

**JOURNALS OF THE SENATE AND HOUSE OF REPRESENTATIVES**

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**OHIO**

**SENATE**

**JOURNAL**

WEDNESDAY, NOVEMBER 29, 2017

ONE HUNDRED NINETEENTH DAY  
Senate Chamber, Columbus, Ohio  
**Wednesday, November 29, 2017, 1:30 p.m.**

The Senate met pursuant to adjournment.

Prayer was offered by Pastor Robert Kurtz, Mansfield Baptist Temple in Mansfield, Ohio, followed by the Pledge of Allegiance to the Flag.

The journal of the last legislative day was read and approved.

The following guests were recognized by the Senate prior to the commencement of business:

Senator Yuko recognized the Notre Dame College men's rugby team as the 2017 D1AA Collegiate National Champion.

Senator Obhof recognized Jason Mauk for outstanding service to the State of Ohio.

Senator Obhof requested a moment of silence in memory of former Senate President Bill Harris.

**REPORTS OF REFERENCE AND BILLS FOR SECOND  
CONSIDERATION**

Senator Obhof reports for the Standing Committee on Rules and Reference, recommending that the following bills, standing in order for second consideration, be referred to committee as recommended:

**Am. H. B. No. 137** -Representative Kent, et al.

To amend section 2151.421 of the Revised Code to make peace officers mandatory reporters of child abuse or neglect and to expand the types of peace officers authorized to receive reports of child abuse and neglect.

To the Committee on Government Oversight and Reform.

**S. B. No. 220** -Senators Hackett, Bacon

To enact sections 1354.01, 1354.02, 1354.03, 1354.04, and 1354.05 of the Revised Code to provide a legal safe harbor to covered entities that implement a specified cybersecurity program.

To the Committee on Government Oversight and Reform.

**S. B. No. 228** -Senator Eklund, et al.

To amend section 3734.57 of the Revised Code to increase one of the state fees levied on the transfer or disposal of solid waste in Ohio, the proceeds of which are deposited into the Soil and Water Conservation District Assistance Fund, and to make an appropriation.

To the Committee on Energy and Natural Resources.

**S. B. No. 229** -Senator Eklund, et al.

To amend sections 119.03, 149.43, 149.45, 2907.02, 2907.05, 2925.01, 2925.11, 3313.752, 3345.41, 3707.50, 3719.01, 3719.09, 3719.40, 3719.43, 3719.44, 3796.01, 4729.01, 4729.28, 4729.43, 4729.46, 4729.52, 4729.54, 4729.553, and 4731.97, to enact new sections 3719.41 and section 3719.45, and to repeal section 3719.41 of the Revised Code to modify laws pertaining to the State Board of Pharmacy and the regulation of controlled substances.

To the Committee on Health, Human Services and Medicaid.

**S. B. No. 233** -Senator Thomas, et al.

To amend section 3715.01 of the Revised Code to allow a cottage food production operator to use a firebrick oven located on a patio at the operator's residence for purposes of the cottage food production operation.

To the Committee on Health, Human Services and Medicaid.

**S. B. No. 234** -Senator LaRose, et al.

To amend sections 5321.01 and 5321.13 of the Revised Code regarding a tenant of subsidized rental premises owning, using, or possessing a firearm, a firearm component, or ammunition within the tenant's residential dwelling unit.

To the Committee on Government Oversight and Reform.

YES - 12: EDNA BROWN, DAVE BURKE, WILLIAM P. COLEY, II,  
JOHN EKLUND, RANDY GARDNER, MATT HUFFMAN,  
GAYLE MANNING, LARRY OBHOF, SCOTT  
OELSLAGER, BOB PETERSON, CECIL THOMAS,  
KENNY YUKO

NO - 0.

The question being, "Shall the report of the committee be accepted?"

The report of the committee was accepted.

Said bills were considered a second time and referred to committee as recommended.

## REPORTS OF STANDING AND SELECT COMMITTEES

Senator Bacon submitted the following report:

The standing committee on Judiciary, to which was referred **Am. H. B. No. 223**-Representative Dever, et al., having had the same under consideration, reports it back with the following amendments and recommends its passage when so amended.

Co-Sponsors: Coley, Eklund, Bacon.

YES - 10: MICHAEL J. SKINDELL, SEAN O'BRIEN, CECIL THOMAS, WILLIAM P. COLEY, II, JOHN EKLUND, MATT HUFFMAN, PEGGY LEHNER, SCOTT OELSLAGER, KEVIN BACON, MATT DOLAN

NO - 0.

In line 1 of the title, after "sections" insert "2109.41,"

In line 5 of the title, after "rights" insert "and relative to the placement of fiduciary funds in interest on lawyer's trust accounts"

In line 6, after "sections" insert "2109.41,"

After line 8, insert:

**"Sec. 2109.41. (A)** Immediately after appointment and throughout the administration of a trust, but subject to section 2109.372 of the Revised Code and except as provided in division (C) of this section, every fiduciary, pending payment of current obligations of the fiduciary's trust, distribution, or investment pursuant to law, shall deposit all funds received by the fiduciary in the fiduciary's name as such fiduciary in one or more depositories. Each depository shall be a bank, savings bank, savings and loan association, or credit union located in this state. A corporate fiduciary, authorized to receive deposits of fiduciaries, may be the depository of funds held by it as fiduciary. All deposits made pursuant to division (A) of this section shall be in such class of account as will be most advantageous to the trust, and each depository shall pay interest at the highest rate customarily paid to its patrons on deposits in accounts of the same class.

**(B)** The placing of funds in such depositories under the joint control of the fiduciary and a surety on the bond of the fiduciary shall not increase

the liability of the fiduciary.

(C) A fiduciary may transfer funds received by the fiduciary in the fiduciary's name as such fiduciary to the fiduciary's attorney for deposit in an interest on lawyer's trust account maintained by the attorney if both of the following conditions are satisfied:

(1) The attorney, in consultation with the fiduciary, has determined that the funds are nominal in amount and will be held in the interest on lawyer's trust account for a short period of time.

(2) The probate court, upon petition by the fiduciary, has approved the deposit."

In line 453, after "sections" insert "2109.41,"

In line 1 of the title, after "sections" insert "2109.41,"

In line 5 of the title, after "rights" insert "and relative to the placement of fiduciary funds in interest on lawyer's trust accounts"

In line 6, after "sections" insert "2109.41,"

After line 8, insert:

**"Sec. 2109.41. (A)** Immediately after appointment and throughout the administration of a trust, but subject to section 2109.372 of the Revised Code and except as provided in division (C) of this section, every fiduciary, pending payment of current obligations of the fiduciary's trust, distribution, or investment pursuant to law, shall deposit all funds received by the fiduciary in the fiduciary's name as such fiduciary in one or more depositories. Each depository shall be a bank, savings bank, savings and loan association, or credit union located in this state. A corporate fiduciary, authorized to receive deposits of fiduciaries, may be the depository of funds held by it as fiduciary. All deposits made pursuant to division (A) of this section shall be in such class of account as will be most advantageous to the trust, and each depository shall pay interest at the highest rate customarily paid to its patrons on deposits in accounts of the same class.

**(B)** The placing of funds in such depositories under the joint control of the fiduciary and a surety on the bond of the fiduciary shall not increase the liability of the fiduciary.

(C) A fiduciary may transfer funds received by the fiduciary in the fiduciary's name as such fiduciary to the fiduciary's attorney for deposit in an interest on lawyer's trust account maintained by the attorney if both of the following conditions are satisfied:

(1) The attorney, in consultation with the fiduciary, has determined that the funds are nominal in amount and will be held in the interest on

lawyer's trust account for a short period of time.

(2) The probate court, upon petition by the fiduciary, has approved the deposit."

In line 453, after "sections" insert "2109.41,"

Senator Bacon submitted the following report:

The standing committee on Judiciary, to which was referred **S. B. No. 125-** Senator Beagle, et al., having had the same under consideration, reports back a substitute bill and recommends its passage.

YES - 7: SCOTT OELSLAGER, PEGGY LEHNER, MATT HUFFMAN, JOHN EKLUND, WILLIAM P. COLEY, II, MATT DOLAN, KEVIN BACON

NO - 3: CECIL THOMAS, SEAN O'BRIEN, MICHAEL J. SKINDELL

Senator Oelslager submitted the following report:

The standing committee on Finance, to which was referred **Sub. H. B. No. 132-** Representatives Dever, McColley, et al., having had the same under consideration, reports back a substitute bill and recommends its passage.

YES - 11: DAVE BURKE, PEGGY LEHNER, TROY BALDERSON, GAYLE MANNING, SCOTT OELSLAGER, JOHN EKLUND, MICHAEL J. SKINDELL, CHARLETA B. TAVARES, VERNON SYKES, KEVIN BACON, BILL BEAGLE

NO - 1: WILLIAM P. COLEY, II

The question being, "Shall the reports of the committee be accepted?"

The reports of the committee were accepted.

Senator Obhof submitted the following report:

The Standing Committee on Rules and Reference to which were referred the appointments by the Governor of:

**Stephen D. Anthony**, from Cleveland, Cuyahoga County, Ohio, as a Member of the Ohio Peace Officer Training Commission for a new term beginning September 25, 2017 and ending at the close of business September 20, 2020,

replacing Stephen D. Anthony, whose term expired.

**Todd M. Audet, P.E.**, from Sylvania, Lucas County, Ohio, as a Member of the Transportation Review Advisory Council for a term beginning July 21, 2017 and ending at the close of business June 29, 2022, replacing Brian A. Davis, whose term expired.

**Amy E. Barker**, from Centerville, Montgomery County, Ohio, as a Member of the Sinclair Community College Board of Trustees for a new term beginning October 16, 2017 and ending at the close of business October 12, 2022, replacing Amy E. Barker, whose term expired.

**Mike Brooks**, from Nelsonville, Athens County, Ohio, as a Member of the Hocking Technical College Board of Trustees for a new term beginning September 22, 2017 and ending at the close of business August 26, 2020, replacing Mike Brooks, whose term expired.

**Corrine Burger**, from Dublin, Delaware County, Ohio, as a Member of the Columbus State Community College Board of Trustees for a term beginning October 2, 2017 and ending at the close of business August 31, 2023, replacing Valoria C. Hoover, whose term expired.

**Diane B. Carnes**, Republican, from Chillicothe, Ross County, Ohio, as a Member of the Ohio Real Estate Commission for a new term beginning July 1, 2017 and ending at the close of business June 30, 2022, replacing Diane B. Carnes, whose term expired.

