the countywide system. Current law allows for either basic or enhanced 9-1-1, or a combination of the two, to provide both wireline 9-1-1 and wireless 9-1-1.

Providing the system

The bill allows a countywide 9-1-1 system to be provided directly by the county, a regional council of governments (RCOG), or by connecting directly to the statewide NG 9-1-1 system for call routing and core services.

County 9-1-1 coordinator

The bill requires each county to appoint a county 9-1-1 coordinator to serve as the administrative coordinator for all PSAPs participating in the countywide 9-1-1 final plan. The coordinator must also serve as a liaison with other county coordinators and the 9-1-1 Program Office.

Geographic location and population

The bill requires the entity operating a PSAP to provide the Steering Committee the geographic location and population of the area for which the entity is responsible. Current law applies this requirement to a political subdivision or governmental entity operating a PSAP regarding the area for which the planning committee is responsible (which maybe refers to county 9-1-1 planning committees).

County 9-1-1 Program Review Committee

The bill requires, with some exceptions detailed below, every county to maintain a county 9-1-1 Program Review Committee. Current law allows, but does not require, a board of county commissioners or the legislative authority of any municipal corporation in the county that contains at least 30% of the county's population to adopt a resolution to convene a 9-1-1 *Planning Committee*.

Review Committee composition – generally

Under the bill, the Review Committee must be composed of six voting members (rather than three voting members under current law) as follows:

- A member of the board of county commissioners (current law requires the president or other presiding officer of the board);
- The chief executive officer (CEO) of the most populous municipal corporation in the county (unchanged from current law);
- A member of the board of township trustees of the most populous township in the county as selected by majority vote of the board. (Current law, being eliminated by the bill, provides the option for the CEO of the second most populous municipal corporation in the county, whichever is most populous, to be selected instead of the township trustee member. In addition, counties with a population of 175,000 or more had to have two more voting members than the primary three – a township trustee and municipal chief executive officer.);
- A member of a board of township trustees selected by the majority of boards of township trustees in the county pursuant to resolutions they adopt;
- A member of the legislative authority of a municipal corporation in the county selected by a majority of the legislative authorities of municipal corporations in the county pursuant to resolutions they adopt;
- An elected official from within the county appointed by the board of county commissioners.

Review Committee composition for large counties

The bill requires counties with fewer than five townships, and a population exceeding 750,000, to have five members for their Review Committee composed of the following:

- A member of the board of county commissioners to serve as chairperson;
- The chief executive officer of the most populous municipal corporation in the county (population residing outside the county is excluded from the count);
- A member from one of the following, whichever is more populous:
 - The chief executive officer of the second most populous municipal corporation in the county;
 - A member of the board of township trustees of the most populous township in the county as selected by majority vote of the board;
- The chief executive officer of a municipal corporation in the county selected by the majority of the legislative authorities of municipal corporations in the county pursuant to resolutions they adopt;

- A member of a board of township trustees selected by the majority of boards of township trustees in the county pursuant to a resolution.

Review committee composition for counties with one PSAP

The bill requires counties that contain only one PSAP to have three members for their Review Committee composed of the following, provided the county's PSAP is not operated by a board of county commissioners:

- A member of the board of county commissioners, who will serve as chairperson of the Committee;
- One of the following:
 - If the PSAP is operated by a township, then a member of the board of township trustees;
 - If the PSAP is operated by a municipal corporation, the CEO of the municipal corporation;
 - If the PSAP is operated by a subdivision that is not a township or municipal corporation or is operated by a RCOG, then an elected official of that subdivision or RCOG.
- A member who is an elected official of the most populous township or municipal corporation in the county that does not operate a PSAP (population residing outside the county is excluded for purposes of determining population).

The bill further requires that if the single PSAP in a county is operated by the board of county commissioners, then that board is to serve as the Review Committee.

Final plan for countywide 9-1-1

The bill requires each Review Committee to maintain and amend a final plan for implementing and operating a countywide 9-1-1 system. Any amendment to the final plan requires a two-thirds vote of the Review Committee, and each Review Committee must meet at least once annually.

The bill further requires each Review Committee, not later than March 1 of each year, to submit a report to the political subdivisions within the county and to the 9-1-1 Program Office detailing the sources and amounts of revenue expended to support, and all costs to operate, the countywide 9-1-1 system and the PSAPs that are a part of that system for the previous calendar year. The bill also requires each county to provide its Review Committee with any clerical, legal, and other necessary staff. Current law requires the county to provide such support to just develop the final plan, as well as paying for copying, mailing, and any other such expenses incurred in developing the final plan.

County 9-1-1 Technical Advisory Committee terminated

The bill repeals in its entirety the requirements for each county to have a 9-1-1 technical advisory committee. Under current law, the advisory committee assists the 9-1-1 Planning Committee in planning the countywide 9-1-1 system.

Final plan specifics

The bill makes several technical and substantive changes to what the final plan for each countywide system must include. The bill makes substantive changes regarding what must be specified in the final plan as follows:

- Does not permit the plan to use “basic 9-1-1” since the bill does not allow countywide 9-1-1 systems to include that type of service;
- Specifies how PSAPs will be connected to the county’s preferred NG 9-1-1 system;
- Details how originating service providers must connect to the core 9-1-1 system identified by the final plan and what methods will be utilized by such providers to provide 9-1-1 voice, text, other forms of messaging media, and caller location to the core 9-1-1 system;
- Requires, in instances where a PSAP does not properly dispatch the appropriate emergency service, how that request will be transferred, or the information electronically relayed, to the entity that directly dispatches the potentially needed emergency services.
- Describe how emergency service providers (ESPs, which is the Ohio Highway Patrol and an emergency service department or unit of a subdivision) will respond to a misdirected call or the provision of a caller location that is either misrepresented, or does not meet federal requirements or accepted national standards.

The bill further requires each county Review Committee to file a copy of its current final plan with the 9-1-1 Program Office not later than six months after the bill’s effective date. Any revisions or amendments are to be filed not later than 90 days after adoption.

Amending the final plan

The bill alters some of the scenarios in which an amended final plan is required under continuing law. Under the bill, upgrading any part or all of the countywide 9-1-1 system requires an amendment. Current law requires this only if there is an upgrade from basic to enhanced wireline 9-1-1. Additionally, adding, changing or removing a 9-1-1 system service provider as a participant in the countywide 9-1-1 system would require an amendment. Under the bill, “9-1-1 system service provider” means a company or entity engaged in the business of providing all or part of the emergency services internet-protocol network, software applications, hardware, databases, customer premises equipment components and operations, and management procedures required to support basic 9-1-1, enhanced 9-1-1, enhanced wireline 9-1-1, wireless enhanced 9-1-1, or next generation 9-1-1 systems. Current law does not require an amendment for changing or removing a provider – only if a telephone company is added as a system participant.

The bill further repeals the requirement for an entity wishing to participate in a 9-1-1 system to file a written letter of intent with the board of county commissioners.

Statewide NG 9-1-1 core services system

(R.C. 128.01 and 128.20 to 128.243)

Administrator of 9-1-1 Program Office

The 9-1-1 Program Office is headed by an administrator, who is appointed by and services at the pleasure of the Department of Administrative Services (DAS) Director. The bill eliminates the requirement of current law that the administrator report directly to the State Chief Information Officer.

Core services

The bill requires the state 9-1-1 Program Office to coordinate and manage a statewide NG 9-1-1 core services system, which must interoperate with Canada and the states bordering Ohio. The Office must also manage the vendors supplying the equipment and services for the system to DAS.

Under the bill, the NG 9-1-1 core services system must be capable of the following:

- Providing 9-1-1 core services for all Ohio counties, over land and water;
- Routing all 9-1-1 traffic using location and policy-based routing to legacy enhanced 9-1-1, NG 9-1-1, and local NG 9-1-1 PSAPs;
- Providing access to emergency services from all connected communications sources and provide multimedia data capabilities for PSAPs and other emergency service organizations.

The bill further requires the ESINET that supports the statewide NG 9-1-1 core services system to be capable of being shared by all public safety agencies. The ESINET may be constructed from a mix of dedicated and shared facilities, and may be interconnected with a local, regional, state, federal, or international system to form an internet-protocol-based inter-network, or network of networks.

Ohio 9-1-1 plan

The bill requires, not later than six months after the bill's effective date, the 9-1-1 Program Office to draft, submit, or update an Ohio 9-1-1 plan to the Steering Committee, which must include the following:

- A plan to address amendments made by the bill regarding Ohio's Emergency Telephone Number System Law;
- Specific system details describing interoperability amongst counties, the states bordering Ohio, and Canada;
- A progression plan for the system and sustainability within the funding method encompassed by the bill described below ("**Monthly charges**").

The bill requires the Steering Committee to review and permits it to make a decision on approval within six months of the plan's submission.

Letter of coordination

The bill requires any Ohio entity operating a 9-1-1 system, ESINET, or PSAP and that pursues a state or federal 9-1-1 grant to present a letter of coordination from the 9-1-1 Program Office, which must state all of the following:

- Who the entity is based on the type of system it operates (described above);
- The specific grantor identification;
- The dollar amount of the grant;
- The intended use of the grant;
- The system, equipment, software, or any component to be procured with the grant;
- Ensuring the purpose of the grant does not inhibit, conflict, or reduce interoperability with the NG 9-1-1 core services system and ESINET and is consistent with the Ohio 9-1-1 plan.

