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**Sub. H. B. No. 222**

**Representatives Stoltzfus, Howse**

**Cosponsors: Representatives Antani, Becker, Brent, Crawley, Cross, Jones, Lightbody, Manchester, Riedel, Seitz, Smith, K., Upchurch, Vitale, West, Abrams, Blair, Boggs, Boyd, Brown, Carfagna, Carruthers, Clites, Crossman, Denson, DeVitis, Edwards, Galonski, Ghanbari, Ginter, Green, Greenspan, Grendell, Hambley, Hicks-Hudson, Hillyer, Holmes, A., Hoops, Koehler, Lanese, Lang, Lepore-Hagan, Manning, D., Manning, G., Miller, J., O'Brien, Patterson, Patton, Perales, Reineke, Richardson, Robinson, Roemer, Rogers, Russo, Sheehy, Smith, T., Sobecki, Strahorn, Swearingen, Sweeney, Sykes, Weinstein, Wiggam**

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**A BILL**

To amend sections 4506.09 and 5747.98 and to enact 1  
sections 122.91 and 5747.82 of the Revised Code 2  
to authorize a temporary income tax credit for 3  
an employer's expenses to train a commercial 4  
vehicle operator and increases the commercial 5  
driver's license skills test fee charged by the 6  
Department of Public Safety. 7

**BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:**

**Section 1.** That sections 4506.09 and 5747.98 be amended 8  
and sections 122.91 and 5747.82 of the Revised Code be enacted 9  
to read as follows: 10

**Sec. 122.91.** (A) As used in this section: 11

(1) "Qualifying individual" means an individual who holds 12  
a valid commercial driver's license or who is eligible to obtain 13

such a license. 14

(2) "Commercial driver's license" and "commercial motor vehicle" have the same meanings as in section 4506.01 of the Revised Code. 15  
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(3) "Training expense" means any cost customarily incurred by an employer to train a qualifying individual to obtain a commercial driver's license or to operate a commercial motor vehicle. "Training expense" shall not include an employee's wages. 18  
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(4) "Tax credit-eligible training expense" means any training expense certified under division (B) of this section. 23  
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(5) "Director" means the director of development services. 25

(B) (1) On or before the first day of December beginning in 2020 and ending in 2022, an employer may apply to the director, on a form prescribed by the director, to certify training expenses that an employer estimates the employer will incur during the following calendar year as tax credit-eligible training expenses. Within thirty days after receiving such an application, the director shall certify to each applicant the amount of the applicant's submitted expenses the director finds to be tax credit-eligible training expenses. The director shall not certify more than fifty thousand dollars of training expenses per year as tax credit-eligible training expenses for any employer. 26  
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(2) The director shall not certify more than three million dollars in tax credit-eligible training expenses for each calendar year, increased by the sum of tax credit-eligible expenses the director was authorized to certify within the limit described in division (B) (2) of this section for preceding years 38  
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that were not the basis of a tax credit certificate issued under 43  
division (C) (2) of this section in the current year or any 44  
preceding year. 45

(C) (1) An employer that incurs tax credit-eligible 46  
training expenses in a calendar year that were certified for 47  
that year under division (B) of this section may apply to the 48  
director for a nonrefundable credit against the tax imposed by 49  
section 5747.02 of the Revised Code. The credit shall equal one- 50  
half of the tax credit-eligible training expenses actually 51  
incurred by the employer in, and certified for, the preceding 52  
calendar year. The application may be submitted after the first 53  
day and before the twenty-first day of January of the year 54  
following the year for which the director certified the 55  
expenses. The application shall be submitted on a form 56  
prescribed by the director. 57

(2) If the director approves an application described in 58  
division (C) (1) of this section, the director, within fifteen 59  
days after receipt of the application, shall issue a tax credit 60  
certificate to the applicant. The director in consultation with 61  
the tax commissioner shall prescribe the form and manner of 62  
issuing certificates. The director shall assign a unique 63  
identifying number to each tax credit certificate and shall 64  
record the certificate in a register devised and maintained by 65  
the director for that purpose. The certificate shall state the 66  
amount of the tax credit-eligible training expenses on which the 67  
credit is based, the amount of the credit, and the date the 68  
certificate is issued. Upon issuance of a certificate, the 69  
director shall certify to the tax commissioner the name of the 70  
applicant, the amount of tax credit-eligible training expenses 71  
stated on the certificate, and any other information required by 72  
the rules adopted under this section. 73

(D) The director in consultation with the tax commissioner shall adopt rules under Chapter 119. of the Revised Code for the administration of this section. Such rules shall set forth the types of expenses that qualify as training expenses for purposes of this section.