**Lilia Judith Perez-Chavolla, Ph.D.**, from Hilliard, Franklin County, Ohio, as a Member of the Public Benefits Advisory Board for a new term beginning July 14, 2017 and ending at the close of business June 30, 2020, replacing Lilia Judith Perez-Chavolla, Ph.D., whose term expired.

**Marcella Boyd Cox**, from East Cleveland, Cuyahoga County, Ohio, as a Member of the Board of Embalmers and Funeral Directors for a new term beginning October 2, 2017 and ending at the close of business June 30, 2019, replacing Bryan E. Chandler, who resigned.

**George Dixon, III**, Democrat, from Cleveland, Cuyahoga County, Ohio, as a Member of the Ohio Turnpike and Infrastructure Commission for a new term beginning July 5, 2017 and ending at the close of business June 30, 2022, replacing George Dixon, III, whose term expired.

**Pandora A. Shaw Dupras**, from Chillicothe, Ross County, Ohio, as a Member of the Ohio Commission on Service and Volunteerism for a term beginning September 27, 2017 and ending at the close of business April 21, 2020, replacing Pandora A. Shaw Dupras, whose term expired.

**Daniel Charles Fischer**, from Logan, Hocking County, Ohio, as a Member of the Hocking Technical College Board of Trustees for a term beginning October 6, 2017 and ending at the close of business August 26, 2020, replacing Michael Budzik, whose term expired.

**Aravind Immaneni**, from Cincinnati, Hamilton County, Ohio, as a Member of the Third Frontier Commission for a term beginning September 12, 2017 and ending at the close of business September 28, 2018.

**Richard Anthony Joseph**, from Bexley, Franklin County, Ohio, as a Member of the Columbus State Community College Board of Trustees for a term beginning October 2, 2017 and ending at the close of business August 31, 2023, replacing Jami S. Dewolf, whose term expired.

**Leonard A. Komoroski**, from Chagrin Falls, Cuyahoga County, Ohio, as a Member of the Cleveland State University Board of Trustees for a term beginning October 3, 2017 and ending at the close of business May 1, 2026, replacing Morton Q. Levin, whose term expired.

**Robert K. Larrimer**, from Upper Arlington, Franklin County, Ohio, as a Member of the Ohio Architects Board for a term beginning August 28, 2017 and ending at the close of business October 2, 2021, replacing Richard L. Bowen, whose term expired.

**Robert Alan Montagnese**, from Pataskala, Licking County, Ohio, as a Member of the Central Ohio Technical College Board of Trustees for a new term beginning October 10, 2017 and ending at the close of business September 30, 2020, replacing Robert Alan Montagnese, whose term expired.

**Emily J. Passias, Ph.D.**, from Dublin, Franklin County, Ohio, as a Member of the Ohio Peace Officer Training Commission for a new term beginning September 25, 2017 and ending at the close of business September 20, 2020, replacing Emily J. Passias, Ph.D, whose term expired.

**Todd L. Poole**, Democrat, from Powell, Delaware County, Ohio, as a Member of the State Fire Council for a term beginning July 26, 2017 and ending at the close of business November 1, 2019, replacing Jerald A. Mulik, whose term expired.

**David Regula**, from Navarre, Stark County, Ohio, as a Member of the Transportation Review Advisory Council for a new term beginning July 21, 2017 and ending at the close of business June 29, 2022, replacing David Regula, whose term expired.

**Matthew Laird Rubin**, from Toledo, Lucas County, Ohio, as a Member of the Ohio Commission on Service and Volunteerism for a new term beginning September 26, 2017 and ending at the close of business April 21, 2020, replacing Matthew Laird Rubin, whose term expired.

**Richard Sadlier**, from Dayton, Montgomery County, Ohio, as a Member of the Sinclair Community College Board of Trustees for a new term beginning October 13, 2017 and ending at the close of business October 12, 2022, replacing Richard Sadlier, whose term expired.

**Stephen A. Schumaker**, from Springfield, Clark County, Ohio, as a Member of the Ohio Peace Officer Training Commission for a new term beginning



September 25, 2017 and ending at the close of business September 20, 2020, replacing Stephen A. Schumaker, whose term expired.

**Sarah Beth Spence**, from Columbus, Franklin County, Ohio, as a Member of the Public Benefits Advisory Board for a term beginning August 14, 2017 and ending at the close of business June 30, 2019, replacing Nolan M. Moser, whose term expired.

**Pamela S. Steurer, BSSW, LSW**, from Lewis Center, Delaware County, Ohio, as a Member of the Ohio Commission on Service and Volunteerism for a term beginning October 3, 2017 and ending at the close of business April 21, 2020, replacing Edwina K. Brewer, whose term expired.

**Phillip L. Trueblood**, from Lima, Allen County, Ohio, as a Member of the Northeast Ohio Medical University Board of Trustees for a term beginning September 22, 2017 and ending at the close of business September 21, 2026, replacing J. David Heller, whose term expired.

**Michael R. Young**, from Belle Valley, Noble County, Ohio, as a Member of the Zane State College Board of Trustees for a new term beginning September 27, 2017 and ending at the close of business July 31, 2020, replacing Michael R. Young, whose term expired.

Having had the same under consideration, reports back the recommendation that the Senate advise and consent to said appointments.

YES – 12: EDNA BROWN, DAVE BURKE, WILLIAM P. COLEY, II, JOHN EKLUND, RANDY GARDNER, MATT HUFFMAN, GAYLE MANNING, LARRY OBHOF, SCOTT OELSLAGER, BOB PETERSON, CECIL THOMAS, KENNY YUKO

NO – 0.

The question being, "Shall the Senate advise and consent to the appointments by the Governor?"

The yeas and nays were taken and resulted – yeas 30, nays 0, as follows:

Those who voted in the affirmative were: Senators

Bacon	Balderson	Beagle	Brown
Burke	Coley	Dolan	Eklund
Gardner	Hackett	Hoagland	Hottinger
Huffman	Jordan	Kunze	LaRose
Lehner	Manning	O'Brien	Oelslager
Peterson	Schiavoni	Skindell	Sykes
Terhar	Thomas	Uecker	Wilson
Yuko			Obhof-30

So the Senate advised and consented to said appointments.

**RESOLUTIONS REPORTED BY COMMITTEE**

**S. C. R. No. 14-Senator Hoagland.**

Cosponsors: Senators Coley, Williams, LaRose.

To urge the Congress of the United States and the President of the United States to take certain actions to counter manipulation of the oil market by the Organization of Petroleum Exporting Countries (OPEC).

WHEREAS, Ohio has abundant natural resources, including energy resources, and much of our economy is directly related to these resources; and

WHEREAS, The Organization of Petroleum Exporting Countries (OPEC) has deliberately and routinely influenced the price of oil by manipulating global supply, most recently seen in 2014 when the price of oil fell as OPEC maintained high production in response to growing U.S. shale production; and

WHEREAS, As a result of this manipulation, jobs in the Ohio oil and gas sector fell 24.5% between 2014 and 2015 to 6,291. The number of oil rigs in Ohio fell 74% between January 2016 and March 2016, and the declining number is predicted by the Brookings Institution to result in 1,105 fewer short-term Ohio jobs and 6,715 fewer jobs over the long term. As a result of the declining number of oil rigs, Ohio's crude oil production fell 11.5% from June 2015 to June 2016; and

WHEREAS, Russian government-owned oil company Rosneft has made a loan of \$1.5 billion to Venezuelan government-owned oil company PDVSA. PDVSA has used Citgo as collateral for the loan. If PDVSA fails to repay the loan, Rosneft could own Citgo, a significant holder in U.S. energy resources and infrastructure in the Western Hemisphere, and undermine American energy security and national security; and

WHEREAS, The Congress of the United States has a bill pending, H.R. 545, that would create the United States Commission on the Organization of Petroleum Exporting Countries to investigate and address any practices on the part of OPEC that prevent or reduce competition in the global oil market; and now therefore be it

RESOLVED, That we, the members of the 132nd General Assembly of the State of Ohio, request the Congress of the United States to pass H.R. 545, the United States Commission on the Organization of Petroleum Exporting Countries Act, and further request President Donald Trump to sign into law that legislation; and be it further

RESOLVED, That we, the members of the 132nd General Assembly of the State of Ohio, request President Trump, if Congress does not pass H.R. 545, to take executive action to establish and appoint a one-year commission of experts to investigate OPEC and make recommendations to counter market manipulation and price volatility caused by this cartel and state-owned oil

companies, and to help protect our energy and national security; and be it further

RESOLVED, That the Clerk of the Ohio Senate transmit duly authenticated copies of this resolution to the President of the United States, the Speaker and Minority Leader of the United States House of Representatives, the Majority and Minority Leaders of the United States Senate, the members of the Ohio Congressional delegation, and the news media of Ohio.

The question being, "Shall the concurrent resolution, **S. C. R. No. 14**, be adopted?"

The yeas and nays were taken and resulted – yeas 30, nays 0, as follows:

Those who voted in the affirmative were: Senators

Bacon	Balderson	Beagle	Brown
Burke	Coley	Dolan	Eklund
Gardner	Hackett	Hoagland	Hottinger
Huffman	Jordan	Kunze	LaRose
Lehner	Manning	O'Brien	Oelslager
Peterson	Schiavoni	Skindell	Sykes
Terhar	Thomas	Uecker	Wilson
Yuko			Obhof-30

So the concurrent resolution was adopted.

The question being, "Shall the title be agreed to?"

Senator Hoagland moved to amend the title as follows:

Add the names: "Senators Bacon, Balderson, Burke, Eklund, Hackett, Huffman, Jordan, O'Brien, Terhar, Thomas, Uecker, Wilson."

The question being, "Shall the motion be agreed to?"

The motion was agreed to and the title so amended.

**S. C. R. No. 15**-Senators O'Brien, Wilson.

Cosponsors: Senators Yuko, Balderson, Beagle, LaRose, Manning, Oelslager, Skindell, Thomas, Williams.

To designate 2018 as "Ohio's Year of the Trails."