9-1-1 Program Office powers

The bill allows the Program Office to do the following:

- Expend funds from the 9-1-1 Program Fund for the purposes of 9-1-1 public education;
- Coordinate, adopt, and communicate all necessary technical and operational standards and requirements to ensure an effective model for a statewide interconnected 9-1-1 system;
- Collect and distribute data from, and to, PSAPs, service providers, and ESPs for both:
 - The status and operation of the components of the statewide 9-1-1 system, including all of the following: the aggregate number of access lines the provider maintains in the state (it is not clear who/what a provider in this context), aggregate costs and cost recovery associated with providing 9-1-1 service, and any other information the Steering Committee requests and deemed necessary (presumably deemed by the Committee) to support NG 9-1-1 transition.
 - Location information necessary for the reconciliation and synchronization of NG 9-1-1 location information, including all of the following: address location information, master street address guide, service order inputs, geographic information system files, street center lines, response boundaries, administrative boundaries, and address points.
- Require, coordinate, oversee, and limit data collection and distribution to ensure that legal privacy and confidentiality requirements are met;
- Enter into interlocal, interstate, intrastate, and federal contracts to implement statewide 9-1-1 services, with advice from the Steering Committee.

Protection of data

The bill provides that all data described above is protected by all applicable provisions of Ohio law. Charges, terms, and conditions for the disclosure or use of that data provided by PSAPs, service providers, and ESPs for the purpose of 9-1-1 are subject to the Steering Committee's jurisdiction.

The bill does allow, notwithstanding the above data protection limitation, data and information that contributes to more 9-1-1 services and emergency response to be accessed and shared amongst 9-1-1 and emergency response functions to ensure effective emergency response, while also ensuring the overall privacy and confidentiality of the data and information involved.

Telecommunication service providers

The bill requires telecommunication service providers (it is not clear who/what a telecommunication service provider is in this context) able to generate 9-1-1 traffic within the state to do the following:

- Register with the 9-1-1 Program Office;
- Provide a single point of contact to the Program Office who has the authority to assist in location-data discrepancies, including 9-1-1 traffic misroutes and no-record-found errors;
- Provide location data for all 9-1-1 traffic with the accuracy and validity necessary to ensure proper routing to the most appropriate PSAP or local NG 9-1-1 system, which may include:
 - Preprovisioning of location data into a state-operated database utilizing industry standard protocols;
 - Providing a routable location with the 9-1-1 traffic at call time, and utilizing approved standards for both legacy and NG 9-1-1.
- Correct any location discrepancies within 72 hours, after notification by the program Office.

The bill further subjects all data described above to all applicable privacy laws and excludes it from being a public record under Ohio's Public Records Law.

MTS requirements

The bill requires each operator of a MTS that was installed, or substantially renovated, on or after the bill's effective date, to provide the end user the same level of 9-1-1 service that is provided to other in-state end users of 9-1-1. The bill defines an "operator of a MTS" as an entity to which both of the following apply: (1) the entity manages or operates a MTS through which an end user may initiate 9-1-1 system communication; and (2) the entity owns, leases, or rents a MTS through which an end user may initiate 9-1-1 system communication.

The service described above must include the following:

- Either legacy ANI and ALI, or NG 9-1-1 location data;
- An emergency-response-location identifier as part of the location transmission to the PSAP, using either legacy private-switch ALI or NG 9-1-1 methodologies;
- Identify the specific location of a caller using an emergency response location that includes the public street address of the building where the call originated, a suite or room number, the building floor, and a building identifier, if applicable. The bill also defines “emergency response location” to mean an additional location identification that provides a specific location that may include information regarding a specific location within a building, structure, complex, or campus, including a building name, floor number, wing name or number, unit name or number, room name or number, or office or cubicle name or number.
- The provision of locations that are either master-street-address-guide valid or NG 9-1-1-location-validation-function valid.

Exemption

The bill exempts any MTS in a workplace of less than 7,000 square feet in a single building, on a single level of a structure, and having a single public street address from the requirements stated above.

Business service user

The bill requires, not later than one year after the bill’s effective date, a business service user (BSU) that: (1) provides residential or business facilities, (2) owns or controls a MTS or VOIP system in those facilities, and (3) provides outbound dialing capacity from those facilities to ensure the following:

- For a MTS that can initiate a 9-1-1 call, the system is connected to the public switched telephone network so that an individual using the system can dial 9-1-1, and the call connects to the PSAP without requiring the user to dial any additional digit or code;
- The system is configured to provide notification of any 9-1-1 call made through the system to a centralized location on the same site as the system. The BSU does not have to have a person available at the location to receive a notification.

Under the bill, a BSU is user of a business service that provides telecommunications service, including 9-1-1 service, to end users through a publicly or privately owned or controlled telephone switch.

Exemption

The bill exempts a BSU from the requirements described above, for two years after the bill’s effective date, if all of the following apply:

- The requirements would be unduly and unreasonably burdensome;
- The MTS or VOIP system needs to be reprogrammed or replaced;
- The BSU made a good-faith attempt to reprogram or replace the system;

- The business service agrees to place an instructional sticker next to the telephone that explains how to access 9-1-1, provides the specific location where the device is installed, and reminds the caller to give the location information to the 9-1-1 call taker. Such instructions must be printed in at least 16-point boldface type in a contrasting color using an easily readable font;
- The BSU affirms in an affidavit that the above conditions apply. Such an affidavit must include the manufacturer and model number of the system the BSU uses.

Preemption

The bill specifies that the provisions described above (“**MTS requirements**” and “**Business service user**”) do not to apply if they are preempted by, or in conflict with, federal law.

Other requirements for 9-1-1 operation

The bill requires the following:

- Counties must provide a single point of contact to the 9-1-1 Program Office who has the authority to assist in location-data discrepancies, 9-1-1 traffic misroutes, and boundary disputes between PSAPs;
- Requires counties and RCOGs, if applicable, not later than five years after the statewide NG 9-1-1 core services system is operationally available to all counties in the state, to provide NG 9-1-1 service for all areas to be covered in the county’s final plan or the RCOG’s agreement.
- Requires service providers operating within a county that participates in the statewide NG 9-1-1 core services system or within the area served by a RCOG that participates in that system to deliver the 9-1-1 traffic that originates in that geographic area to the NG 9-1-1 core for that geographic area;
- Adherence to the standards of the 9-1-1 Program Office, including standards created by the National Emergency Number Association and the Internet Engineering Task Force, if the service provider or county participates in the statewide NG 9-1-1 core services system.

Monthly charges

(R.C. 128.01, 128.40, and 128.41 to 128.43; repealed R.C. 128.25 to 128.27; Sections 130.63 and 130.64)¹⁸⁹

The bill alters current law, as well as adds new provisions, regarding monthly charges for telephone customers and 9-1-1 service as described in the following discussion.

¹⁸⁹ R.C. 5739.033 and 5739.034, not in the bill

County charges

The bill repeals the law permitting a board of county commissioners to adopt a resolution, subject to voter approval, imposing a monthly charge, not to exceed 50¢ to fund a countywide 9-1-1 system, including provisions that directed how a telephone company is meant to collect such charges. The bill further terminates any such monthly charges that have been imposed prior to the bill's effective date.

Under current law, the monthly charge may be imposed by a board to fund no more than one PSAP, or no more than three PSAPs, depending on the circumstances regarding the status of the county's final plan for a countywide 9-1-1 system. The charge is imposed on each telephone access line, which is, for purposes of the county charge, wireline service involving transmission by wires and cables.

Wireless 9-1-1 charge

The bill terminates, three months after the bill's effective date, the wireless 9-1-1 charge required under current law in favor of the new NG 9-1-1 access fees (discussed below). Under current law, a wireless 9-1-1 charge is imposed on each wireless telephone number of a subscriber (person with a contract for monthly service) whose billing address is in the state, and on each retail sale to a purchaser of prepaid wireless calling service (person who purchases services periodically, such as month-to-month) occurring in state. The charges are imposed under current law as described next.

Subscriber charge amount

For a subscriber's wireless telephone number, a 25¢ charge per month per number assigned to the subscriber. Each wireless service provider and reseller must collect the charge as a specific line item on the subscribers' monthly bills expressly designated as "State/Local Wireless-E911 Costs (25¢/billed number)." Any other charges applied to a subscriber must be placed in separate line items than the state/local line item.

Retail sale of prepaid wireless calling service

For each retail sale of a prepaid wireless calling service, a wireless 9-1-1 charge of 0.005% of the sale price is to be imposed on the consumer. A retail sale occurs if it is effected by the consumer appearing in person at a seller's business, or if the sale is sourced to the state under continuing law.

Wireless 9-1-1 charge not imposed

The bill adds that the wireless 9-1-1 charges described above cannot be imposed on subscribers of wireless lifeline service or providers of such a service.

NG 9-1-1 access fee for subscribers

The bill replaces the wireless 9-1-1 charge described above with a NG 9-1-1 access fee. Under the bill, the NG 9-1-1 access fee is imposed on each communications service as follows.

Initial 2-year period

For the first two years after the expiration of the wireless 9-1-1 charge, there is a 64¢ fee per month on each communications service to which both of the following apply:

- The service is sold in Ohio, registered to service address or location in Ohio, or the subscriber's primary place of using the service is in Ohio (these criteria might be interpreted as three separate options and only one need be met; a technical amendment might be needed to clarify this);
- The service is capable of initiating a direct connection to 9-1-1.

Subsequent five-year period and beyond

For a five-year period after the period described immediately above, a NG 9-1-1 access fee of 64¢ per month for such services or, if the Steering Committee designates an alternate amount as described immediately below, then that alternate amount. After the five-year period, the NG 9-1-1 access fee is 64¢ per month per communications service.

Designation of alternative amount

The bill allows the Steering Committee to, on January 1 of each year, designate an alternate amount for the monthly NG 9-1-1 access fee. This alternate fee amount can be higher than the previous year's fee amount only if there are outstanding transitional costs associated with the NG 9-1-1 system, but must not be:

- More than 2¢ above the fee amount from the previous year; and
- Higher than 64¢.