**Sec. 4506.09.** (A) The registrar of motor vehicles, subject to approval by the director of public safety, shall adopt rules conforming with applicable standards adopted by the federal motor carrier safety administration as regulations under Pub. L. No. 103-272, 108 Stat. 1014 to 1029 (1994), 49 U.S.C.A. 31301 to 31317. The rules shall establish requirements for the qualification and testing of persons applying for a commercial driver's license, which are in addition to other requirements established by this chapter. Except as provided in division (B) of this section, the highway patrol or any other employee of the department of public safety the registrar authorizes shall supervise and conduct the testing of persons applying for a commercial driver's license.

(B) The director may adopt rules, in accordance with Chapter 119. of the Revised Code and applicable requirements of the federal motor carrier safety administration, authorizing the skills test specified in this section to be administered by any person, by an agency of this or another state, or by an agency, department, or instrumentality of local government. Each party authorized under this division to administer the skills test may charge a maximum divisible fee of one hundred fifteen dollars for each skills test given as part of a commercial driver's license examination. The fee shall consist of not more than twenty-seven dollars for the pre-trip inspection portion of the test, not more than twenty-seven dollars for the off-road maneuvering portion of the test, and not more than sixty-one

dollars for the on-road portion of the test. Each such party may 105  
require an appointment fee in the same manner provided in 106  
division (E) (2) of this section, except that the maximum amount 107  
such a party may require as an appointment fee is one hundred 108  
fifteen dollars. The skills test administered by another party 109  
under this division shall be the same as otherwise would be 110  
administered by this state. The other party shall enter into an 111  
agreement with the director that, without limitation, does all 112  
of the following: 113

(1) Allows the director or the director's representative 114  
and the federal motor carrier safety administration or its 115  
representative to conduct random examinations, inspections, and 116  
audits of the other party, whether covert or overt, without 117  
prior notice; 118

(2) Requires the director or the director's representative 119  
to conduct on-site inspections of the other party at least 120  
annually; 121

(3) Requires that all examiners of the other party meet 122  
the same qualification and training standards as examiners of 123  
the department of public safety, including criminal background 124  
checks, to the extent necessary to conduct skills tests in the 125  
manner required by 49 C.F.R. 383.110 through 383.135. In 126  
accordance with federal guidelines, any examiner employed on 127  
July 1, 2017, shall have a criminal background check conducted 128  
at least once, and any examiner hired after July 1, 2015, shall 129  
have a criminal background check conducted after the examiner is 130  
initially hired. 131

(4) Requires either that state employees take, at least 132  
annually and as though the employees were test applicants, the 133  
tests actually administered by the other party, that the 134

director test a sample of drivers who were examined by the other 135  
party to compare the test results, or that state employees 136  
accompany a test applicant during an actual test; 137

(5) Unless the other party is a governmental entity, 138  
requires the other party to initiate and maintain a bond in an 139  
amount determined by the director to sufficiently pay for the 140  
retesting of drivers in the event that the other party or its 141  
skills test examiners are involved in fraudulent activities 142  
related to skills testing; 143

(6) Requires the other party to use only skills test 144  
examiners who have successfully completed a commercial driver's 145  
license examiner training course as prescribed by the director, 146  
and have been certified by the state as a commercial driver's 147  
license skills test examiner qualified to administer skills 148  
tests; 149

(7) Requires the other party to use designated road test 150  
routes that have been approved by the director; 151

(8) Requires the other party to submit a schedule of 152  
skills test appointments to the director not later than two 153  
business days prior to each skills test; 154

(9) Requires the other party to maintain copies of the 155  
following records at its principal place of business: 156

(a) The other party's commercial driver's license skills 157  
testing program certificate; 158

(b) Each skills test examiner's certificate of 159  
authorization to administer skills tests for the classes and 160  
types of commercial motor vehicles listed in the certificate; 161