WHEREAS, Ohio has more than 3,500 miles of trail networks, the most of any state in the United States, and connecting trail segments is a powerful tool for economic and community development that should be actively facilitated; and

WHEREAS, Outdoor trails are used for a variety of activities, including walking, hiking, biking, rolling, paddling, and horseback riding, and the many miles of trails that exist throughout Ohio have allowed countless individuals to reflect on the splendor of our natural world. Without a doubt, these pathways are not only a source of pride for the communities they serve,

providing significant economic and environmental benefits, but are also an important feature in helping to improve the quality of life in our society by promoting healthy lifestyles via recreation and active transportation; and

WHEREAS, Trails bring people together, as they not only connect physical locations but also represent the bonds that create communities. By highlighting the numerous trails in our state, we also praise the innumerable people who have helped make them a reality, and their efforts celebrate the beauty of the world around us by providing accessible and functional transportation to all people, regardless of age, background, or ability; and

WHEREAS, At a time when many communities seem more concerned with urbanization than with conservation, it is fitting that we salute the individuals who have served as the caretakers of our public resources. Through their hard work and enthusiasm, the citizens of Ohio have demonstrated an unparalleled spirit of cooperation, and we applaud and support all those responsible for the success of these noteworthy trails that serve to repurpose land in valuable ways; now therefore be it

RESOLVED, That we, the members of the 132nd General Assembly of the State of Ohio, in adopting this resolution, designate the year 2018 as "Ohio's Year of the Trails" and encourage all Ohioans to take advantage of their local and regional trail networks, do their part to further enhance Ohio's trail networks, and pay tribute to everyone who has labored to maintain and enlarge these public amenities; and be it further

RESOLVED, That the Clerk of the Senate transmit duly authenticated copies of this resolution to the news media of Ohio.

The question being, "Shall the concurrent resolution, **S. C. R. No. 15**, be adopted?"

The yeas and nays were taken and resulted – yeas 30, nays 0, as follows:  
Those who voted in the affirmative were: Senators

Bacon	Balderson	Beagle	Brown
Burke	Coley	Dolan	Eklund
Gardner	Hackett	Hoagland	Hottinger
Huffman	Jordan	Kunze	LaRose
Lehner	Manning	O'Brien	Oelslager
Peterson	Schiavoni	Skindell	Sykes
Terhar	Thomas	Uecker	Wilson
Yuko			Obhof-30

So the concurrent resolution was adopted.

The question being, "Shall the title be agreed to?"

Senator O'Brien moved to amend the title as follows:

Add the names: "Senators Bacon, Brown, Burke, Coley, Dolan, Eklund, Gardner, Hackett, Hoagland, Huffman, Kunze, Lehner, Obhof, Peterson,

Schiavoni, Sykes, Terhar, Uecker."

The question being, "Shall the motion be agreed to?"

The motion was agreed to and the title so amended.

### BILLS FOR THIRD CONSIDERATION

**Sub. H. B. No. 132**-Representatives Dever, McColley.

Cosponsors: Representatives Blessing, Cera, Seitz.

To amend section 3772.03 and to enact sections 3774.01, 3774.02, 3774.03, 3774.04, 3774.05, 3774.06, 3774.07, 3774.08, and 3774.09 of the Revised Code to grant the Ohio Casino Control Commission the authority to regulate fantasy contests and to exempt fantasy contests from the gambling laws, was considered the third time.

The question being, "Shall the bill, **Sub. H. B. No. 132**, pass?"

Senator Dolan moved that he be excused from voting under Senate Rule No. 58.

The question being, "Shall the motion be agreed to?"

The motion was agreed to.

The question recurred, "Shall the bill, **Sub. H. B. No. 132**, pass?"

Senator Coley moved to amend as follows:

In line 1 of the title, delete "section" and insert "sections"; after "3772.03" insert ", 5751.01, 5751.02, 5751.03, 5157.05, 5157.051, and 5157.06"; after "sections" insert "3317.52,"

In line 6 of the title, delete "and" and insert a comma

In line 7 of the title, after "laws" insert ", and to impose a privilege tax on the net gaming receipts of fantasy contest operators"

In line 8, delete "section" and insert "sections"; after "3772.03" insert ", 5157.01, 5157.02, 5157.03, 5157.05, 5157.051, and 5157.06"; after "sections" insert "3317.52,"

After line 11, insert:

"**Sec. 3317.52.** There is hereby created in the state treasury the state education supplemental fund, which shall consist of money credited to the fund from the tax levied under section 5751.02 of the Revised Code. Revenue in the fund shall be used solely for the support of elementary, secondary, vocational, and special education programs as determined in appropriations made by the general assembly, or as provided in applicable bond proceedings for the payment of debt service on obligations issued to pay costs of capital facilities, including those for a system of common

schools throughout the state pursuant to section 2n of Article VIII, Ohio Constitution. Investment earnings of the state education supplemental fund shall be credited to the fund."

In line 407, delete "and"

In line 408, after "(9)" insert "Standards according to which fantasy contest operators shall keep accounts for purposes of the tax levied under section 5751.02 of the Revised Code, and means of assisting the tax commissioner in levying and collecting that tax; and

(10)"

After line 497, insert:

**"Sec. 5751.01.** As used in this chapter:

(A) "Person" means, but is not limited to, individuals, combinations of individuals of any form, receivers, assignees, trustees in bankruptcy, firms, companies, joint-stock companies, business trusts, estates, partnerships, limited liability partnerships, limited liability companies, associations, joint ventures, clubs, societies, for-profit corporations, S corporations, qualified subchapter S subsidiaries, qualified subchapter S trusts, trusts, entities that are disregarded for federal income tax purposes, and any other entities.

(B) "Consolidated elected taxpayer" means a group of two or more persons treated as a single taxpayer for purposes of this chapter as the result of an election made under section 5751.011 of the Revised Code.

(C) "Combined taxpayer" means a group of two or more persons treated as a single taxpayer for purposes of this chapter under section 5751.012 of the Revised Code.

(D) "Taxpayer" means any person, or any group of persons in the case of a consolidated elected taxpayer or combined taxpayer treated as one taxpayer, required to register or pay tax under this chapter. "Taxpayer" does not include excluded persons.

(E) "Excluded person" means any of the following:

(1) Any person with not more than one hundred fifty thousand dollars of taxable gross receipts during the calendar year. Division (E)(1) of this section does not apply to a person that is a member of a consolidated elected taxpayer or a person that is a fantasy contest operator;

(2) A public utility that paid the excise tax imposed by section 5727.24 or 5727.30 of the Revised Code based on one or more measurement periods that include the entire tax period under this chapter, except that a public utility that is a combined company is a taxpayer with regard to the following gross receipts:

(a) Taxable gross receipts directly attributed to a public utility activity, but not directly attributed to an activity that is subject to the excise

tax imposed by section 5727.24 or 5727.30 of the Revised Code;

(b) Taxable gross receipts that cannot be directly attributed to any activity, multiplied by a fraction whose numerator is the taxable gross receipts described in division (E)(2)(a) of this section and whose denominator is the total taxable gross receipts that can be directly attributed to any activity;

(c) Except for any differences resulting from the use of an accrual basis method of accounting for purposes of determining gross receipts under this chapter and the use of the cash basis method of accounting for purposes of determining gross receipts under section 5727.24 of the Revised Code, the gross receipts directly attributed to the activity of a natural gas company shall be determined in a manner consistent with division (D) of section 5727.03 of the Revised Code.

As used in division (E)(2) of this section, "combined company" and "public utility" have the same meanings as in section 5727.01 of the Revised Code.

(3) A financial institution, as defined in section 5726.01 of the Revised Code, that paid the tax imposed by section 5726.02 of the Revised Code based on one or more taxable years that include the entire tax period under this chapter;

(4) A person directly or indirectly owned by one or more financial institutions, as defined in section 5726.01 of the Revised Code, that paid the tax imposed by section 5726.02 of the Revised Code based on one or more taxable years that include the entire tax period under this chapter.

For the purposes of division (E)(4) of this section, a person owns another person under the following circumstances:

(a) In the case of corporations issuing capital stock, one corporation owns another corporation if it owns fifty per cent or more of the other corporation's capital stock with current voting rights;

(b) In the case of a limited liability company, one person owns the company if that person's membership interest, as defined in section 1705.01 of the Revised Code, is fifty per cent or more of the combined membership interests of all persons owning such interests in the company;

(c) In the case of a partnership, trust, or other unincorporated business organization other than a limited liability company, one person owns the organization if, under the articles of organization or other instrument governing the affairs of the organization, that person has a beneficial interest in the organization's profits, surpluses, losses, or distributions of fifty per cent or more of the combined beneficial interests of all persons having such an interest in the organization.

(5) A domestic insurance company or foreign insurance company, as

defined in section 5725.01 of the Revised Code, that paid the insurance company premiums tax imposed by section 5725.18 or Chapter 5729. of the Revised Code, or an unauthorized insurance company whose gross premiums are subject to tax under section 3905.36 of the Revised Code based on one or more measurement periods that include the entire tax period under this chapter;

(6) A person that solely facilitates or services one or more securitizations of phase-in-recovery property pursuant to a final financing order as those terms are defined in section 4928.23 of the Revised Code. For purposes of this division, "securitization" means transferring one or more assets to one or more persons and then issuing securities backed by the right to receive payment from the asset or assets so transferred.

(7) Except as otherwise provided in this division, a pre-income tax trust as defined in division (FF)(4) of section 5747.01 of the Revised Code and any pass-through entity of which such pre-income tax trust owns or controls, directly, indirectly, or constructively through related interests, more than five per cent of the ownership or equity interests. If the pre-income tax trust has made a qualifying pre-income tax trust election under division (FF) (3) of section 5747.01 of the Revised Code, then the trust and the pass-through entities of which it owns or controls, directly, indirectly, or constructively through related interests, more than five per cent of the ownership or equity interests, shall not be excluded persons for purposes of the tax imposed under section 5751.02 of the Revised Code.

(8) Nonprofit organizations or the state and its agencies, instrumentalities, or political subdivisions.

(F) Except as otherwise provided in divisions (F)(2), (3), and (4) of this section, "gross receipts" means the total amount realized by a person, without deduction for the cost of goods sold or other expenses incurred, that contributes to the production of gross income of the person, including the fair market value of any property and any services received, and any debt transferred or forgiven as consideration.

(1) The following are examples of gross receipts:

(a) Amounts realized from the sale, exchange, or other disposition of the taxpayer's property to or with another;

(b) Amounts realized from the taxpayer's performance of services for another;

(c) Amounts realized from another's use or possession of the taxpayer's property or capital;

(d) Any combination of the foregoing amounts.