The bill requires the Steering Committee to report to the General Assembly any action to increase the NG 9-1-1 access fee. The report must state the remaining amount of counties' transitional costs of connecting to the statewide ESINET.

Separate fees

The bill requires a subscriber to pay a separate NG 9-1-1 access fee for each communications service for which the subscriber is billed. In the case of a MTS, the subscriber must pay a separate fee for each line, with a maximum of 200 separate fees for a single subscriber per building with a unique street address or physically identifiable location. For VOIP systems, the subscriber must pay a separate fee for each voice channel provided to the subscriber, with the number of channels being equal to the number of outbound calls the subscriber can maintain at the same time using the system, but excludes a direct inward dialing number that merely routes an inbound call.

Exemptions from the fee

The bill exempts the following from the NG 9-1-1 access fee for subscribers:

- A subscriber of wireless lifeline service;
- Wholesale transactions between telecommunication service providers where the service is a component of a service provided to an end user. This exemption also

includes network access charges and interconnection charges paid to a local exchange carrier;

- Devices that solely rely on ancillary connection services for direct connection to the 9-1-1 system, excluding any device capable of both direct and ancillary connection to the 9-1-1 system.

Collection of NG 9-1-1 access fee

The bill requires each service provider and reseller to collect the NG 9-1-1 access fee as a specific line item on each subscriber's monthly bill or point of sale invoice. The line item must expressly state "Ohio Next Generation 9-1-1 Access Fee ([amount]/ service/month)." Should a provider bill a subscriber for any other 9-1-1 cost, that charge or amount must not appear in the same line item as the NG 9-1-1 access fee line item. Separate charges must be designated "[Name of Provider] [Description of charge or amount]."

Reporting requirements

The bill requires the Steering Committee to submit three reports to the General Assembly. The Steering Committee must submit a report regarding the effectiveness of the NG 9-1-1 access fee at 64¢ no later than 12 months after the bill's effective date. After the 5-year period described above, the Committee must submit another report to the General Assembly recommending a future amount for the NG 9-1-1 access fee.

The bill also requires, not later than 24 months after the bill's effective date, the Steering Committee, in conjunction with the Tax Commissioner, to deliver a report to the General Assembly detailing any legislative recommendations concerning the collection and use of the NG 9-1-1 access fee, including auditing carriers and other companies required to collect the fees.

Altering the NG 9-1-1 access fee

The bill provides that, after installation and operation for 12 months of the statewide NG 9-1-1 system, the Steering Committee must monitor the accounts where funds are generated for the NG 9-1-1 access fee. The Steering Committee may reduce the fee if the Steering Committee determines that the obligations of the funds can still be met to avoid over-collection of fees. If the fee is reduced, the Steering Committee may increase the fee to a maximum of 64¢ to ensure adequate funding exists to meet the obligations of the funds.

The bill further requires the Steering Committee to notify the Tax Commissioner of its intent to adjust the NG 9-1-1 access fee no later than six months before the adjustment is to take effect.

NG 9-1-1 access fee for prepaid wireless retail sales

The bill imposes, three months after the bill's effective date, a NG 9-1-1 Access Fee of 0.005% of the sale price of a prepaid wireless calling service retail sale that occurs in Ohio. A retail sale occurs in Ohio if one of the following applies in the priority order provided:

1. The sale is effected by the consumer (the end user provided, given, charged for, or granted admission to, the prepaid service) appearing in person at a seller's business location within Ohio;

2. Delivery is made to a location in Ohio designated by the consumer;

3. An Ohio address for the customer found in the vendor's business records maintained in the ordinary course of business and the address is not used in bad faith;

4. An Ohio address for the customer is obtained during the sale, including the address associated with the consumer's payment instrument, if no other address is available, and the address is not used in bad faith;

5. If none of the above apply, then the seller may elect to source the sale to the location associated with the mobile telephone number.

Collection of the fee

Under the bill, the seller of the prepaid calling service must collect the NG 9-1-1 access fee from the customer at the time of each retail sale, and disclose the amount of the fee to the consumer by itemizing the fee on the receipt, invoice, or similar written documentation provided to the consumer. However, if a minimal amount (either ten minutes or less, or five dollars or less) of a prepaid calling service is sold with a prepaid wireless calling device for a single, nonitemized price, then the seller may choose not to collect the fee.

Sale of prepaid calling service with other products

The bill provides that, when a prepaid calling service is sold alongside other products or services for a single, nonitemized price, the NG 9-1-1 access fee applies to the entire nonitemized price except:

- If the dollar amount of the service is disclosed to the consumer, the seller can apply the fee to that dollar amount;
- If the seller can identify, through reasonable and verifiable standards from the seller's records, the portion of the nonitemized price that is attributable to the service, the seller can apply the fee to that portion; or
- If a minimal amount of prepaid calling service is sold with a prepaid wireless calling device for a single, nonitemized price, the seller may elect not to collect the fee.

Tax exemption

The bill exempts the NG 9-1-1 access fees imposed under the bill (See "**NG 9-1-1 access fee**" and "**NG 9-1-1 access fee for prepaid wireless retail sales**" above) from both state and local taxation.

Administration of charges and fees

(R.C. 128.44, 128.45, and 128.451)

Notice

The bill requires the Tax Commissioner to provide notice to all known wireless service providers, resellers, and sellers of prepaid wireless calling services of any increase or decrease in either NG 9-1-1 access fee. Each notice must be provided at least 30 days before the effective date of the increase or decrease. Current law requires this notice only for the wireless 9-1-1 charge (“**Wireless 9-1-1 charge**”) which the bill terminates.

Recordkeeping

The bill directs each entity required to bill and collect a wireless 9-1-1 charge (being terminated as described above) or NG 9-1-1 access fee, and sellers of prepaid wireless calling services required to do the same, to keep the following:

- Complete and accurate records of bills that include charges or fees, and a record of the money collected;
- All related invoices and other pertinent documents.

Continuing law requires the records described above are to be open to the inspection of the Tax Commissioner during business hours, and are to be retained for four years unless the Tax Commissioner consents to their destruction in writing, or by order, requires that the records be kept for longer.

Collection of charges or fees

(R.C. 128.46 to 128.47)

The bill makes several changes throughout the law regarding the filing and remittance of the wireless 9-1-1 charges and NG 9-1-1 access fees.

Electronic filing

The bill repeals the option of filing the return using the Ohio Telefile system. Continuing law allows for the return to be filed electronically using the Ohio business gateway, or any other electronic means prescribed by the Tax Commissioner. Nonelectronic means of filing may also be approved by the Tax Commissioner for good cause shown by the entity.

Liability

The bill imposes on an entity required to collect charges or fees liability to the state for any amount that was required to be collected, but was not remitted, regardless of whether the amount was collected. Current law imposes liability for any charge amount not billed or collected or any amount not remitted, regardless of whether it was collected.

Filing judgment

The bill retitles the loose-leaf book used by clerks to enter a judgement for the state against the assessed entity in the amount shown on the final assessment immediately after

filing, to “Special Judgements for 9-1-1 Charges and Fees.” Current law names it “Special Judgements for Wireless 9-1-1 Charges and Fees.”

Miscellaneous changes

The bill makes various other changes regarding collections of the charges and fees that include the following:

- Replaces “Seller of a prepaid wireless calling service, wireless service provider, and reseller” and “Wireless service provider, reseller, or seller,” with “entity” throughout the collection provisions;
- Removes inoperative provisions, such as, for example, law applying only to requirements applicable before January 1, 2014;
- Adds the NG 9-1-1 access fees alongside the wireless 9-1-1 charges in every provision the charge is mentioned, which has the effect of applying all continuing law, including, for example, filing returns and remitting the required amount, consumer liability, refunds, auditing procedures, filing judgements, and accrual of interest to the NG 9-1-1 access fees.

NG 9-1-1 access fees subject to sales tax administration laws

(R.C. 128.52)

As described above (“**NG 9-1-1 access fee for prepaid wireless retail sales**”), the bill requires each seller of a prepaid wireless access calling service to collect NG 9-1-1 access fees equal to 0.005% of the sale price three months after this requirement’s effective date. Those sellers are subject to the state sales tax on retail sales, as those provisions apply to audits, assessments, appeals, enforcement, liability, and penalties. Currently, such sellers are required to collect a *wireless 9-1-1 charge* of 0.005% of the sale price and are subject to these sales tax provisions until three months after the bill’s effective date.

9-1-1 funds and distribution of wireless 9-1-1 charges

(R.C. 128.40, 128.42, and 128.54 to 128.63)

The bill renames three of the four funds established to receive and distribute the wireless 9-1-1 charges imposed for wireless service and specifies that amounts received from NG 9-1-1 access fees also are to be deposited in these funds as follows:

Fund name and deposit % under H.B. 33		Fund name and deposit % under current law	
Fund name	% of charges and fees to be deposited in fund	Fund name	% of charges to be deposited in fund
9-1-1 Government Assistance Fund	72% plus interest earned on the fund	Wireless 9-1-1 Government Assistance Fund	97%, plus interest earned on the fund
9-1-1 Administrative Fund	1%	Wireless 9-1-1 Administrative Fund	1%
9-1-1 Program Fund	2%	Wireless 9-1-1 Program Fund	2%
NG 9-1-1 Fund	25%, plus interest earned on the NG 9- 1-1 Fund and, at the direction of the Steering Committee, any excess remaining in the 9- 1-1 Government Assistance Fund after paying administrative costs	NG 9-1-1 Fund	Interest earned on the 9-1-1 Administrative Fund and, at the discretion of the Steering Committee, any excess remaining in the 9-1-1 Government Assistance Fund after paying administrative costs

Disbursements from the 9-1-1 funds

The bill repeals the requirement that the Tax Commissioner disburse moneys and accrued interest from the 9-1-1 Government Assistance Fund (currently the Wireless 9-1-1 Government Assistance Fund) to each county treasurer not later than the last day of each month. Instead the bill specifies that disbursements must be made not later than the tenth day of the month succeeding the month in which the charges or fees imposed under the bill are remitted.