(c) Each completed skills test scoring sheet for the 162

current calendar year as well as the prior two calendar years;	163
(d) A complete list of the test routes that have been	164
approved by the director;	165
(e) A complete and accurate copy of each examiner's	166
training record.	167
(10) If the other party also is a driver training school,	168
prohibits its skills test examiners from administering skills	169
tests to applicants that the examiner personally trained;	170
(11) Requires each skills test examiner to administer a	171
complete skills test to a minimum of thirty-two different	172
individuals per calendar year;	173
(12) Reserves to this state the right to take prompt and	174
appropriate remedial action against the other party and its	175
skills test examiners if the other party or its skills test	176
examiners fail to comply with standards of this state or federal	177
standards for the testing program or with any other terms of the	178
contract.	179
(C) The director shall enter into an agreement with the	180
department of education authorizing the skills test specified in	181
this section to be administered by the department at any	182
location operated by the department for purposes of training and	183
testing school bus drivers, provided that the agreement between	184
the director and the department complies with the requirements	185
of division (B) of this section. Skills tests administered by	186
the department shall be limited to persons applying for a	187
commercial driver's license with a school bus endorsement.	188
(D) (1) The director shall adopt rules, in accordance with	189
Chapter 119. of the Revised Code, authorizing waiver of the	190
skills test specified in this section for any applicant for a	191

commercial driver's license who meets all of the following	192
requirements:	193
(a) As authorized under 49 C.F.R. 383.3(c), the applicant	194
operates a commercial motor vehicle for military purposes and is	195
one of the following:	196
(i) Active duty military personnel;	197
(ii) A member of the military reserves;	198
(iii) A member of the national guard on active duty,	199
including full-time national guard duty, part-time national	200
guard training, and national guard military technicians;	201
(iv) Active duty U.S. coast guard personnel.	202
(b) The applicant certifies that, during the two-year	203
period immediately preceding application for a commercial	204
driver's license, all of the following apply:	205
(i) The applicant has not had more than one license,	206
excluding any military license.	207
(ii) The applicant has not had any license suspended,	208
revoked, or canceled.	209
(iii) The applicant has not had any convictions for any	210
type of motor vehicle for the offenses for which	211
disqualification is prescribed in section 4506.16 of the Revised	212
Code.	213
(iv) The applicant has not had more than one conviction	214
for any type of motor vehicle for a serious traffic violation.	215
(v) The applicant has not had any violation of a state or	216
local law relating to motor vehicle traffic control other than a	217
parking violation arising in connection with any traffic	218

accident and has no record of an accident in which the applicant 219  
was at fault. 220

(c) In accordance with rules adopted by the director, the 221  
applicant certifies and also provides evidence of all of the 222  
following: 223

(i) That the applicant is or was regularly employed in a 224  
military position requiring operation of a commercial motor 225  
vehicle; 226

(ii) That the applicant was exempt from the requirements 227  
of this chapter under division (B)(6) of section 4506.03 of the 228  
Revised Code; 229

(iii) That, for at least two years immediately preceding 230  
the date of application or at least two years immediately 231  
preceding the date the applicant separated from military service 232  
or employment, the applicant regularly operated a vehicle 233  
representative of the commercial motor vehicle type that the 234  
applicant operates or expects to operate. 235

(2) The waiver established under division (D)(1) of this 236  
section does not apply to United States reserve technicians. 237

(E)(1) The department of public safety may charge and 238  
collect a divisible fee of ~~fifty-one hundred fifteen~~ dollars for 239  
each skills test given as part of a commercial driver's license 240  
examination. The fee shall consist of ~~ten-twenty-seven~~ dollars 241  
for the pre-trip inspection portion of the test, ~~ten-twenty-~~ 242  
~~seven~~ dollars for the off-road maneuvering portion of the test, 243  
and ~~thirty-sixty-one~~ dollars for the on-road portion of the 244  
test. 245

(2) No applicant is eligible to take the skills test until 246  
a minimum of fourteen days have elapsed since the initial 247

issuance of a commercial driver's license temporary instruction 248  
permit to the applicant. The director may require an applicant 249  
for a commercial driver's license who schedules an appointment 250  
with the highway patrol or other authorized employee of the 251  
department of public safety to take all portions of the skills 252  
test and to pay an appointment fee of ~~fifty~~ one hundred fifteen 253  
dollars at the time of scheduling the appointment. If the 254  
applicant appears at the time and location specified for the 255  
appointment and takes all portions of the skills test during 256  
that appointment, the appointment fee serves as the skills test 257  
fee. If the applicant schedules an appointment to take all 258  
portions of the skills test and fails to appear at the time and 259  
location specified for the appointment, the director shall not 260  
refund any portion of the appointment fee. If the applicant 261  
schedules an appointment to take all portions of the skills test 262  
and appears at the time and location specified for the 263  
appointment, but declines or is unable to take all portions of 264  
the skills test, the director shall not refund any portion of 265  
the appointment fee. If the applicant cancels a scheduled 266  
appointment forty-eight hours or more prior to the time of the 267  
appointment time, the applicant shall not forfeit the 268  
appointment fee. 269