(2) "Gross receipts" excludes the following amounts:



(a) Interest income except interest on credit sales;

(b) Dividends and distributions from corporations, and distributive or proportionate shares of receipts and income from a pass-through entity as defined under section 5733.04 of the Revised Code;

(c) Receipts from the sale, exchange, or other disposition of an asset described in section 1221 or 1231 of the Internal Revenue Code, without regard to the length of time the person held the asset. Notwithstanding section 1221 of the Internal Revenue Code, receipts from hedging transactions also are excluded to the extent the transactions are entered into primarily to protect a financial position, such as managing the risk of exposure to (i) foreign currency fluctuations that affect assets, liabilities, profits, losses, equity, or investments in foreign operations; (ii) interest rate fluctuations; or (iii) commodity price fluctuations. As used in division (F)(2)(c) of this section, "hedging transaction" has the same meaning as used in section 1221 of the Internal Revenue Code and also includes transactions accorded hedge accounting treatment under statement of financial accounting standards number 133 of the financial accounting standards board. For the purposes of division (F)(2)(c) of this section, the actual transfer of title of real or tangible personal property to another entity is not a hedging transaction.

(d) Proceeds received attributable to the repayment, maturity, or redemption of the principal of a loan, bond, mutual fund, certificate of deposit, or marketable instrument;

(e) The principal amount received under a repurchase agreement or on account of any transaction properly characterized as a loan to the person;

(f) Contributions received by a trust, plan, or other arrangement, any of which is described in section 501(a) of the Internal Revenue Code, or to which Title 26, Subtitle A, Chapter 1, Subchapter (D) of the Internal Revenue Code applies;

(g) Compensation, whether current or deferred, and whether in cash or in kind, received or to be received by an employee, former employee, or the employee's legal successor for services rendered to or for an employer, including reimbursements received by or for an individual for medical or education expenses, health insurance premiums, or employee expenses, or on account of a dependent care spending account, legal services plan, any cafeteria plan described in section 125 of the Internal Revenue Code, or any similar employee reimbursement;

(h) Proceeds received from the issuance of the taxpayer's own stock, options, warrants, puts, or calls, or from the sale of the taxpayer's treasury stock;

(i) Proceeds received on the account of payments from insurance policies, except those proceeds received for the loss of business revenue;

(j) Gifts or charitable contributions received; membership dues received by trade, professional, homeowners', or condominium associations; and payments received for educational courses, meetings, meals, or similar payments to a trade, professional, or other similar association; and fundraising receipts received by any person when any excess receipts are donated or used exclusively for charitable purposes;

(k) Damages received as the result of litigation in excess of amounts that, if received without litigation, would be gross receipts;

(l) Property, money, and other amounts received or acquired by an agent on behalf of another in excess of the agent's commission, fee, or other remuneration;

(m) Tax refunds, other tax benefit recoveries, and reimbursements for the tax imposed under this chapter made by entities that are part of the same combined taxpayer or consolidated elected taxpayer group, and reimbursements made by entities that are not members of a combined taxpayer or consolidated elected taxpayer group that are required to be made for economic parity among multiple owners of an entity whose tax obligation under this chapter is required to be reported and paid entirely by one owner, pursuant to the requirements of sections 5751.011 and 5751.012 of the Revised Code;

(n) Pension reversions;

(o) Contributions to capital;

(p) Sales or use taxes collected as a vendor or an out-of-state seller on behalf of the taxing jurisdiction from a consumer or other taxes the taxpayer is required by law to collect directly from a purchaser and remit to a local, state, or federal tax authority;

(q) In the case of receipts from the sale of cigarettes or tobacco products by a wholesale dealer, retail dealer, distributor, manufacturer, or seller, all as defined in section 5743.01 of the Revised Code, an amount equal to the federal and state excise taxes paid by any person on or for such cigarettes or tobacco products under subtitle E of the Internal Revenue Code or Chapter 5743. of the Revised Code;

(r) In the case of receipts from the sale, transfer, exchange, or other disposition of motor fuel as "motor fuel" is defined in section 5736.01 of the Revised Code, an amount equal to the value of the motor fuel, including federal and state motor fuel excise taxes and receipts from billing or invoicing the tax imposed under section 5736.02 of the Revised Code to another person;

(s) In the case of receipts from the sale of beer or intoxicating liquor, as defined in section 4301.01 of the Revised Code, by a person holding a permit issued under Chapter 4301. or 4303. of the Revised Code, an amount

equal to federal and state excise taxes paid by any person on or for such beer or intoxicating liquor under subtitle E of the Internal Revenue Code or Chapter 4301. or 4305. of the Revised Code;

(t) Receipts realized by a new motor vehicle dealer or used motor vehicle dealer, as defined in section 4517.01 of the Revised Code, from the sale or other transfer of a motor vehicle, as defined in that section, to another motor vehicle dealer for the purpose of resale by the transferee motor vehicle dealer, but only if the sale or other transfer was based upon the transferee's need to meet a specific customer's preference for a motor vehicle;

(u) Receipts from a financial institution described in division (E)(3) of this section for services provided to the financial institution in connection with the issuance, processing, servicing, and management of loans or credit accounts, if such financial institution and the recipient of such receipts have at least fifty per cent of their ownership interests owned or controlled, directly or constructively through related interests, by common owners;

(v) Receipts realized from administering anti-neoplastic drugs and other cancer chemotherapy, biologicals, therapeutic agents, and supportive drugs in a physician's office to patients with cancer;

(w) Funds received or used by a mortgage broker that is not a dealer in intangibles, other than fees or other consideration, pursuant to a table-funding mortgage loan or warehouse-lending mortgage loan. Terms used in division (F)(2)(w) of this section have the same meanings as in section 1322.01 of the Revised Code, except "mortgage broker" means a person assisting a buyer in obtaining a mortgage loan for a fee or other consideration paid by the buyer or a lender, or a person engaged in table-funding or warehouse-lending mortgage loans that are first lien mortgage loans.

(x) Property, money, and other amounts received by a professional employer organization, as defined in section 4125.01 of the Revised Code, from a client employer, as defined in that section, in excess of the administrative fee charged by the professional employer organization to the client employer;

(y) In the case of amounts retained as commissions by a permit holder under Chapter 3769. of the Revised Code, an amount equal to the amounts specified under that chapter that must be paid to or collected by the tax commissioner as a tax and the amounts specified under that chapter to be used as purse money;

(z) Qualifying distribution center receipts.

(i) For purposes of division (F)(2)(z) of this section:

(I) "Qualifying distribution center receipts" means receipts of a supplier from qualified property that is delivered to a qualified distribution center, multiplied by a quantity that equals one minus the Ohio delivery

percentage. If the qualified distribution center is a refining facility, "supplier" includes all dealers, brokers, processors, sellers, vendors, cosigners, and distributors of qualified property.

(II) "Qualified property" means tangible personal property delivered to a qualified distribution center that is shipped to that qualified distribution center solely for further shipping by the qualified distribution center to another location in this state or elsewhere or, in the case of gold, silver, platinum, or palladium delivered to a refining facility solely for refining to a grade and fineness acceptable for delivery to a registered commodities exchange. "Further shipping" includes storing and repackaging property into smaller or larger bundles, so long as the property is not subject to further manufacturing or processing. "Refining" is limited to extracting impurities from gold, silver, platinum, or palladium through smelting or some other process at a refining facility.

(III) "Qualified distribution center" means a warehouse, a facility similar to a warehouse, or a refining facility in this state that, for the qualifying year, is operated by a person that is not part of a combined taxpayer group and that has a qualifying certificate. All warehouses or facilities similar to warehouses that are operated by persons in the same taxpayer group and that are located within one mile of each other shall be treated as one qualified distribution center. All refining facilities that are operated by persons in the same taxpayer group and that are located in the same or adjacent counties may be treated as one qualified distribution center.

(IV) "Qualifying year" means the calendar year to which the qualifying certificate applies.

(V) "Qualifying period" means the period of the first day of July of the second year preceding the qualifying year through the thirtieth day of June of the year preceding the qualifying year.

(VI) "Qualifying certificate" means the certificate issued by the tax commissioner after the operator of a distribution center files an annual application with the commissioner. The application and annual fee shall be filed and paid for each qualified distribution center on or before the first day of September before the qualifying year or within forty-five days after the distribution center opens, whichever is later.

The applicant must substantiate to the commissioner's satisfaction that, for the qualifying period, all persons operating the distribution center have more than fifty per cent of the cost of the qualified property shipped to a location such that it would be situated outside this state under the provisions of division (E) of section 5751.033 of the Revised Code. The applicant must also substantiate that the distribution center cumulatively had costs from its suppliers equal to or exceeding five hundred million dollars during the qualifying period. (For purposes of division (F)(2)(z)(i)(VI) of this section,

"supplier" excludes any person that is part of the consolidated elected taxpayer group, if applicable, of the operator of the qualified distribution center.) The commissioner may require the applicant to have an independent certified public accountant certify that the calculation of the minimum thresholds required for a qualified distribution center by the operator of a distribution center has been made in accordance with generally accepted accounting principles. The commissioner shall issue or deny the issuance of a certificate within sixty days after the receipt of the application. A denial is subject to appeal under section 5717.02 of the Revised Code. If the operator files a timely appeal under section 5717.02 of the Revised Code, the operator shall be granted a qualifying certificate effective for the remainder of the qualifying year or until the appeal is finalized, whichever is earlier. If the operator does not prevail in the appeal, the operator shall pay the ineligible operator's supplier tax liability.

(VII) "Ohio delivery percentage" means the proportion of the total property delivered to a destination inside Ohio from the qualified distribution center during the qualifying period compared with total deliveries from such distribution center everywhere during the qualifying period.

(VIII) "Refining facility" means one or more buildings located in a county in the Appalachian region of this state as defined by section 107.21 of the Revised Code and utilized for refining or smelting gold, silver, platinum, or palladium to a grade and fineness acceptable for delivery to a registered commodities exchange.

(IX) "Registered commodities exchange" means a board of trade, such as New York mercantile exchange, inc. or commodity exchange, inc., designated as a contract market by the commodity futures trading commission under the "Commodity Exchange Act," 7 U.S.C. 1 et seq., as amended.

(X) "Ineligible operator's supplier tax liability" means an amount equal to the tax liability of all suppliers of a distribution center had the distribution center not been issued a qualifying certificate for the qualifying year. Ineligible operator's supplier tax liability shall not include interest or penalties. The tax commissioner shall determine an ineligible operator's supplier tax liability based on information that the commissioner may request from the operator of the distribution center. An operator shall provide a list of all suppliers of the distribution center and the corresponding costs of qualified property for the qualifying year at issue within sixty days of a request by the commissioner under this division.