The bill requires the Department of Administrative Services to administer the NG 9-1-1 Fund and requires it to be used exclusively to pay costs of installing, maintaining, and operating the call routing and core services statewide NG 9-1-1 system.

Allowable uses of disbursements

The bill modifies the types of costs for which disbursements for a countywide wireless enhanced 9-1-1 system may be used. It allows, for the provision of NG 9-1-1 service, the costs of designing, upgrading, purchasing, leasing, programming, installing, testing, or maintaining

the necessary data, hardware, software, and trunking required for PSAPs of the 9-1-1 system. Under current law, these costs are already allowed for wireless enhanced 9-1-1 service.

The bill also adds the following as costs for which disbursements may be expended for a countywide 9-1-1 system:

- Processing 9-1-1 emergency calls from the point of origin to include any expense for interoperable bidirectional computer aided dispatch data transfers with other PSAPs or emergency services organizations;
- Transferring and receiving law enforcement, fire, and emergency medical service data via wireless or internet connections from PSAPs or emergency services organizations to all applicable emergency responders.

The bill repeals law that limits the allowable costs for wireless enhanced 9-1-1 to costs that are over and above any 9-1-1 system costs incurred to provide wireline 9-1-1 or to otherwise provide wireless enhanced 9-1-1. It also repeals law that permits up to \$25,000 of the disbursements received each year after January 1, 2009 to be applied to data, hardware, and software that automatically alerts personnel receiving a 9-1-1 call that a person at the subscriber's address or telephone number may have a mental or physical disability, of which that personnel must inform the appropriate service provider. It also repeals the requirement that a RCOG operating a PSAP must consider the technical and operational standards before incurring the designing, upgrading, purchasing, leasing, programming, installing, testing, or maintaining the necessary data, hardware, software, and trunking required for PSAPs of the 9-1-1 system.

Excess NG 9-1-1 access fee

The bill requires that all funds generated from the NG 9-1-1 access fees to be used only for 9-1-1 related expenses.

Information for Steering Committee and Tax Commissioner

Current law requires telephone companies, the State Highway Patrol, and each subdivision or RCOG operating one or more PSAPs for a countywide system providing wireless 9-1-1 to provide the Steering Committee and Tax Commissioner with information that the Steering Committee and Tax Commissioner request to carry out their duties under the Emergency Telephone Number System Law, including duties regarding collection of wireless 9-1-1 charges. The bill adds to the information that may be requested, information related to their duties regarding the collection of NG 9-1-1 access fees.

The bill retains the authority for the Tax Commissioner to adopt rules needed to account for the collection fees retained by wireless service providers, resellers, and sellers. Under current law, effective until three months after the bill's effective date, wireless service providers, resellers, and sellers may each retain as a collection fee 3% of the wireless 9-1-1 charges collected.

Tax Refund Fund

(R.C. 5703.052)

The bill includes NG 9-1-1 access fees among the fees and charges that may be refunded if illegally or erroneously assessed, collected, or overpaid. The Tax Refund Fund is the fund within the state treasury from which such refunds are paid. After a wireless 9-1-1 charge refund or, as added by the bill, an NG 9-1-1 access fee refund is certified by the Tax Commissioner, the Treasurer credits the fund in the amount of the refund. The certified amount is derived from 9-1-1 charges and fees. The Tax Commissioner recovers the refund amounts from the next distribution of the charges and fees to the counties.

Commercial Activity Tax (CAT)

(R.C. 5751.01)

The bill specifies that receipts from NG 9-1-1 access fees imposed are not included as “gross receipts” under the commercial activity tax (CAT) law. The CAT is the tax levied on persons with taxable gross receipts for the privilege of doing business in Ohio to fund state and local government needs.¹⁹⁰

Civil liability

(R.C. 128.96)

The bill extends protection from civil liability to 9-1-1 system service providers, except for willful or wanton misconduct. Specifically, it extends protection to a “9-1-1 system service provider and the provider’s respective officers, directors, employees, agents, and suppliers.” Under the bill they are protected from liability for “any damages in a civil action for injuries, death, or loss to persons or property incurred by any person resulting from developing, adopting, implementing, maintaining, or operating a 9-1-1 system, or from complying with emergency-related information requests from state or local government officials.”

MTS penalties

(R.C. 128.99)

Failure to provide ANI and ALI

Under the bill, an operator of a MTS may be assessed a fine of up to \$5,000 per offense, if the operator fails to comply with the MTS location requirements imposed under the bill (See, “**MTS requirements**,” above).

Failure to ensure 9-1-1

The bill also allows the Steering Committee to request the Attorney General to bring an action to recover amounts from \$1,000 to up to \$5,000 for a BSU’s failure to meet specific

¹⁹⁰ R.C. 5751.02.

requirements regarding 9-1-1 calls placed using MTS or VOIP provided by the BSU under the bill. The Steering Committee may request recovery of \$1,000 for an initial failure and up to \$5,000 for each subsequent failure within each continuing six-month period of the business service user's noncompliance. Funds recovered must be deposited into the NG 9-1-1 Fund.

Federal law preemption or conflict

The bill specifies that no fine may be assessed, or action for recovery may occur, against a BSU, if they are preempted or in conflict with federal law.

Laws repealed by the bill

(R.C. 128.63; repealed R.C. 128.04, 128.09, 128.15, 128.571, and 4742.01 to 4742.07; conforming changes in numerous other R.C. sections)

Municipal or township 9-1-1 systems

The bill repeals law allowing the legislative authority of a municipal corporation or township that contain at least 30% of the county's population, or a group of contiguous municipal corporations or townships, to establish, within their own boundaries, a 9-1-1 system and may enter into an agreement, and the contiguous municipal corporations or townships may jointly enter into an agreement with one or more telephone companies. The bill also repeals law related to such agreements regarding, for example, the use of authorized revenue to provide basic or enhanced 9-1-1.

9-1-1 system installation deadline and 9-1-1 signs

The bill repeals the law that requires wireline service providers designated in a final 9-1-1 plan to install the wireline telephone network portion of the system within three years from the date the initial final plan becomes effective. Also repealed is the requirement that (1) upon installation of a countywide 9-1-1 system, the board of county commissioners may direct the county engineer to erect and maintain, at county expense, signs indicating the availability of a countywide 9-1-1 system at county boundaries on highways and county roads and (2) the Director of Transportation develop sign specifications for the signs and standards for their erection and specify where signs may not be erected.

Limitation on PSAPs using disbursements

The bill repeals the law that limits to three the number of PSAPs within a 9-1-1 system that may use disbursements from the Wireless 9-1-1 Government Assistance Fund to pay allowable costs except in the case of a municipal corporation with a population of over 175,000. In this case, the county may use disbursements for a fourth PSAP. Current law progressively limits disbursements as follows:

Years	Maximum number of PSAPs that may use disbursements per calendar year
Before 2016	5
2016 and 2017	4*
2018 and subsequent years	3*

* If there is a municipal corporation with a population over 175,000, that county may use disbursements for one public safety answering point in addition to the maximum permitted for that period.

The bill also repeals the law requiring that if a county exceeds the maximum number, disbursements to the county from the Wireless 9-1-1 Government Assistance Fund and the NG 9-1-1 Fund must be reduced by 50% until the county complies with the limitations.

Wireless 9-1-1 charges prescribed by the General Assembly

The bill repeals the law requiring the amounts of the wireless 9-1-1 charges to be prescribed by the General Assembly.

Emergency service telecommunicator law

The bill repeals law regarding emergency service telecommunicators (ESTs). Repealed provisions include, for example, an EST training program and curriculum developed by the State Board of Education in conjunction with emergency service providers; the Emergency Service Telecommunicator Training Fund for the development of the program and the costs of running it; requirements for EST certification and continuing education; and EST certification by the Board, an emergency service provider, or a career school. In a conforming change, the bill repeals the requirement that those entities that certify ESTs (the Board, emergency service providers, and career schools) must comply with the law regarding the suspensions of certificates upon a conviction of, or plea of guilty to, a trafficking in persons violation.

The bill retains the provision in the public records law that designates an EST as a designated public service worker for whom an address and familial information is not a public record. The bill incorporates without changes the definition of an EST currently in Revised Code Section 4742.01 into the public records law in Revised Code Section 149.43. An EST is “an individual employed by an emergency service provider, whose primary responsibility is to be an operator for the receipt or processing of calls for emergency services made by telephone, radio, or other electronic means.” An “emergency service provider” is defined as the state highway patrol and an emergency service department or unit of a subdivision or that provides emergency service to a subdivision under contract with the subdivision, and “emergency service” is “emergency law enforcement, firefighting, ambulance, rescue, and medical service.”

Requirements for providing drug offense immunity information

To conform to the repeal of the EST law, the bill repeals the law that requires PSAP personnel who are certified ESTs to receive certain training when someone calls 9-1-1 about an apparent drug overdose. Under current law, such personnel must be trained to inform these

callers about the immunity from prosecution for a minor drug possession offense under the controlled substances law.

The bill also repeals the requirement that PSAP personnel who receive a call about an apparent drug overdose to make reasonable efforts, upon the caller's inquiry, to inform the caller about the law regarding immunity from prosecution for a minor drug possession offense.