An applicant for a commercial driver's license who 270  
schedules an appointment to take one or more, but not all, 271  
portions of the skills test is required to pay an appointment 272  
fee equal to the costs of each test scheduled, as prescribed in 273  
division (E) (1) of this section, when scheduling such an 274  
appointment. If the applicant appears at the time and location 275  
specified for the appointment and takes all the portions of the 276  
skills test during that appointment that the applicant was 277  
scheduled to take, the appointment fee serves as the skills test 278

fee. If the applicant schedules an appointment to take one or 279  
more, but not all, portions of the skills test and fails to 280  
appear at the time and location specified for the appointment, 281  
the director shall not refund any portion of the appointment 282  
fee. If the applicant schedules an appointment to take one or 283  
more, but not all, portions of the skills test and appears at 284  
the time and location specified for the appointment, but 285  
declines or is unable to take all portions of the skills test 286  
that the applicant was scheduled to take, the director shall not 287  
refund any portion of the appointment fee. If the applicant 288  
cancels a scheduled appointment forty-eight hours or more prior 289  
to the time of the appointment time, the applicant shall not 290  
forfeit the appointment fee. 291

(3) The department of public safety shall deposit all fees 292  
it collects under division (E) of this section in the public 293  
safety - highway purposes fund established in section 4501.06 of 294  
the Revised Code. 295

(F) A person who has successfully completed commercial 296  
driver's license training in this state but seeks a commercial 297  
driver's license in another state where the person is domiciled 298  
may schedule an appointment to take the skills test in this 299  
state and shall pay the appropriate appointment fee. Upon the 300  
person's completion of the skills test, this state shall 301  
electronically transmit the applicant's results to the state 302  
where the person is domiciled. If a person who is domiciled in 303  
this state takes a skills test in another state, this state 304  
shall accept the results of the skills test from the other 305  
state. If the person passed the other state's skills test and 306  
meets all of the other licensing requirements set forth in this 307  
chapter and rules adopted under this chapter, the registrar of 308  
motor vehicles or a deputy registrar shall issue a commercial 309

driver's license to that person. 310

(G) Unless otherwise specified, the director or the 311  
director's representative shall conduct the examinations, 312  
inspections, audits, and test monitoring set forth in divisions 313  
(B) (2), (3), and (4) of this section at least annually. If the 314  
other party or any of its skills test examiners fail to comply 315  
with state or federal standards for the skills testing program, 316  
the director or the director's representative shall take prompt 317  
and appropriate remedial action against the party and its skills 318  
test examiners. Remedial action may include termination of the 319  
agreement or revocation of a skills test examiner's 320  
certification. 321

(H) As used in this section, "skills test" means a test of 322  
an applicant's ability to drive the type of commercial motor 323  
vehicle for which the applicant seeks a commercial driver's 324  
license by having the applicant drive such a motor vehicle while 325  
under the supervision of an authorized state driver's license 326  
examiner or tester. 327

Sec. 5747.82. There is allowed a nonrefundable credit 328  
against a taxpayer's aggregate tax liability under section 329  
5747.02 of the Revised Code for a taxpayer that has been issued 330  
a tax credit certificate under section 122.91 of the Revised 331  
Code. The amount of the credit shall equal the credit amount 332  
stated on the certificate. The credit shall be claimed for the 333  
taxpayer's most recently concluded taxable year that ended 334  
before the issuance date stated on the certificate. 335

The credit shall be claimed in the order required under 336  
section 5747.98 of the Revised Code. Any credit amount in excess 337  
of the aggregate amount of tax due under section 5747.02 of the 338  
Revised Code, after allowing for any other credits preceding the 339

credit in that order, may be carried forward for five taxable 340  
years, but the amount of the excess credit allowed in any such 341  
year shall be deducted from the balance carried forward to the 342  
next year. 343

Nothing in this section limits or disallows pass-through 344  
treatment of the credit if the credit certificate has been 345  
issued to a pass-through entity. 346

**Sec. 5747.98.** (A) To provide a uniform procedure for 347  
calculating a taxpayer's aggregate tax liability under section 348  
5747.02 of the Revised Code, a taxpayer shall claim any credits 349  
to which the taxpayer is entitled in the following order: 350