(ii)(I) If the distribution center is new and was not open for the entire qualifying period, the operator of the distribution center may request that the commissioner grant a qualifying certificate. If the certificate is granted and it is later determined that more than fifty per cent of the qualified property

during that year was not shipped to a location such that it would be situated outside of this state under the provisions of division (E) of section 5751.033 of the Revised Code or if it is later determined that the person that operates the distribution center had average monthly costs from its suppliers of less than forty million dollars during that year, then the operator of the distribution center shall pay the ineligible operator's supplier tax liability. (For purposes of division (F)(2)(z)(ii) of this section, "supplier" excludes any person that is part of the consolidated elected taxpayer group, if applicable, of the operator of the qualified distribution center.)

(II) The commissioner may grant a qualifying certificate to a distribution center that does not qualify as a qualified distribution center for an entire qualifying period if the operator of the distribution center demonstrates that the business operations of the distribution center have changed or will change such that the distribution center will qualify as a qualified distribution center within thirty-six months after the date the operator first applies for a certificate. If, at the end of that thirty-six-month period, the business operations of the distribution center have not changed such that the distribution center qualifies as a qualified distribution center, the operator of the distribution center shall pay the ineligible operator's supplier tax liability for each year that the distribution center received a certificate but did not qualify as a qualified distribution center. For each year the distribution center receives a certificate under division (F)(2)(z)(ii)(II) of this section, the distribution center shall pay all applicable fees required under division (F)(2)(z) of this section and shall submit an updated business plan showing the progress the distribution center made toward qualifying as a qualified distribution center during the preceding year.

(III) An operator may appeal a determination under division (F)(2)(z)(ii)(I) or (II) of this section that the ineligible operator is liable for the operator's supplier tax liability as a result of not qualifying as a qualified distribution center, as provided in section 5717.02 of the Revised Code.

(iii) When filing an application for a qualifying certificate under division (F)(2)(z)(i)(VI) of this section, the operator of a qualified distribution center also shall provide documentation, as the commissioner requires, for the commissioner to ascertain the Ohio delivery percentage. The commissioner, upon issuing the qualifying certificate, also shall certify the Ohio delivery percentage. The operator of the qualified distribution center may appeal the commissioner's certification of the Ohio delivery percentage in the same manner as an appeal is taken from the denial of a qualifying certificate under division (F)(2)(z)(i)(VI) of this section.

(iv)(I) In the case where the distribution center is new and not open for the entire qualifying period, the operator shall make a good faith estimate of an Ohio delivery percentage for use by suppliers in their reports of taxable

gross receipts for the remainder of the qualifying period. The operator of the facility shall disclose to the suppliers that such Ohio delivery percentage is an estimate and is subject to recalculation. By the due date of the next application for a qualifying certificate, the operator shall determine the actual Ohio delivery percentage for the estimated qualifying period and proceed as provided in division (F)(2)(z)(iii) of this section with respect to the calculation and recalculation of the Ohio delivery percentage. The supplier is required to file, within sixty days after receiving notice from the operator of the qualified distribution center, amended reports for the impacted calendar quarter or quarters or calendar year, whichever the case may be. Any additional tax liability or tax overpayment shall be subject to interest but shall not be subject to the imposition of any penalty so long as the amended returns are timely filed.

(II) The operator of a distribution center that receives a qualifying certificate under division (F)(2)(z)(ii)(II) of this section shall make a good faith estimate of the Ohio delivery percentage that the operator estimates will apply to the distribution center at the end of the thirty-six-month period after the operator first applied for a qualifying certificate under that division. The result of the estimate shall be multiplied by a factor of one and seventy-five one-hundredths. The product of that calculation shall be the Ohio delivery percentage used by suppliers in their reports of taxable gross receipts for each qualifying year that the distribution center receives a qualifying certificate under division (F)(2)(z)(ii)(II) of this section, except that, if the product is less than five per cent, the Ohio delivery percentage used shall be five per cent and that, if the product exceeds forty-nine per cent, the Ohio delivery percentage used shall be forty-nine per cent.

(v) Qualifying certificates and Ohio delivery percentages issued by the commissioner shall be open to public inspection and shall be timely published by the commissioner. A supplier relying in good faith on a certificate issued under this division shall not be subject to tax on the qualifying distribution center receipts under division (F)(2)(z) of this section. An operator receiving a qualifying certificate is liable for the ineligible operator's supplier tax liability for each year the operator received a certificate but did not qualify as a qualified distribution center.

(vi) The annual fee for a qualifying certificate shall be one hundred thousand dollars for each qualified distribution center. If a qualifying certificate is not issued, the annual fee is subject to refund after the exhaustion of all appeals provided for in division (F)(2)(z)(i)(VI) of this section. The first one hundred thousand dollars of the annual application fees collected each calendar year shall be credited to the revenue enhancement fund. The remainder of the annual application fees collected shall be distributed in the same manner required under section 5751.20 of the Revised Code.

(vii) The tax commissioner may require that adequate security be posted by the operator of the distribution center on appeal when the commissioner disagrees that the applicant has met the minimum thresholds for a qualified distribution center as set forth in division (F)(2)(z) of this section.

(aa) Receipts of an employer from payroll deductions relating to the reimbursement of the employer for advancing moneys to an unrelated third party on an employee's behalf;

(bb) Cash discounts allowed and taken;

(cc) Returns and allowances;

(dd) Bad debts from receipts on the basis of which the tax imposed by this chapter was paid in a prior quarterly tax payment period. For the purpose of this division, "bad debts" means any debts that have become worthless or uncollectible between the preceding and current quarterly tax payment periods, have been uncollected for at least six months, and that may be claimed as a deduction under section 166 of the Internal Revenue Code and the regulations adopted under that section, or that could be claimed as such if the taxpayer kept its accounts on the accrual basis. "Bad debts" does not include repossessed property, uncollectible amounts on property that remains in the possession of the taxpayer until the full purchase price is paid, or expenses in attempting to collect any account receivable or for any portion of the debt recovered;

(ee) Any amount realized from the sale of an account receivable to the extent the receipts from the underlying transaction giving rise to the account receivable were included in the gross receipts of the taxpayer;

(ff) Any receipts directly attributed to a transfer agreement or to the enterprise transferred under that agreement under section 4313.02 of the Revised Code.

(gg)(i) As used in this division:

(I) "Qualified uranium receipts" means receipts from the sale, exchange, lease, loan, production, processing, or other disposition of uranium within a uranium enrichment zone certified by the tax commissioner under division (F)(2)(gg)(ii) of this section. "Qualified uranium receipts" does not include any receipts with a situs in this state outside a uranium enrichment zone certified by the tax commissioner under division (F)(2)(gg)(ii) of this section.

(II) "Uranium enrichment zone" means all real property that is part of a uranium enrichment facility licensed by the United States nuclear regulatory commission and that was or is owned or controlled by the United States department of energy or its successor.

(ii) Any person that owns, leases, or operates real or tangible personal



property constituting or located within a uranium enrichment zone may apply to the tax commissioner to have the uranium enrichment zone certified for the purpose of excluding qualified uranium receipts under division (F)(2)(gg) of this section. The application shall include such information that the tax commissioner prescribes. Within sixty days after receiving the application, the tax commissioner shall certify the zone for that purpose if the commissioner determines that the property qualifies as a uranium enrichment zone as defined in division (F)(2)(gg) of this section, or, if the tax commissioner determines that the property does not qualify, the commissioner shall deny the application or request additional information from the applicant. If the tax commissioner denies an application, the commissioner shall state the reasons for the denial. The applicant may appeal the denial of an application to the board of tax appeals pursuant to section 5717.02 of the Revised Code. If the applicant files a timely appeal, the tax commissioner shall conditionally certify the applicant's property. The conditional certification shall expire when all of the applicant's appeals are exhausted. Until final resolution of the appeal, the applicant shall retain the applicant's records in accordance with section 5751.12 of the Revised Code, notwithstanding any time limit on the preservation of records under that section.

(hh) In the case of amounts collected by a licensed casino operator from casino gaming, amounts in excess of the casino operator's gross casino revenue. In this division, "casino operator" and "casino gaming" have the meanings defined in section 3772.01 of the Revised Code, and "gross casino revenue" has the meaning defined in section 5753.01 of the Revised Code.

(ii) Receipts realized from the sale of agricultural commodities by an agricultural commodity handler, both as defined in section 926.01 of the Revised Code, that is licensed by the director of agriculture to handle agricultural commodities in this state.

(jj) Qualifying integrated supply chain receipts.

As used in division (F)(2)(jj) of this section:

(i) "Qualifying integrated supply chain receipts" means receipts of a qualified integrated supply chain vendor from the sale of qualified property delivered to, or integrated supply chain services provided to, another qualified integrated supply chain vendor or to a retailer that is a member of the integrated supply chain. "Qualifying integrated supply chain receipts" does not include receipts of a person that is not a qualified integrated supply chain vendor from the sale of raw materials to a member of an integrated supply chain, or receipts of a member of an integrated supply chain from the sale of qualified property or integrated supply chain services to a person that is not a member of the integrated supply chain.

(ii) "Qualified property" means any of the following:

(I) Component parts used to hold, contain, package, or dispense qualified products, excluding equipment;

(II) Work-in-process inventory that will become, comprise, or form a component part of a qualified product capable of being sold at retail, excluding equipment, machinery, furniture, and fixtures;

(III) Finished goods inventory that is a qualified product capable of being sold at retail in the inventory's present form.

(iii) "Qualified integrated supply chain vendor" means a person that is a member of an integrated supply chain and that provides integrated supply chain services within a qualified integrated supply chain district to a retailer that is a member of the integrated supply chain or to another qualified integrated supply chain vendor that is located within the same such district as the person but does not share a common owner with that person.

(iv) "Qualified product" means a personal care, health, or beauty product or an aromatic product, including a candle. "Qualified product" does not include a drug that may be dispensed only pursuant to a prescription, durable medical equipment, mobility enhancing equipment, or a prosthetic device, as those terms are defined in section 5739.01 of the Revised Code.

(v) "Integrated supply chain" means two or more qualified integrated supply chain vendors certified on the most recent list certified to the tax commissioner under this division that systematically collaborate and coordinate business operations with a retailer on the flow of tangible personal property from material sourcing through manufacturing, assembly, packaging, and delivery to the retailer to improve long-term financial performance of each vendor and the supply chain that includes the retailer.

For the purpose of the certification required under this division, the reporting person for each retailer, on or before the first day of October of each year, shall certify to the tax commissioner a list of the qualified integrated supply chain vendors providing or receiving integrated supply chain services within a qualified integrated supply chain district for the ensuing calendar year. On or before the following first day of November, the commissioner shall issue a certificate to the retailer and to each vendor certified to the commissioner on that list. The certificate shall include the names of the retailer and of the qualified integrated supply chain vendors.