ADMINISTRATIVE PROCEDURE ACT ADJUDICATIONS

- Allows, unless another law applies, an agency conducting an adjudication under the Administrative Procedure Act (APA) to serve a document on a party to the adjudication through email, facsimile, traceable delivery service, or personal service.
- Specifies the date on which service of a document is complete when using one of the methods listed above.
- Requires certain notices and orders that must be served on a party in an APA adjudication to be provided to the party's attorney or other representative rather than requiring the notices be mailed as under current law.
- Specifies that an agency's rejection of an application for registration or renewal of a license is not effective until the 15th day after notice of the rejection is mailed to the licensee.

Administrative Procedure Act adjudications

(R.C. 119.05, 119.06, 119.07, 3711.14, 3722.07, 4121.443, 4715.30, 4717.14, 4723.281, 4725.24, 4730.25, 4731.22, 4734.37, 4741.22, 4757.361, 4759.07, 4760.13, 4761.09, 4762.13, 4766.11, 4774.13, 4778.14, 4779.29, 5104.042, 5119.33, 5119.34, 5119.36, 5123.19, and 5165.87; with conforming changes in numerous other R.C. sections)

Service of adjudication documents

The bill allows, unless another law applies, an agency conducting an adjudication under the Administrative Procedure Act (APA) – R.C. Chapter 119 – to serve a document on a party to the adjudication through any of the following methods:

- Email at the party's last known email address;
- Facsimile transmission at the party's facsimile number appearing in the agency's official records;
- Traceable delivery service at the party's last known physical address;
- Personal service.

Service of a document using a method listed above is complete on the following dates:

- For email, the date receipt of the document is relayed electronically to the agency either by a direct reply from the recipient or through electronic tracking software demonstrating that the recipient accessed the document.
- For facsimile transmission, the date indicated on the facsimile transmission confirmation page.
- For traceable delivery service, the delivery date indicated on the notice of completed delivery provided to the agency by the delivery service.

- For personal service, the date indicated on a document confirming physical delivery signed by either the intended recipient, an adult located at the intended recipient's address, or delivery personnel.

One's "last known address" is the mailing address or email address in an agency's official records. "Traceable delivery service" is any delivery services provided by the U.S. Postal Service or a domestic commercial delivery service that allows the sender to track a sent item's progress and provides notice of a completed delivery to the sender.

If an agency fails to complete service using a party's last known address or facsimile number, the agency may complete service using an alternative address or number. The agency must verify the alternative address or number as current before attempting service.

When an agency is unable to complete service using a method described above, the agency must publish a summary of the notice's substantive provisions in a newspaper of general circulation in the county where the party's last known address is located. Notice by publication is complete on the date of publication. An agency that completes service by publication must send a proof of publication affidavit to the party by ordinary mail at the party's last known address. The affidavit must include a copy of the publication.

An agency that accomplishes services by email, facsimile transmission, traceable delivery or personal service at an alternative address or facsimile number is not required to complete service by publication.

Currently, unless another law applies, the APA requires an agency to attempt service through registered or certified mail. When registered or certified mail is returned because the recipient fails to claim it, the agency must attempt service through ordinary mail and obtain a certificate of mailing. If registered, certified, or ordinary mail is returned for failure of delivery, the agency either must make personal delivery or attempt service by publication in the manner described above. Current law does not allow service through email, facsimile, or domestic commercial delivery service.

Providing notices to attorneys

The bill requires an agency to provide copies of APA notices and orders to an affected party's attorney or other representative. Current law requires the notices and orders be mailed to the attorney or representative.

Rejection of registration or renewal

The bill specifies that an agency's rejection of an application for registration or renewal of a license is not effective until the 15th day after notice of the rejection is mailed to the licensee. Current law sets 15 days as a minimum number of days before the rejection is effective. Under continuing law, an agency that rejects an application for registration or renewal of a license generally must afford the rejected applicant a hearing when the applicant requests one. However, the following agencies are not required to grant a hearing to an applicant to whom a new license was refused because the applicant failed a licensing examination:

- The State Medical Board;
- State Chiropractic Board;
- The Architects Board;
- Ohio Landscape Architects Board;
- The Occupational Therapy, Physical Therapy, and Athletic Trainers Board.

ELECTRONIC NOTIFICATION AND MEETINGS

Casino Control Commission

- Requires an applicant for casino-related licenses, including for casino operator, management company, holding company, gaming-related vendor, and casino gaming employee to certify that the information provided in the application is true.

Department of Commerce

Board of Building Standards

- Removes telegraph facilities as one of the “workshops or factories” that the Board of Building Standards has control over regarding required alternations or repairs.

Division of Liquor Control

- Specifies that, if the initial required certified notice of unpaid permit fees to a liquor permit applicant is returned because of failure or refusal of delivery, the Division of Liquor Control must send a second notice by regular mail.

Division of Securities

- Eliminates the requirement that copies of process or pleadings served by the Division of Securities on the Secretary of State, acting as agent for the person to be served, be delivered in duplicate and eliminates the requirement that the Secretary use certified mail to forward the documents.
- Eliminates the requirement that securities sold in violation of the securities law be tendered to the seller either in person or in open court to trigger a refund requirement, instead only requiring a tender without specifying method.

Division of Finance Institutions

- Changes, in the list of approved delivery methods, “any other means of communication authorized by the director” to whom the notice is sent to any means authorized by the board of directors acting together.

Department of Developmental Disabilities

- Removes obsolete law requiring the Director of Developmental Disabilities to submit a report to the General Assembly with certain data regarding residential facility licenses issued by the Department of Developmental Disabilities.

Department of Education

- Eliminates the following laws that became obsolete on June 30, 2008:
 - Requirement that school districts or school buildings in academic emergency or academic watch, under former law, submit required information to the Department of Education before approval of a three-year continuous improvement plan;

- Requirements for site evaluations conducted for school districts or schools in academic emergency or academic watch.

Environmental Protection Agency

- Authorizes the Director to provide notice of a hearing on the Environmental Protection Agency's website in circumstances where current law requires public notice by newspaper publication.
- Authorizes the Director to deliver documents or notice by any method capable of documenting the intended recipient's receipt of the document or notice rather than requiring a document or public notice be provided by certified mail.
- Specifies that the holder of the first mortgage on a regulated facility may contact the mortgagor to determine if the facility is abandoned by any method capable of documenting the intended recipient's receipt of the document or notice, rather than by mail, telegram, telefax, or similar communication only, as in current law.

Department of Insurance

- Replaces the requirement that individuals seeking access to personal information held by certain insurance organizations be allowed to see and copy that information in person or obtain a copy by mail with a requirement that the individual be able to obtain in a manner agreed upon by the individual and the insurance organization.

Department of Job and Family Services

- Removes references to unemployment compensation warrants drawn by the Director of Job and Family services bearing the Director's facsimile signature (but maintains the authority to have the signatures printed on the warrants).

Department of Public Safety

Restricted driver's license: subsequent annual license

- Eliminates several procedural requirements regarding the submission of a physician's statement accompanying an application for an unrestricted driver's license.

Driver training school anatomical gift instruction

- Allows driver training schools to use specified electronic formats to convey information about anatomical gifts to driver training students, rather than a video cassette tape, CD-ROM, interactive videodisc, or other format.

Failure to maintain motor vehicle insurance

- Eliminates a requirement that an administrative hearing regarding a person's failure to maintain motor vehicle insurance be held within 30 days after the Registrar receives a request for that hearing.

- Eliminates a reference to the personal delivery of a motor vehicle registration or driver's license if a person is required to surrender the registration or license because of a failure to maintain motor vehicle insurance.

Seizure of license plates after offense

- Eliminates the requirement that an arresting officer remove the license plates on a vehicle seized as part of an arrest for: (1) driving under an OVI suspension or (2) wrongful entrustment of a vehicle and, instead, requires the license plates to remain on the vehicle unless ordered by a court.

Public Utilities Commission of Ohio

- Eliminates items buried or placed below ground or submerged in water for telegraphic communications as a form of "underground utility facility" for purposes of continuing law regarding the protection of such facilities.
- Removes the requirement that an excavator must provide any fax numbers they may have in the excavator's notification to a protection service before an emergency excavation required under continuing law.

Department of Taxation

- Removes a requirement that certain tax-related documents be open for public inspection.

Department of Transportation

- Makes advertising for bids for Ohio Department of Transportation (ODOT) contracts in a newspaper of general circulation optional rather than required.
- Requires, rather than authorizes, the ODOT Director to publish notice for bids in other publications as the Director considers advisable.

Bureau of Workers' Compensation

- Specifies that electronic documents have the same evidentiary effect as originals in a workers' compensation-related proceeding.

Notice and submission requirements

- Makes changes throughout the Revised Code related to:
 - Notice requirements related to certain events or services; and
 - Electronic submission to receive certain public services.

Electronic meetings for public entities

- Makes changes throughout the Revised Code to permit certain public entities to meet via electronic means.

Maintenance of stenographic records

- Makes changes throughout the Revised Code related to the maintenance of stenographic records.

Casino Control Commission

(R.C. 3772.11, 3772.12, and 3772.131)

Under current law, casino-related license applications, including those for a casino operator, management company, holding company, gaming-related vendor, and casino gaming employee must be made under oath. The bill removes the requirement that an oath be administered and instead requires that the applications must be certified as true.

Department of Commerce

Board of Building Standards

(R.C. 3781.11(A)(6) and (D)(2))

The bill removes telegraph offices as a “workshop or factory” for purposes of Board rules and standards. Under current law, the Board cannot require alterations or repairs to any part of a workshop or factory meeting certain criteria under continuing law.