(1) Either the retirement income credit under division (B) 351  
of section 5747.055 of the Revised Code or the lump sum 352  
retirement income credits under divisions (C), (D), and (E) of 353  
that section; 354

(2) Either the senior citizen credit under division (F) of 355  
section 5747.055 of the Revised Code or the lump sum 356  
distribution credit under division (G) of that section; 357

(3) The dependent care credit under section 5747.054 of 358  
the Revised Code; 359

(4) The credit for displaced workers who pay for job 360  
training under section 5747.27 of the Revised Code; 361

(5) The twenty-dollar personal exemption credit under 362  
section 5747.022 of the Revised Code; 363

(6) The joint filing credit under division (G) of section 364  
5747.05 of the Revised Code; 365

(7) The earned income credit under section 5747.71 of the 366  
Revised Code; 367

(8) The credit for adoption of a minor child under section 5747.37 of the Revised Code;	368 369
(9) The nonrefundable job retention credit under division (B) of section 5747.058 of the Revised Code;	370 371
(10) The enterprise zone credit under section 5709.66 of the Revised Code;	372 373
(11) The ethanol plant investment credit under section 5747.75 of the Revised Code;	374 375
(12) <u>The credit for commercial vehicle operator training expenses under section 5747.82 of the Revised Code;</u>	376 377
<u>(13)</u> The credit for purchases of qualifying grape production property under section 5747.28 of the Revised Code;	378 379
<del>(13)</del> <u>(14)</u> The small business investment credit under section 5747.81 of the Revised Code;	380 381
<del>(14)</del> <u>(15)</u> The nonrefundable lead abatement credit under section 5747.26 of the Revised Code;	382 383
<del>(15)</del> <u>(16)</u> The opportunity zone investment credit under section 122.84 of the Revised Code;	384 385
<del>(16)</del> <u>(17)</u> The enterprise zone credits under section 5709.65 of the Revised Code;	386 387
<del>(17)</del> <u>(18)</u> The research and development credit under section 5747.331 of the Revised Code;	388 389
<del>(18)</del> <u>(19)</u> The credit for rehabilitating a historic building under section 5747.76 of the Revised Code;	390 391
<del>(19)</del> <u>(20)</u> The nonresident credit under division (A) of section 5747.05 of the Revised Code;	392 393

<del>(20)</del> <u>(21)</u> The credit for a resident's out-of-state income	394
under division (B) of section 5747.05 of the Revised Code;	395
<del>(21)</del> <u>(22)</u> The refundable motion picture and Broadway	396
theatrical production credit under section 5747.66 of the	397
Revised Code;	398
<del>(22)</del> <u>(23)</u> The refundable jobs creation credit or job	399
retention credit under division (A) of section 5747.058 of the	400
Revised Code;	401
<del>(23)</del> <u>(24)</u> The refundable credit for taxes paid by a	402
qualifying entity granted under section 5747.059 of the Revised	403
Code;	404
<del>(24)</del> <u>(25)</u> The refundable credits for taxes paid by a	405
qualifying pass-through entity granted under division (I) of	406
section 5747.08 of the Revised Code;	407
<del>(25)</del> <u>(26)</u> The refundable credit under section 5747.80 of	408
the Revised Code for losses on loans made to the Ohio venture	409
capital program under sections 150.01 to 150.10 of the Revised	410
Code;	411
<del>(26)</del> <u>(27)</u> The refundable credit for rehabilitating a	412
historic building under section 5747.76 of the Revised Code.	413
(B) For any credit, except the refundable credits	414
enumerated in this section and the credit granted under division	415
(H) of section 5747.08 of the Revised Code, the amount of the	416
credit for a taxable year shall not exceed the taxpayer's	417
aggregate amount of tax due under section 5747.02 of the Revised	418
Code, after allowing for any other credit that precedes it in	419
the order required under this section. Any excess amount of a	420
particular credit may be carried forward if authorized under the	421
section creating that credit. Nothing in this chapter shall be	422

construed to allow a taxpayer to claim, directly or indirectly,	423
a credit more than once for a taxable year.	424
<b>Section 2.</b> That existing sections 4506.09 and 5747.98 of	425
the Revised Code are hereby repealed.	426
<b>Section 3.</b> In adopting the rules required under division	427
(D) of section 122.91 of the Revised Code, as enacted by this	428
act, the Director of Development Services shall file the notice	429
and text of the proposed rules as required by division (B) of	430
section 119.03 of the Revised Code not later than one hundred	431
fifty days after the effective date of this section.	432