The retailer shall notify the commissioner of any changes to the list, including additions to or subtractions from the list or changes in the name or legal entity of vendors certified on the list, within sixty days after the date the retailer becomes aware of the change. Within thirty days after receiving that notification, the commissioner shall issue a revised certificate to the retailer and to each vendor certified on the list. The revised certificate shall include the effective date of the change.

Each recipient of a certificate issued pursuant to this division shall maintain a copy of the certificate for four years from the date the certificate was received.

(vi) "Integrated supply chain services" means procuring raw materials or manufacturing, processing, refining, assembling, packaging, or repackaging tangible personal property that will become finished goods inventory capable of being sold at retail by a retailer that is a member of an integrated supply chain.

(vii) "Retailer" means a person primarily engaged in making retail sales and any member of that person's consolidated elected taxpayer group or combined taxpayer group, whether or not that member is primarily engaged in making retail sales.

(viii) "Qualified integrated supply chain district" means the parcel or parcels of land from which a retailer's integrated supply chain that existed on September 29, 2015, provides or receives integrated supply chain services, and to which all of the following apply:

(I) The parcel or parcels are located wholly in a county having a population of greater than one hundred sixty-five thousand but less than one hundred seventy thousand based on the 2010 federal decennial census.

(II) The parcel or parcels are located wholly in the corporate limits of a municipal corporation with a population greater than seven thousand five hundred and less than eight thousand based on the 2010 federal decennial census that is partly located in the county described in division (F)(2)(jj)(viii) (I) of this section, as those corporate limits existed on September 29, 2015.

(III) The aggregate acreage of the parcel or parcels equals or exceeds one hundred acres.

(kk) In the case of a railroad company described in division (D)(9) of section 5727.01 of the Revised Code that purchases dyed diesel fuel directly from a supplier as defined by section 5736.01 of the Revised Code, an amount equal to the product of the number of gallons of dyed diesel fuel purchased directly from such a supplier multiplied by the average wholesale price for a gallon of diesel fuel as determined under section 5736.02 of the Revised Code for the period during which the fuel was purchased multiplied by a fraction, the numerator of which equals the rate of tax levied by section 5736.02 of the Revised Code less the rate of tax computed in section 5751.03 of the Revised Code, and the denominator of which equals the rate of tax computed in section 5751.03 of the Revised Code.

(ll) Any receipts for which the tax imposed by this chapter is prohibited by the constitution or laws of the United States or the constitution of this state.

(3) In the case of a taxpayer when acting as a real estate broker,

"gross receipts" includes only the portion of any fee for the service of a real estate broker, or service of a real estate salesperson associated with that broker, that is retained by the broker and not paid to an associated real estate salesperson or another real estate broker. For the purposes of this division, "real estate broker" and "real estate salesperson" have the same meanings as in section 4735.01 of the Revised Code.

(4) A taxpayer's method of accounting for gross receipts for a tax period shall be the same as the taxpayer's method of accounting for federal income tax purposes for the taxpayer's federal taxable year that includes the tax period. If a taxpayer's method of accounting for federal income tax purposes changes, its method of accounting for gross receipts under this chapter shall be changed accordingly.

(G) "Taxable gross receipts" means gross receipts situated to this state under section 5751.033 of the Revised Code.

(H) A person has "substantial nexus with this state" if any of the following applies. The person:

- (1) Owns or uses a part or all of its capital in this state;
- (2) Holds a certificate of compliance with the laws of this state authorizing the person to do business in this state;
- (3) Has bright-line presence in this state;
- (4) Otherwise has nexus with this state to an extent that the person can be required to remit the tax imposed under this chapter under the Constitution of the United States.

(I) A person has "bright-line presence" in this state for a reporting period and for the remaining portion of the calendar year if any of the following applies. The person:

(1) Has at any time during the calendar year property in this state with an aggregate value of at least fifty thousand dollars. For the purpose of division (I)(1) of this section, owned property is valued at original cost and rented property is valued at eight times the net annual rental charge.

(2) Has during the calendar year payroll in this state of at least fifty thousand dollars. Payroll in this state includes all of the following:

(a) Any amount subject to withholding by the person under section 5747.06 of the Revised Code;

(b) Any other amount the person pays as compensation to an individual under the supervision or control of the person for work done in this state; and

(c) Any amount the person pays for services performed in this state on its behalf by another.

(3) Has during the calendar year taxable gross receipts of at least five hundred thousand dollars.

(4) Has at any time during the calendar year within this state at least twenty-five per cent of the person's total property, total payroll, or total gross receipts.

(5) Is domiciled in this state as an individual or for corporate, commercial, or other business purposes.

(J) "Tangible personal property" has the same meaning as in section 5739.01 of the Revised Code.

(K) "Internal Revenue Code" means the Internal Revenue Code of 1986, 100 Stat. 2085, 26 U.S.C. 1, as amended. Any term used in this chapter that is not otherwise defined has the same meaning as when used in a comparable context in the laws of the United States relating to federal income taxes unless a different meaning is clearly required. Any reference in this chapter to the Internal Revenue Code includes other laws of the United States relating to federal income taxes.

(L) "Calendar quarter" means a three-month period ending on the thirty-first day of March, the thirtieth day of June, the thirtieth day of September, or the thirty-first day of December.

(M) "Tax period" means the calendar quarter or calendar year on the basis of which a taxpayer is required to pay the tax imposed under this chapter.

(N) "Calendar year taxpayer" means a taxpayer for which the tax period is a calendar year.

(O) "Calendar quarter taxpayer" means a taxpayer for which the tax period is a calendar quarter.

(P) "Agent" means a person authorized by another person to act on its behalf to undertake a transaction for the other, including any of the following:

(1) A person receiving a fee to sell financial instruments;

(2) A person retaining only a commission from a transaction with the other proceeds from the transaction being remitted to another person;

(3) A person issuing licenses and permits under section 1533.13 of the Revised Code;

(4) A lottery sales agent holding a valid license issued under section 3770.05 of the Revised Code;

(5) A person acting as an agent of the division of liquor control under section 4301.17 of the Revised Code.

(Q) "Received" includes amounts accrued under the accrual method

of accounting.

(R) "Reporting person" means a person in a consolidated elected taxpayer or combined taxpayer group that is designated by that group to legally bind the group for all filings and tax liabilities and to receive all legal notices with respect to matters under this chapter, or, for the purposes of section 5751.04 of the Revised Code, a separate taxpayer that is not a member of such a group.

(S) "Taxable fantasy contest receipts" means gross fantasy contest receipts multiplied by the Ohio location percentage applicable to the fantasy contest.

(T) "Gross fantasy contest receipts" means, for each fantasy contest, the amount equal to the total of all entry fees a fantasy contest operator collects from all fantasy contest players in excess of the total amount of prizes and awards paid to winning fantasy contest players.

(U) "Ohio location percentage" means, for each fantasy contest, the percentage, rounded to the nearest one-tenth of one per cent, obtained by dividing the total amount of entry fees collected from fantasy contest players located in this state by the total amount of entry fees collected from fantasy contest players located anywhere.

(V) "Entry fee," "fantasy contest," "fantasy contest operator," and "fantasy contest player" have the same meanings as in section 3774.01 of the Revised Code.

**Sec. 5751.02.** (A) For the purpose of funding the needs of this state and its local governments, there is hereby levied a commercial activity tax on each person with taxable gross receipts for the privilege of doing business in this state. For the purposes of this chapter, "doing business" means engaging in any activity, whether legal or illegal, that is conducted for, or results in, gain, profit, or income, at any time during a calendar year. Persons on which the commercial activity tax is levied include, but are not limited to, persons with substantial nexus with this state. The tax imposed under this section is not a transactional tax and is not subject to Public Law No. 86-272, 73 Stat. 555. The tax imposed under this section is in addition to any other taxes or fees imposed under the Revised Code. The tax levied under this section is imposed on the person receiving the gross receipts and is not a tax imposed directly on a purchaser. The tax imposed by this section is an annual privilege tax for the calendar year that, in the case of calendar year taxpayers, is the annual tax period and, in the case of calendar quarter taxpayers, contains all quarterly tax periods in the calendar year. A taxpayer is subject to the annual privilege tax for doing business during any portion of such calendar year.

(B) The tax imposed by this section is a tax on the taxpayer and shall

not be billed or invoiced to another person. Even if the tax or any portion thereof is billed or invoiced and separately stated, such amounts remain part of the price for purposes of the sales and use taxes levied under Chapters 5739. and 5741. of the Revised Code. Nothing in division (B) of this section prohibits:

(1) A person from including in the price charged for a good or service an amount sufficient to recover the tax imposed by this section; or

(2) A lessor from including an amount sufficient to recover the tax imposed by this section in a lease payment charged, or from including such an amount on a billing or invoice pursuant to the terms of a written lease agreement providing for the recovery of the lessor's tax costs. The recovery of such costs shall be based on an estimate of the total tax cost of the lessor during the tax period, as the tax liability of the lessor cannot be calculated until the end of that period.

(C)(1) The commercial activities tax receipts fund is hereby created in the state treasury and shall consist of money arising from the tax imposed under this chapter. Any money credited to that fund arising from the portion of the tax computed under division (A)(3) of section 5751.03 of the Revised Code shall be credited to the state education supplemental fund created by section 3317.52 of the Revised Code. Seventy-five one-hundredths of one per cent of the money credited to ~~that the commercial activity tax receipts~~ fund shall be credited to the revenue enhancement fund and shall be used to defray the costs incurred by the department of taxation in administering the tax imposed by this chapter and in implementing tax reform measures. The remainder of the money in the commercial activities tax receipts fund shall first be credited to the commercial activity tax motor fuel receipts fund, pursuant to division (C)(2) of this section, and the remainder shall be credited in the following percentages each fiscal year to the general revenue fund, to the school district tangible property tax replacement fund, which is hereby created in the state treasury for the purpose of making the payments described in section 5709.92 of the Revised Code, and to the local government tangible property tax replacement fund, which is hereby created in the state treasury for the purpose of making the payments described in section 5709.93 of the Revised Code, in the following percentages:

Fiscal year	General Revenue Fund	School District Tangible Property Tax Replacement Fund	Local Government Tangible Property Tax Replacement Fund
2014 and 2015	50.0%	35.0%	15.0%
2016 and 2017	75.0%	20.0%	5.0%
2018 and thereafter	85.0%	13.0%	2.0%

(2) Not later than the twentieth day of February, May, August, and November of each year, the commissioner shall provide for payment from the commercial activities tax receipts fund to the commercial activity tax motor fuel receipts fund an amount that bears the same ratio to the balance in the commercial activities tax receipts fund that (a) the taxable gross receipts attributed to motor fuel used for propelling vehicles on public highways as indicated by returns filed by the tenth day of that month for a liability that is due and payable on or after July 1, 2013, for a tax period ending before July 1, 2014, bears to (b) all taxable gross receipts as indicated by those returns for such liabilities.