Division of Liquor Control

Payment of liquor application fees

(R.C. 4303.24)

The bill specifies that, if the initial required certified notice of unpaid permit fees to a liquor permit applicant is returned because of failure or refusal of delivery, the Division of Liquor Control must send a second notice by regular mail. It retains the requirement that the Division cancel the permit application if the permit applicant does not remit the unpaid permit fees to the Division within 30 days of the first notice.

Division of Securities

Service through the Secretary of State

(R.C. 1707.11)

Under continuing law, certain people must appoint the Secretary of State as their agent to receive service of process and pleadings on their behalf. The bill eliminates a requirement that copies of process or pleadings served by the Division of Securities on the Secretary, acting as agent for the person to be served, be delivered in duplicate. It also eliminates the requirement that the Secretary use certified mail to forward the documents.

Tender for refund

(R.C. 1707.43)

Under continuing law, a buyer who is sold securities in violation of the Securities Law may receive a refund by tendering the securities back to the seller. The bill eliminates the requirement that the securities be tendered either in person or in open court to trigger a refund requirement. It instead requires tender without specifying a method.

Division of Financial Institutions

(R.C. 1733.16)

Continuing law requires that notice of credit union board of directors meetings must be given to each director. The bill modifies the use of alternative delivery methods by removing the law that allows a director receiving the notice to specify another means of communication, and instead allows alternative methods approved by the board of directors acting together.

Department of Developmental Disabilities

(Repealed R.C. 5123.195)

The bill removes obsolete law requiring the Director of Developmental Disabilities to submit a report to the General Assembly after calendar years 2003, 2004, and 2005. The report was to summarize rules regarding residential facility licensure; the number of licenses issued, renewed, or denied; how long those licenses were issued; sanctions imposed on licenses, and any other information the Director deemed important.

Department of Education

(R.C. 3302.04(D)(3) and (4))

The bill eliminates the obsolete requirement that school districts or school buildings in academic emergency or academic watch submit information to the Department of Education before approval of a three-year continuous improvement plan. It also eliminates the obsolete requirements for site evaluations for districts or buildings in academic emergency or academic watch. The requirements expired on June 30, 2008.

Environmental Protection Agency

General authorizations

(R.C. 3745.019)

The bill provides general authorization to the Director of the Ohio Environmental Protection Agency (OEPA) as follows:

- Authorizes the Director to provide public notice of a hearing on the OEPA website in circumstances in which the Director currently must provide notice by newspaper publication;
- Authorizes the Director to deliver documents or notice by any method capable of documenting the intended recipient's receipt of the document or notice in

circumstances in which the Director currently must provide the document or public notice by certified mail.

It is unclear why, given these broad authorizations, the bill also amends other notice provisions that provide for newspaper publication or certified mail.¹⁹¹

Regulated facilities

(R.C. 3752.11)

The bill specifies that the holder of the first mortgage on a regulated facility may contact the mortgagor to determine if the facility is abandoned by any method capable of documenting the intended recipient's receipt of the document or notice. Current law requires that the contact be made by mail, telegram, telefax, or similar communication only.

Department of Insurance

(R.C. 3904.08)

Continuing law allows individuals to request access to their personal information held by insurance institutions, agents, and insurance support organizations. Currently, individuals must be allowed to see and copy the information in person or allowed to obtain a copy by mail. The bill changes this requirement, instead mandating that individuals be able to obtain a copy of the information in a manner agreed upon by the individual and the insurance institution, agent, or support organization.

Department of Job and Family Services

(R.C. 4141.09 and 4141.47)

Continuing law specifies that the Treasurer of State must make disbursements from the state Unemployment Compensation Fund and the Auxiliary Services Personnel Unemployment Compensation Fund on warrants drawn by the Director of Job and Family Services. Currently, the warrants may include the facsimile signatures of the Director and the employee responsible for accounting for the funds printed on the warrants. The bill removes the reference to "facsimile" and maintains the authority to have signatures printed on the warrants. Because neither current law nor the bill require the Director or employee to directly sign the warrants, it is unclear whether removing "facsimile" has any substantive effect.

Department of Public Safety

Restricted driver's license: subsequent annual license

(R.C. 4507.081)

Under current law, a restricted license is issued to a person who has certain medical conditions that inhibit safe driving, but only if the person's conditions are under effective control. The holder of a restricted license may subsequently apply for an unrestricted annual

¹⁹¹ See for example, R.C. 3704.03, 3734.02, and 3734.021.

license when the restricted license expires. Obtaining the annual license is contingent upon submission of a licensed physician's statement attesting that the condition is dormant or under medical control (for a period of one year before application). The bill eliminates the following regarding this annual license:

- The stipulation that the applicant submit the physician's statement to the Registrar of Motor Vehicles by certified mail;
- A requirement that the license holder obtain a physical validation sticker for use in conjunction with the license;
- A requirement that the physician's statement be made in duplicate; and
- A provision allowing an annual license applicant to maintain a physical duplicate copy of the physician's statement authorizing the applicant to operate a motor vehicle for no more than 30 days following the date of submission of the statement.

Driver training school anatomical gift instruction

(R.C. 4508.021)

The bill allows driver training schools to use a website, email communication, compact disc media, or other electronic format to provide information about anatomical gifts to driver training students. Current law specifies the schools must use a video cassette tape, CD-ROM, interactive videodisc, or other electronic format.

Failure to maintain motor vehicle insurance

(R.C. 4509.101)

The bill eliminates a requirement that an administrative hearing regarding a person's failure to maintain motor vehicle insurance be held within 30 days after the Registrar of Motor Vehicles receives a request for the hearing. The bill also permits the hearing to be held remotely. Under current law retained by the bill, a person adversely affected by an administrative driver's license suspension associated with this offense may request a hearing within ten days of the issuance of the order imposing the suspension.

The bill eliminates a reference to the personal delivery of an impounded or suspended driver's license or registration if a person is required to surrender a license or registration because of a failure to maintain motor vehicle insurance. Thus, under the bill, a person may deliver those items (if impounded or suspended) to the Registrar by any means.

Seizure of license plates after offense

(R.C. 4510.41)

The bill eliminates the requirement that an arresting officer remove the license plates on a vehicle seized as part of an arrest for either of the following violations:

- Driving under an OVI suspension; or
- Wrongful entrustment of a vehicle.

Instead, the bill requires the license plates to remain on the vehicle unless otherwise ordered by a court.

Public Utilities Commission of Ohio

Underground utility facilities – classification

(R.C. 3781.25(B) and 3781.29(C)(1))

The bill removes “telegraphic communications” from being classified as an “underground utility facility” for purposes of the law regarding utility protection services. Under current law, any item buried or placed below ground or submerged under water for use in connection with the storage or conveyance of telephonic or telegraphic communications (among other things) is considered an “underground utility facility” subject to continuing law regarding utilities registering the location of, and protecting through marking, these facilities.

Excavator contact information

(R.C. 3781.29(E)(1)(b))

The bill removes the requirement that an excavator, before performing an emergency excavation, provide any fax numbers they may have to a protection service. Under current law, notification must be provided to an underground utility protection service before commencing an emergency excavation, and it must include the excavator’s name, address, email addresses, and telephone and facsimile numbers.

Department of Taxation

Public inspection of tax documents

(R.C. 5751.40 and 5736.041)

The bill removes two requirements that certain tax-related documents be open for public inspection. Instead, the following documents need only to be made available on the Department of Taxation’s website:

- Certificates issued to qualified distribution centers (QDCs) under the commercial activity tax (CAT). Under continuing law, suppliers that ship goods to a QDC can exclude a portion of their receipts from the CAT. Current law requires the Department of Taxation to “publish” QDC certificates, but does not specifically require online publication. The bill specifies that these certificates must be available online for at least four years from the date they were issued.
- A list of motor fuel suppliers who are subject to the state’s petroleum activity tax. This list is already authorized, but not required, to be published on the Department of Taxation’s website.

Department of Transportation

(R.C. 5525.01)

The bill makes advertising for bids for Ohio Department of Transportation (ODOT) contracts in a newspaper of general circulation optional and requires the ODOT Director to

publish notice for bids in other publications, as the Director considers advisable. Current law specifies the opposite – it requires newspaper publication and makes other publications optional.

Bureau of Workers' Compensation

(R.C. 4123.52)

The bill specifies that electronically stored records have the same evidentiary effect as originals in a workers' compensation proceeding before the Industrial Commission, a Commission hearing officer, or a court. Under continuing law, records preserved using photographs, microphotographs, microfilm, films, or other direct forms of retention media also have the evidentiary effect of originals in the same proceedings.

Changes to notice requirements

The bill also modifies the type of communication media through which public entities or others may make required notice of events or services. The table below describes the type of notice and the change made to the permitted form of communication. The table indicates these changes as follows:

Table 1: Notification changes

A=Added by bill as new form of communications; C=Current law unchanged by the bill; R=Removed by bill

Type of notice	Mail	Commercial/ common carrier	Email/ electronic	Fax	Newspaper	Telephone	Telegraph	In-person	R.C. citation
Controlling Board									
Notice to G.A. members regarding changes to capital appropriations	C		A						127.15
Ohio Casino Control Commission									
Notices of intent to include a person on an exclusion list	C	A						C	3772.031
Notices of including a person on an exclusion list via emergency order	C	A	A						3772.04
Notice of termination of employment of a "key employee"	C	A	A					A	3772.13

Table 1: Notification changes

A=Added by bill as new form of communications; C=Current law unchanged by the bill; R=Removed by bill

Type of notice	Mail	Commercial/ common carrier	Email/ electronic	Fax	Newspaper	Telephone	Telegraph	In-person	R.C. citation
Department of Commerce – Division of Liquor Control									
Notice of entering into an agency store contract or relocation of a store ¹⁹²	R							R	4301.17
Notice of distribution of liquor permit fees	C		A						4301.30
Department of Commerce – Division of Securities									
Notice of hearing to revoke approval of securities exchange or system	R		A						1707.02
Notice of hearing to suspend the exemption of a security	R		A						1707.02
Notice of hearing to determine fairness of issuance and exchange of	A		A					C	1707.04

¹⁹² The bill eliminates the reference to mailed notice in R.C. 4301.17, but it does not specify the means by which notice must be given.