(D)(1) If the total amount in the school district tangible property tax replacement fund is insufficient to make all payments under section 5709.92 of the Revised Code at the times the payments are to be made, the director of budget and management shall transfer from the general revenue fund to the school district tangible property tax replacement fund the difference between the total amount to be paid and the amount in the school district tangible property tax replacement fund.

(2) If the total amount in the local government tangible property tax replacement fund is insufficient to make all payments under section 5709.93 of the Revised Code at the times the payments are to be made, the director of budget and management shall transfer from the general revenue fund to the local government tangible property tax replacement fund the difference between the total amount to be paid and the amount in the local government tangible property tax replacement fund.

(E)(1) On or after the first day of June of each year, the director of budget and management may transfer any balance in the school district tangible property tax replacement fund to the general revenue fund.

(2) On or after the first day of June of each year, the director of budget and management may transfer any balance in the local government tangible property tax replacement fund to the general revenue fund.

(F)(1) There is hereby created in the state treasury the commercial activity tax motor fuel receipts fund.

(2) On or before the fifteenth day of June of each fiscal year beginning with fiscal year 2015, the director of the Ohio public works commission shall certify to the director of budget and management the amount of debt service paid from the general revenue fund in the current fiscal year on bonds issued to finance or assist in the financing of the cost of local subdivision public infrastructure capital improvement projects, as provided for in Sections 2k, 2m, 2p, and 2s of Article VIII, Ohio Constitution, that are attributable to costs for construction, reconstruction, maintenance, or repair of public highways and bridges and other statutory highway purposes. That certification shall allocate the total amount of debt



service paid from the general revenue fund and attributable to those costs in the current fiscal year according to the applicable section of the Ohio Constitution under which the bonds were originally issued.

(3) On or before the thirtieth day of June of each fiscal year beginning with fiscal year 2015, the director of budget and management shall determine an amount up to but not exceeding the amount certified under division (F)(2) of this section and shall reserve that amount from the cash balance in the petroleum activity tax public highways fund or the commercial activity tax motor fuel receipts fund for transfer to the general revenue fund at times and in amounts to be determined by the director. The director shall transfer the cash balance in the petroleum activity tax public highways fund or the commercial activity tax motor fuel receipts fund in excess of the amount so reserved to the highway operating fund on or before the thirtieth day of June of the current fiscal year.

**Sec. 5751.03.** (A) ~~Except as provided in division (B) of this section, the~~ The tax levied under this section for each tax period shall be the sum of the following:

(1) The product of two and six-tenths mills per dollar times the remainder of the taxpayer's taxable gross receipts for the tax period after subtracting the exclusion amount provided for in division (C) of this section;

(2) The tax on the taxpayer's first one million dollars in taxable gross receipts provided for in division (B) of this section;

(3) The product of sixty mills per dollar times the taxpayer's taxable fantasy contest receipts.

(B) Notwithstanding division (C) of this section, the tax on the first one million dollars in taxable gross receipts each calendar year shall be calculated as follows:

(1) For taxpayers with annual taxable gross receipts of not more than one million dollars or less and not less than one hundred fifty thousand dollars for the calendar year, one hundred fifty dollars;

(2) For taxpayers with annual taxable gross receipts greater than one million dollars, but less than or equal to two million dollars for the calendar year, eight hundred dollars;

(3) For taxpayers with annual taxable gross receipts greater than two million dollars, but less than or equal to four million dollars for the calendar year, two thousand one hundred dollars;

(4) For taxpayers with annual taxable gross receipts greater than four million dollars for the calendar year, two thousand six hundred dollars.

The tax imposed under division (B)(1) of this section shall be paid not later than the tenth day of May of each year along with the annual tax

return. The tax imposed under divisions (B)(2), (3), and (4) of this section shall be paid not later than the tenth day of May of each year along with the first quarter tax return.

(C)(1) Each taxpayer may exclude the first one million dollars of taxable gross receipts for a calendar year. Calendar quarter taxpayers shall apply the full exclusion amount to the first calendar quarter return the taxpayer files that calendar year and may carry forward and apply any unused exclusion amount to subsequent calendar quarters within that same calendar year.

(2) A taxpayer switching from a calendar year tax period to a calendar quarter tax period may, for the first quarter of the change, apply the full one-million-dollar exclusion amount to the first calendar quarter return the taxpayer files that calendar year. Such taxpayers may carry forward and apply any unused exclusion amount to subsequent calendar quarters within that same calendar year. The tax rate shall be based on the rate imposed that calendar quarter when the taxpayer switches from a calendar year to a calendar quarter tax period.

(3) A taxpayer shall not exclude more than one million dollars pursuant to division (C) of this section in a calendar year.

**Sec. 5751.05.** (A) If a person subject to this chapter anticipates that the person's taxable gross receipts will be more than one million dollars in a calendar year, or the person is or becomes a fantasy contest operator in a calendar year, the person shall notify the tax commissioner on the person's initial registration form and file on a quarterly basis as a calendar quarter taxpayer. Any taxpayer, except a fantasy contest operator, with taxable gross receipts of one million dollars or less shall register as a calendar year taxpayer and shall file annually.

(B) Any person that is a calendar year taxpayer under division (A) of this section shall become a calendar quarter taxpayer in the subsequent calendar year if the person's taxable gross receipts for the prior calendar year are more than one million dollars, and shall remain a calendar quarter taxpayer until the person notifies the commissioner, and receives approval in writing from the commissioner, to switch back to being a calendar year taxpayer.

(C) The commissioner may grant written approval for a calendar quarter taxpayer to use an alternative reporting schedule or estimate the amount of tax due for a calendar quarter if the taxpayer demonstrates to the commissioner the need for such a deviation. The commissioner may adopt a rule to apply division (C) of this section to a group of taxpayers without the taxpayers having to receive written approval from the commissioner.

**Sec. 5751.051.** (A)(1) Not later than the tenth day of the second

month after the end of each calendar quarter, every taxpayer other than a calendar year taxpayer shall file with the tax commissioner a tax return in such form as the commissioner prescribes. The return shall include, but is not limited to, the amount of the taxpayer's taxable gross receipts and taxable fantasy contest receipts for the calendar quarter and shall indicate the amount of tax due under section 5751.03 of the Revised Code for the calendar quarter.

(2)(a) Subject to division (C) of section 5751.05 of the Revised Code, a calendar quarter taxpayer shall report the taxable gross receipts and taxable fantasy contest receipts for that calendar quarter.

(b) With respect to taxable gross receipts incorrectly reported in a calendar quarter that has a lower tax rate, the tax shall be computed at the tax rate in effect for the quarterly return in which such receipts should have been reported. Nothing in division (A)(2)(b) of this section prohibits a taxpayer from filing an application for refund under section 5751.08 of the Revised Code with regard to the incorrect reporting of taxable gross receipts discovered after filing the annual return described in division (A)(3) of this section.

A tax return shall not be deemed to be an incorrect reporting of taxable gross receipts for the purposes of division (A)(2)(b) of this section if the return reflects between ninety-five and one hundred five per cent of the actual taxable gross receipts for the calendar quarter.

(3) For the purposes of division (A)(2)(b) of this section, the tax return filed for the fourth calendar quarter of a calendar year is the annual return for the privilege tax imposed by this chapter. Such return shall report any additional taxable gross receipts or additional taxable fantasy contest receipts not previously reported in the calendar year and shall adjust for any over-reported taxable gross receipts or taxable fantasy contest receipts in the calendar year. If the taxpayer ceases to be a taxpayer before the end of the calendar year, the last return the taxpayer is required to file shall be the annual return for the taxpayer, and the taxpayer shall report any additional taxable gross receipts or additional taxable fantasy contest receipts not previously reported in the calendar year and shall adjust for any over-reported taxable gross receipts or taxable fantasy contest receipts in the calendar year.

(4) Because the tax imposed by this chapter is a privilege tax, the tax rate with respect to taxable gross receipts or taxable fantasy contest receipts for a calendar quarter is not fixed until the end of the measurement period for each calendar quarter. Subject to division (A)(2)(b) of this section, the total amount of ~~taxable gross~~ such receipts reported for a given calendar quarter shall be subject to the respective tax rate in effect in that quarter.

(5) Not later than the tenth day of May following the end of each

calendar year, every calendar year taxpayer shall file with the tax commissioner a tax return in such form as the commissioner prescribes. The return shall include, but is not limited to, the amount of the taxpayer's taxable gross receipts or taxable fantasy contest receipts for the calendar year and shall indicate the amount of tax due under section 5751.03 of the Revised Code for the calendar year.

(B)(1) A person that first becomes subject to the tax imposed under this chapter shall pay the minimum tax imposed under division (B) of section 5751.03 of the Revised Code on or before the day the return is required to be filed for that quarter under division (A)(1) of this section, regardless of whether the person registers as a calendar year taxpayer under section 5751.05 of the Revised Code.

(2) The amount of the minimum tax for a person subject to division (B)(1) of this section shall be reduced by one-half if the registration is timely filed after the first day of May and before the first day of January of the following calendar year.

**Sec. 5751.06.** (A) Any taxpayer that fails to file a return or pay the full amount of the tax due within the period prescribed therefor under this chapter shall pay a penalty in an amount not exceeding the greater of fifty dollars or ten per cent of the tax required to be paid for the tax period.

(B)(1) If any additional tax is found to be due, the tax commissioner may impose an additional penalty of up to fifteen per cent on the additional tax found to be due.

(2) Any delinquent payments of the tax made after a taxpayer is notified of an audit or a tax discrepancy by the commissioner is subject to the penalty imposed by division (B) of this section. If an assessment is issued under section 5751.09 of the Revised Code in connection with such delinquent payments, the payments shall be credited to the assessment.

(C) After calendar year 2008, the tax commissioner may impose an additional penalty against a taxpayer that fails to switch to being a calendar quarter taxpayer at the time it had over two million in taxable gross receipts in the calendar year, as required under section 5751.04 of the Revised Code. The penalty may be imposed in an amount not to exceed ten per cent of the tax due above two million dollars in taxable gross receipts for the calendar year. Any penalty imposed under this division is in addition to any other penalties imposed under this section.

(D) If the tax commissioner notifies a person required to register under section 5751.05 of the Revised Code of such requirement and of the requirement to remit the tax due under this chapter, and the person fails to register and remit the tax within sixty days after such notice, the tax commissioner may impose an additional penalty of up to thirty-five per cent

of the tax due. The penalty imposed under this division is in addition to any other penalties imposed under this section.

(E) The tax commissioner may collect any penalty or interest imposed by this section in the same manner as the tax imposed under this chapter. Penalties and interest so collected shall be considered as revenue arising from the tax imposed under this chapter.

(F) The tax commissioner may abate all or a portion of any penalties imposed under this section and may adopt rules governing such abatements.

(G) If any tax due is not timely paid in accordance with this chapter, the taxpayer shall pay interest, calculated at the rate per annum prescribed by section 5703.47 of the Revised Code, from the date the tax payment was due to the date of payment or to the date an assessment was issued, whichever occurs first.

(H) The tax commissioner may impose a penalty of up to ten per cent for any additional tax that is due under division (A)(2)(b) of section 5751.051 of the Revised Code from a taxpayer incorrectly reporting its taxable gross receipts or, in the case of a fantasy contest operator, its taxable fantasy contest receipts.

(I) If the tax commissioner discovers that a taxpayer has billed or invoiced another person for the tax imposed under this chapter in violation of division (B) of section 5751.02 of the Revised Code, the tax commissioner shall notify the taxpayer of the violation by certified mail and may impose a penalty of up to five hundred dollars. If the taxpayer subsequently bills or invoices a person for the tax imposed under this chapter, the tax commissioner shall impose a penalty of five hundred dollars."

In line 498, delete "section" and insert "sections"; after "3772.03" insert ", 5157.01, 5157.02, 5157.03, 5157.05, 5157.051, and 5157.06"

In line 499, delete "is" and insert "are"

After line 507, insert:

**"Section 4.** The amendment or enactment by this act of sections 3317.52, 5751.01, 5751.02, 5751.03, 5751.05, 5751.051, and 5751.06 of the Revised Code applies to tax periods beginning on or after the effective date of those sections, as prescribed in Sections 1c and 1d of Article II, Ohio Constitution."

The question being, "Shall the amendment be agreed to?"

Senator Peterson moved that the amendment be laid on the table.

The question being, "Shall the motion be agreed to?"

A roll call was requested which was properly supported.

The yeas and nays were taken and resulted – yeas 22, nays 7, as follows:

Those who voted in the affirmative were: Senators

Bacon	Balderson	Beagle	Brown
Burke	Eklund	Gardner	Hackett
Hottinger	Jordan	Kunze	LaRose
Manning	O'Brien	Oelslager	Peterson
Schiavoni	Skindell	Sykes	Thomas
Yuko			Obhof-22

Senators Coley, Hoagland, Huffman, Lehner, Terhar, Uecker, and Wilson voted in the negative-7.

The amendment was laid on the table.

The question recurred, "Shall the bill, **Sub. H. B. No. 132**, pass?"

The yeas and nays were taken and resulted – yeas 25, nays 4, as follows:

Those who voted in the affirmative were: Senators

Bacon	Balderson	Beagle	Brown
Burke	Eklund	Gardner	Hackett
Hottinger	Huffman	Jordan	Kunze
LaRose	Lehner	Manning	O'Brien
Oelslager	Peterson	Schiavoni	Skindell
Sykes	Thomas	Wilson	Yuko
			Obhof-25

Senators Coley, Hoagland, Terhar, and Uecker voted in the negative-4.  
So the bill passed.

The question being, "Shall the title be agreed to?"

Senator Oelslager moved to amend the title as follows:

Add the names: "Senators Burke, Eklund, Oelslager."

The question being, "Shall the motion be agreed to?"

The motion was agreed to and the title so amended.

**S. B. No. 134**-Senator Gardner.

Cosponsors: Senators Uecker, Tavares, Hottinger, Kunze, Brown, Beagle, LaRose.

To enact section 5534.151 of the Revised Code to designate a portion of State Route 795 in Wood County as the "Lt Col Thomas P. Belkofer Memorial Highway", was considered the third time.

The question being, "Shall the bill, **S. B. No. 134**, pass?"

The yeas and nays were taken and resulted – yeas 30, nays 0, as follows:

Those who voted in the affirmative were: Senators

Bacon	Balderson	Beagle	Brown
Burke	Coley	Dolan	Eklund
Gardner	Hackett	Hoagland	Hottinger
Huffman	Jordan	Kunze	LaRose

Lehner	Manning	O'Brien	Oelslager
Peterson	Schiavoni	Skindell	Sykes
Terhar	Thomas	Uecker	Wilson
Yuko			Obhof-30

So the bill passed.

The question being, "Shall the title be agreed to?"

Senator Gardner moved to amend the title as follows:

Add the names: "Senators Bacon, Balderson, Burke, Coley, Dolan, Eklund, Hackett, Hoagland, Huffman, Jordan, Lehner, Obhof, O'Brien, Oelslager, Schiavoni, Skindell, Sykes, Terhar, Thomas, Wilson, Yuko."

The question being, "Shall the motion be agreed to?"

The motion was agreed to and the title so amended.

**Am. S. B. No. 173**-Senator Hottinger.

Cosponsors: Senators Kunze, Hackett, Beagle, Obhof, Hite, Thomas, Manning, Terhar, Schiavoni, Coley, Uecker, Tavares, Brown, LaRose.

To enact section 5534.493 of the Revised Code to designate a portion of U.S. Route 40 in the Village of Kirkersville as the "The Steven Eric DiSario Memorial Highway", was considered the third time.

The question being, "Shall the bill, **Am. S. B. No. 173**, pass?"

The yeas and nays were taken and resulted – yeas 30, nays 0, as follows:

Those who voted in the affirmative were: Senators

Bacon	Balderson	Beagle	Brown
Burke	Coley	Dolan	Eklund
Gardner	Hackett	Hoagland	Hottinger
Huffman	Jordan	Kunze	LaRose
Lehner	Manning	O'Brien	Oelslager
Peterson	Schiavoni	Skindell	Sykes
Terhar	Thomas	Uecker	Wilson
Yuko			Obhof-30

So the bill passed.

The question being, "Shall the title be agreed to?"

Senator Hottinger moved to amend the title as follows:

Add the names: "Senators Bacon, Balderson, Burke, Dolan, Eklund, Gardner, Hoagland, Huffman, Jordan, Lehner, O'Brien, Oelslager, Peterson, Skindell, Sykes, Wilson, Yuko."

The question being, "Shall the motion be agreed to?"

The motion was agreed to and the title so amended.

**S. B. No. 185**-Senator Terhar.

Cosponsors: Senators Beagle, Coley, LaRose, Lehner, Oelslager, Wilson,

Yuko, Kunze, Hottinger, Tavares, Uecker, Brown.

To enact section 5534.76 of the Revised Code to designate a portion of Interstate Route 75 in Hamilton County as the "Lance Corporal Christopher J. Dyer USMC, Lima Co, 3/25 Marines Memorial Highway", was considered the third time.

The question being, "Shall the bill, **S. B. No. 185**, pass?"

The yeas and nays were taken and resulted – yeas 30, nays 0, as follows:

Those who voted in the affirmative were: Senators

Bacon	Balderson	Beagle	Brown
Burke	Coley	Dolan	Eklund
Gardner	Hackett	Hoagland	Hottinger
Huffman	Jordan	Kunze	LaRose
Lehner	Manning	O'Brien	Oelslager
Peterson	Schiavoni	Skindell	Sykes
Terhar	Thomas	Uecker	Wilson
Yuko			Obhof-30

So the bill passed.

The question being, "Shall the title be agreed to?"

Senator Terhar moved to amend the title as follows:

Add the names: "Senators Bacon, Balderson, Burke, Dolan, Eklund, Gardner, Hackett, Hoagland, Huffman, Jordan, Manning, Obhof, O'Brien, Peterson, Schiavoni, Skindell, Sykes, Thomas."

The question being, "Shall the motion be agreed to?"

The motion was agreed to and the title so amended.

## MOTIONS

Senator Manning moved that Senators absent the week of Sunday, November 26, 2017, be excused, so long as a written explanation is on file with the Clerk pursuant to Senate Rule No. 17.

The question being, "Shall the motion be agreed to?"

The motion was agreed to.

## INTRODUCTION AND FIRST CONSIDERATION OF BILLS

The following bill was introduced and considered for the first time:

**S. B. No. 237** - Senator Jordan.

To amend sections 5166.01, 5166.40, and 5166.405, to enact section 5163.15, and to repeal section 5166.37 of the Revised Code to prohibit the Medicaid program from covering the expansion eligibility group after December 31, 2018.



## OFFERING OF RESOLUTIONS

Senator Yuko offered the following concurrent resolution:

**S. C. R. No. 18**-Senator Yuko.

Cosponsors: Senators Lehner, Sykes, Tavares.

To urge Congress to amend the Americans with Disabilities Act and adopt an international symbol of access that includes a dynamic character leaning forward with a sense of movement.

The question being, "Shall the concurrent resolution, **S. C. R. No. 18**, be adopted?"

On the motion of Senator Peterson, **S. C. R. No. 18**, was referred to the Committee on Rules and Reference.

Pursuant to Senate Rule No. 54, the following resolutions were offered:

**S. R. No. 337** - Senator Obhof.

Honoring Jason Mauk for outstanding service to the State of Ohio.

**S. R. No. 338** - Senator Gardner.

Honoring the Ritter Public Library on its One Hundredth Anniversary.

**S. R. No. 339** - Senator Coley.

Honoring Dustin Horter as the 2017 Division I State Cross Country Champion.

**S. R. No. 340** - Senator Yuko.

Honoring Leah Roter on winning a 2017 Division II State Track and Field Championship.

**S. R. No. 341** - Senators Obhof, Bacon, Balderson, Beagle, Brown, Burke, Coley, Dolan, Eklund, Gardner, Hackett, Hoagland, Hottinger, Huffman, Jordan, Kunze, LaRose, Lehner, Manning, O'Brien, Oelslager, Peterson, Schiavoni, Skindell, Sykes, Tavares, Terhar, Thomas, Uecker, Williams, Wilson, Yuko.

In memory of Senate President Bill Harris.

The question being, "Shall the resolutions listed under the President's prerogative be adopted?"

So the resolutions were adopted.

On the motion of Senator Peterson, the Senate adjourned until Monday,

December 4, 2017 at 9:30 a.m.

Attest:

VINCENT L. KEERAN,  
Clerk.