Table 1: Notification changes

A=Added by bill as new form of communications; C=Current law unchanged by the bill; R=Removed by bill

Type of notice	Mail	Commercial/ common carrier	Email/ electronic	Fax	Newspaper	Telephone	Telegraph	In-person	R.C. citation
securities through plan of reorganization, recapitalization, or refinancing									
Notice of process served upon Secretary of State as presumed agent for person making or opposing control bid	R						R		1707.042
Notice to Division of registration by coordination						C	R		1707.091
Notice by Division of stop order in response to failed registration by coordination	C					C	R		1707.091
Notice by Division to issuer as to whether all conditions for registration by coordination are met						C	R		1707.091

Table 1: Notification changes

A=Added by bill as new form of communications; C=Current law unchanged by the bill; R=Removed by bill

Type of notice	Mail	Commercial/ common carrier	Email/ electronic	Fax	Newspaper	Telephone	Telegraph	In-person	R.C. citation
Department of Commerce – Division of Financial Institutions									
Credit unions notice to directors of board meetings							R		1733.16
Department of Commerce – Division of Real Estate & Professional Licensing									
Notice of license renewal	R		A						4735.14
Requirement to send license of each real estate salesperson to the real estate broker associated with salesperson	R		A						4735.13
Requirement that real estate broker return license to Division of Real Estate and Professional Licensing when real estate salesperson no longer associated with broker	R		A						4735.13

Table 1: Notification changes									
A=Added by bill as new form of communications; C=Current law unchanged by the bill; R=Removed by bill									
Type of notice	Mail	Commercial/ common carrier	Email/ electronic	Fax	Newspaper	Telephone	Telegraph	In-person	R.C. citation
Department of Education									
State Board of Education – Record and attestation of meetings			A					C	3301.05
Department of Education – Report regarding the implementation and effectiveness of the program under which higher-poverty public schools must offer breakfast to all enrolled students before or during the school day			A						3313.818
School districts not subject to Civil Service Law – Termination of nonteaching employee contracts ¹⁹³	C		A						3319.081

¹⁹³ Current law requires that employees whose contracts are terminated be served by certified mail; the bill adds additional mailing options.

Table 1: Notification changes									
A=Added by bill as new form of communications; C=Current law unchanged by the bill; R=Removed by bill									
Type of notice	Mail	Commercial/ common carrier	Email/ electronic	Fax	Newspaper	Telephone	Telegraph	In-person	R.C. citation
School district boards of education – Notices of nonrenewal of teachers' contracts ¹⁹⁴	C		A					C	3319.11
Superintendent of Public Instruction – Notices of failure to submit fingerprints as a requirement of licensure	C		A						3319.291
State Board of Education or Superintendent of Public Instruction – Issuance of subpoenas in investigations or hearings regarding teacher misconduct ¹⁹⁵	C		A					C	3319.311

¹⁹⁴ Current law requires that notices of nonrenewal be sent to teachers via certified mail; the bill adds additional mailing options. The bill also adds new forms of mailing options for a teacher to notify a district board of the teacher's desire for a hearing regarding nonrenewal of contract.

¹⁹⁵ Current law requires subpoenas to be issued via certified mail or by personal delivery; the bill adds additional mailing options. See also R.C. 3319.31, not in the bill.

Table 1: Notification changes									
A=Added by bill as new form of communications; C=Current law unchanged by the bill; R=Removed by bill									
Type of notice	Mail	Commercial/ common carrier	Email/ electronic	Fax	Newspaper	Telephone	Telegraph	In-person	R.C. citation
School districts and other public schools – Notices regarding truancy or other attendance issues ¹⁹⁶	C		A						3321.21
Environmental Protection Agency									
Notice of a public hearing on an application for a variance from air emission requirements for an air contaminant source ¹⁹⁷	A		A		C				3704.03

¹⁹⁶ Current law requires notices regarding student truancy or other attendance issues be sent via registered mail; the bill adds additional mailing options.

¹⁹⁷ Current law requires notice by certified mail. The bill allows either certified mail or any other type of mail accompanied by receipt. Current law also requires notification in a newspaper with general circulation in the applicable county. The bill allows either notice by newspaper publication or notice on OEPA's website.

Table 1: Notification changes

A=Added by bill as new form of communications; C=Current law unchanged by the bill; R=Removed by bill

Type of notice	Mail	Commercial/ common carrier	Email/ electronic	Fax	Newspaper	Telephone	Telegraph	In-person	R.C. citation
Notice of a public hearing on an application for a variance from solid waste facility permitting requirement ¹⁹⁸			A		C				3734.02
Notice of public hearing on application for variance from infectious waste treatment requirements ¹⁹⁹			A		C				3734.021
Department of Job and Family Services									
County department of job and family services – notice to assistance group of option for pre-sanction conference								R	5107.161

¹⁹⁸ Current law requires notification in a newspaper with general circulation in the applicable county. The bill allows either notice by newspaper publication or notice on OEPA's website.

¹⁹⁹ Current law requires notification in a newspaper with general circulation in the applicable county. The bill allows either notice by newspaper publication or notice on OEPA's website.

Table 1: Notification changes

A=Added by bill as new form of communications; C=Current law unchanged by the bill; R=Removed by bill

Type of notice	Mail	Commercial/ common carrier	Email/ electronic	Fax	Newspaper	Telephone	Telegraph	In-person	R.C. citation
Office of Child Support – acknowledgment of paternity	C							R	3111.23
Department of Medicaid (ODM)									
ODM – exception review of nursing facility quarterly resident assessment data								R	5165.193
ODM, Department of Health, and nursing facilities – written notice regarding nursing facility certification and survey orders	C							C	5165.86 ²⁰⁰

²⁰⁰ The bill expands this current authority by also permitting the notice to be provided by other means reasonably calculated to provide prompt actual notice.

Table 1: Notification changes									
A=Added by bill as new form of communications; C=Current law unchanged by the bill; R=Removed by bill									
Type of notice	Mail	Commercial/ common carrier	Email/ electronic	Fax	Newspaper	Telephone	Telegraph	In-person	R.C. citation
Home care attendants – health and welfare meetings with consumers			A			A		C	5166.303 ²⁰¹
ODM – notice to hospital of preliminary amount of Hospital Care Assurance Program assessment	R								5168.08
ODM – notice to hospital of preliminary amount of hospital assessment	R								5168.22 and 5168.23
Department of Natural Resources – Division of Oil and Gas Resources Management									
Copy of drilling permit application to local government	C		C	R					1509.06

²⁰¹ The in-person meeting requirement may be satisfied by telephone or other electronic means, if permitted by ODM rules.

Table 1: Notification changes									
A=Added by bill as new form of communications; C=Current law unchanged by the bill; R=Removed by bill									
Type of notice	Mail	Commercial/ common carrier	Email/ electronic	Fax	Newspaper	Telephone	Telegraph	In-person	R.C. citation
Notice of order regarding adjudication, determination, or finding ²⁰²	C		A						1571.10 and 1571.14
Hearing officer Notice of order affirming or vacating adjudication, determination, or finding ²⁰³	C		A						1571.14 and 1571.15
Notice of hearing of complaint regarding underground storage of gas ²⁰⁴	C		A						1571.16

²⁰² R.C. 1571.10 provides for certified mail or electronic notice, rather than registered mail as under current law.

²⁰³ R.C. 1571.14 and 1571.15 provide for certified mail or electronic notice, rather than registered mail as under current law.

²⁰⁴ R.C. 1571.16 provides for certified mail or electronic notice, rather than registered mail as under current law.

Table 1: Notification changes

A=Added by bill as new form of communications; C=Current law unchanged by the bill; R=Removed by bill

Type of notice	Mail	Commercial/ common carrier	Email/ electronic	Fax	Newspaper	Telephone	Telegraph	In-person	R.C. citation
Department of Natural Resources – Division of Mineral Resources Management									
Notices related to coal mining reclamation services ²⁰⁵	C		A						1513.08
Notice of death by accident in any mine			A			C	R		1565.12
Department of Natural Resources – other notifications									
Reservoir operator that plugs or reconditions a coal mine in a specific time – Notice that plugging or reconditioning will be delayed ²⁰⁶	C		A						1571.05

²⁰⁵ R.C. 1513.08 provides for certified mail or electronic notice with acknowledgment of receipt.

²⁰⁶ R.C. 1571.05 provides for certified mail or electronic notice, rather than registered mail as under current law.

Table 1: Notification changes									
A=Added by bill as new form of communications; C=Current law unchanged by the bill; R=Removed by bill									
Type of notice	Mail	Commercial/ common carrier	Email/ electronic	Fax	Newspaper	Telephone	Telegraph	In-person	R.C. citation
Gas storage well inspector – Notice of use of alternative method or material regarding underground storage of gas ²⁰⁷	C		A						1571.08(A)
Gas storage well inspector – Notice of objection regarding resolution of underground storage of gas issue ²⁰⁸	C		A						1571.08(B)

²⁰⁷ R.C. 1571.08(A) provides for certified mail or electronic notice, rather than registered mail as under current law.

²⁰⁸ R.C. 1571.08(B) provides for certified mail or electronic notice, rather than registered mail as under current law.

Table 1: Notification changes

A=Added by bill as new form of communications; C=Current law unchanged by the bill; R=Removed by bill

Type of notice	Mail	Commercial/ common carrier	Email/ electronic	Fax	Newspaper	Telephone	Telegraph	In-person	R.C. citation
Public Utilities Commission of Ohio									
Underground Technical Committee – Copy of meeting-related documents for committee members before meeting	C		C	R					3781.342(C)
Department of Rehabilitation and Correction									
Notice regarding escaped prisoners	C		A	C					5120.14
Written notice, request, and certificate for a prisoner's request for final disposition of a pending untried indictment, information, or complaint against the prisoner	C		A	A					2941.401

Table 1: Notification changes

A=Added by bill as new form of communications; C=Current law unchanged by the bill; R=Removed by bill

Type of notice	Mail	Commercial/ common carrier	Email/ electronic	Fax	Newspaper	Telephone	Telegraph	In-person	R.C. citation
Bureau of Workers' Compensation									
Workers' compensation information a professional employer organization must provide to a client employer after receiving a written request from the client employer	C		A					C	4125.03
Consultation between Administrator of Workers' Compensation and designee that must occur before the designee issues certain orders under the Public Employment Risk Reduction Program						R		R	4167.10
Local government									
Municipal corporations – Notice regarding escaped prisoners	C		A	C					753.19

Authority for public entities to meet via electronic means

The bill permits certain public entities to meet via electronic means, instead of in-person meetings, provided that the meetings still allow for interactive public attendance.

Table 2: Public entities authorized to meet via electronic means		
Public entity	Description	R.C. citation
Ohio Advisory Council for the Aging	Permits the council to form a quorum and take votes at meetings conducted electronically, if arrangements are made for interactive public attendance at those meetings	173.03
Internet- or computer-based community schools (e-schools) – meetings with students	Permits e-school teachers to meet with each student electronically	3314.21
School districts or other public schools – hearings for students and parents regarding notice to Registrar of Motor Vehicles for excessive unexcused student absences from school	Permits districts and schools to conduct hearings electronically	3321.13
Department of Public Safety – Registrar of Motor Vehicles	Authorizes an administrative hearing on the suspension or impoundment of a driver's license or license plates for a failure to provide proof of motor vehicle insurance to be held remotely	4509.101
County, township, or municipal corporation	Before creating a tax increment financing district (TIF), community reinvestment area (CRA), enterprise zone, or similar tax-exempt district, a political subdivision must send notice to each school district located within the proposed district or area. The school district may request a meeting with the political subdivision to discuss the terms of the agreement ²⁰⁹	5709.83

²⁰⁹ There is no requirement under continuing law that these meetings allow public attendance or participation.

Electronic submission to receive certain public services

The bill permits or requires public entities to establish electronic means of submission for such services as licensure, approvals, and other services. The table below provides an overview of these changes.

Table 3: Services permitting or requiring electronic submission		
Public entity	Description	R.C. citation
Department of Natural Resources – Division of Oil and Gas Resources Management	May require electronic submission of various documents; permits the Division Chief to establish a procedure to exempt a participant from electronic submission	1509.031
School district boards of education – notice of surplus property for donation	Removes the requirement that district boards publish, in a “newspaper of general circulation,” notice of intent to donate property that is not needed, obsolete, or unfit for the district’s use with a value of less than \$2,500; but maintains requirement of continual posting of such notice in the district board’s office Permits a nonprofit organization to submit electronically its written notice to a district board of its desire to obtain donated district property	3313.41(G)
Department of Education – Jon Peterson Special Needs Scholarship provider information to applicants	Permits an alternative public or registered private provider of special education services to submit the profile of the provider’s program to applicants by electronic means	3310.521
Board of county commissioners of a county solid waste management district and the board of directors of a joint solid waste management district	Allows a board to submit a report of fees and accounts to OEPA in any manner prescribed by the Director, rather than by computer disk only, as in current law	3734.575
Every court of record	When a person forfeits bail for a traffic or equipment offense, requires a county court judge, mayor of a mayor’s court, or clerk to submit to the Bureau of Motor Vehicles, in a secure electronic format, an abstract of the court record (current law does not specify the method of submission)	4510.03

References to stenographic records

The bill modifies or removes references to public entities creating or retaining stenographic records of certain proceedings. The table below summarizes these changes.

Table 4: Stenographic recordkeeping requirements		
Public entity	Description	R.C. citation
Department of Commerce – Division of Financial Institutions	Provides that a “stenographic record” includes the use of an audio electronic recording device in administrative hearings conducted by the Division	1121.38
Department of Commerce – Board of Building Standards	Removes the requirement that the Department of Commerce must assign stenographers to the Board of Building Standards to aid in their duties	3781.08
Department of Natural Resources – Division of Mineral Resources Management	Removes option to retain a stenographic record of certain proceedings	1513.071 and 1513.16
State Board of Education	Removes the requirement that public meetings of the State Board be recorded “in a book provided for that purpose”	3301.05
School district board of education	Removes the requirement that district boards provide for a “complete stenographic record” of hearings regarding teacher contract termination	3319.16
OEPA – hearing on application for variance from solid waste facility requirements	Authorizes the OEPA Director to make either a complete stenographic record or electronic record of testimony and other evidence submitted at the hearing (rather than a stenographic record only, as in current law)	3734.02
OEPA – hearing on application for variance from infectious waste treatment requirements	Authorizes the OEPA Director to make either a complete stenographic record or electronic record of testimony and other evidence submitted at the hearing (rather than a stenographic record only, as in current law)	3734.021
OEPA – public meeting on variance from Voluntary Action Program requirements	Authorizes a stenographic record or electronic record of proceedings (rather than stenographic only, as in current law)	3746.09
BWC	Removes a requirement that all testimony recorded during a BWC proceeding be taken down by a BWC-appointed stenographer	4121.19

Table 4: Stenographic recordkeeping requirements

Public entity	Description	R.C. citation
BWC	Removes a requirement that BWC pay for stenographic depositions when a claim is appealed to a court but retains the requirement that the BWC pay for the depositions filed	4123.512

MISCELLANEOUS

Additional PERS service credit purchase

- Allows a Public Employees Retirement System (PERS) member appointed by the Speaker of the House or Senate President to serve full-time as a member of a board, commission, or other public body to purchase additional PERS service credit for the appointment period.

Public improvement projects

- Increases, from 10% to 20% the allowable difference between a public improvement project's estimate and the project's contract price.
- Prohibits subdividing projects or purchases to avoid competitive bidding requirements.

OWDA member salary increase

- Increases, from \$5,000 to \$7,500, the annual salary of the five members of the Ohio Water Development Authority who are appointed by the Governor.

Month of the Military Child

- Designates April as the Month of the Military Child.

Additional PERS service credit purchase

(R.C. 145.201)

Under the bill, a Public Employees Retirement System (PERS) member appointed by the Speaker of the House or Senate President to serve full time as a member of a board, commission, or other public body may, before retirement, purchase additional PERS service credit for the appointment period in an amount up to 35% of the credit allowed for that period. Continuing law allows a PERS member who is an elective official or is appointed by the Governor with the advice and consent of the Senate to serve as a full-time member of a board, commission, or other public body to purchase the additional service credit for the period as an elective or appointed official.

Continuing law allows the PERS Board to determine by rule who is full time for the purpose of determining eligibility for a purchase of additional service credit. Under those rules, a member of a board, commission, or other public body must earn a salary of at least \$1,000 per month to be considered full time.²¹⁰ Of the boards and commissions that have Speaker- or President-appointed members who are not legislators and participate in PERS, it appears that only the members of the Transportation Review Advisory Council appointed by the Speaker or

²¹⁰ O.A.C. 145-2-07.

President could earn enough salary in a month to be considered full time and eligible to purchase additional PERS service credit under this provision.²¹¹

Public improvement projects

(R.C. 153.12)

Currently, the contract price of a public improvement project may exceed the estimate by only 10%; the bill increases this to 20%. The bill also imposes a blanket prohibition – applicable to all public entities subject to a competitive bidding threshold under state law – against subdividing a purchase, lease, project, or other expenditure into components or separate parts in an effort to avoid the competitive bidding requirement.

OWDA member salary increase

(R.C. 6121.02)

The bill increases, from \$5,000 to \$7,500, the annual salary of the five members of the Ohio Water Development Authority (OWDA) who are appointed by the Governor. Under continuing law, each appointed member of the OWDA receives the annual salary in monthly installments and is entitled to health care benefits comparable to those generally available to state officers and employees.

Month of the Military Child

(R.C. 5.55)

The bill designates April as the Month of the Military Child.

²¹¹ R.C. 5512.08, not in the bill.

NOTES

Effective dates

(Sections 812.10 to 812.30)

Article II, Section 1d of the Ohio Constitution states that “appropriations for the current expenses of state government and state institutions” and “[l]aws providing for tax levies” go into immediate effect and are not subject to the referendum. The bill includes a default provision stating that, except as otherwise specifically provided, the amendment, enactment, or repeal of a section is subject to the referendum and takes effect on the 91st day after the act is filed with the Secretary of State (barring the filing of a referendum petition). The bill also includes exceptions to the default provision, some of which provide that specified provisions are not subject to the referendum and go into immediate effect.

Expiration

(Section 809.10)

The bill includes an expiration clause stating that an item that composes the whole or part of an uncodified section contained in the bill (other than an amending, enacting, or repealing clause) has no effect after June 30, 2025, unless its context clearly indicates otherwise.

HISTORY

Action	Date
Introduced	02-15-23
Reported, H. Finance	04-26-23
Passed House (78-19)	04-26-23