

**As Introduced**

**133rd General Assembly**

**Regular Session**

**2019-2020**

**H. B. No. 730**

**Representatives Russo, Greenspan**

**Cosponsors: Representatives Kelly, Galonski, Patterson, Patton, Skindell,  
Lightbody, Smith, K., Sobecki, Manning, G., Koehler, Crossman, West, Miller, J.,  
Lanese, Sheehy**

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**A BILL**

To amend sections 6109.01 and 6109.22 and to enact 1  
sections 6109.09, 6109.091, 6109.092, 6109.093, 2  
and 6109.094 of the Revised Code to establish 3  
the Lead Service Line Replacement Program. 4

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

**Section 1.** That sections 6109.01 and 6109.22 be amended 5  
and sections 6109.09, 6109.091, 6109.092, 6109.093, and 6109.094 6  
of the Revised Code be enacted to read as follows: 7

**Sec. 6109.01.** As used in this chapter: 8

(A) "Public water system" means a system for the provision 9  
to the public of water for human consumption through pipes or 10  
other constructed conveyances if the system has at least fifteen 11  
service connections or regularly serves at least twenty-five 12  
individuals. "Public water system" includes any collection, 13  
treatment, storage, and distribution facilities under control of 14  
the operator of the system and used primarily in connection with 15  
the system, any collection or pretreatment storage facilities 16

not under such control that are used primarily in connection 17  
with the system, and any water supply system serving an 18  
agricultural labor camp as defined in section 3733.41 of the 19  
Revised Code. 20

(B) "Contaminant" means any physical, chemical, 21  
biological, or radiological substance or matter in water. 22

(C) "Person" means the state, any political subdivision, 23  
agency, institution, or instrumentality thereof, any federal 24  
agency, and any person as defined in section 1.59 of the Revised 25  
Code. 26

(D) "Safe Drinking Water Act" means the "Safe Drinking 27  
Water Act," 88 Stat. 1660 (1974), 42 U.S.C. 300(f), as amended 28  
by the "Safe Drinking Water Amendments of 1977," 91 Stat. 1393, 29  
42 U.S.C. 300(f), the "Safe Drinking Water Act Amendments of 30  
1986," 100 Stat. 642, 42 U.S.C. 300(f), and the "Safe Drinking 31  
Water Act Amendments of 1996," 110 Stat. 1613, 42 U.S.C. 300(f), 32  
and regulations adopted under those acts. 33

(E) "Community water system" means a public water system 34  
that has at least fifteen service connections used by year-round 35  
residents or that regularly serves at least twenty-five year- 36  
round residents. 37

(F) "Small system" means a public water system serving a 38  
population of ten thousand or fewer individuals. 39

(G) "Technical assistance" means nonfinancial assistance 40  
provided by the state to public water systems and other eligible 41  
applicants, including, without limitation, assistance for 42  
planning and design, development, and implementation of source 43  
water quality protection programs; locating alternative supplies 44  
of drinking water; operational training; restructuring or 45

consolidation of small systems; providing treatment information 46  
in order to assist compliance with a national primary drinking 47  
water standard; and other nonfinancial assistance authorized by 48  
the requirements governing the funds established under this 49  
chapter. 50

(H) "Disadvantaged community" means the service area or 51  
portion of a service area of a public water system that meets 52  
affordability and other criteria established by the director of 53  
environmental protection in rules adopted under division (M) of 54  
section 6109.22 of the Revised Code and may include the service 55  
area or portion of a service area of a public water system 56  
located in a distressed area as defined in section 122.19 of the 57  
Revised Code. 58

(I) "Director of environmental protection" or "director" 59  
includes an authorized representative of the director. 60

(J) "Federal Water Pollution Control Act" has the same 61  
meaning as in section 6111.01 of the Revised Code. 62

(K) "Nontransient noncommunity water system" means a 63  
public water system that regularly serves at least twenty-five 64  
of the same persons over six months per year and is not a 65  
community water system. 66

(L) "Lead service line" means any public or private 67  
service line that contains lead that is connected to a public 68  
water system, including any lead pigtail, lead gooseneck, or 69  
other lead fitting. 70

Sec. 6109.09. The director of environmental protection 71  
shall establish a lead service line replacement program. The 72  
purpose and goal of the program is to replace all lead service 73  
lines in Ohio within twenty years after the effective date of 74

this section. In implementing the program, the director shall do 75  
all of the following: 76

(A) Adopt rules in accordance with section 6109.091 of the 77  
Revised Code; 78

(B) Establish within the environmental protection agency 79  
the office of lead service line replacement, which shall do the 80  
following: 81

(1) Oversee the lead service line replacement plans 82  
approved and adopted under section 6109.091 of the Revised Code; 83

(2) Provide customer service support to those 84  
participating or attempting to participate in the lead service 85  
line replacement program. 86

(C) Collaborate with local authorities to identify grant 87  
programs that can provide resources to public water systems for 88  
the purpose of funding lead service line replacement; 89

(D) Post information on the environmental protection 90  
agency's web site about other sources of funding that are 91  
available to assist public water systems with lead service line 92  
identification and replacement; 93

(E) Take any other actions that the director determines 94  
necessary for the administration and implementation of the lead 95  
service line replacement program. 96

**Sec. 6109.091.** Within one year of the effective date of 97  
this section, the director of environmental protection shall 98  
adopt rules in accordance with Chapter 119. of the Revised Code 99  
to establish standards and procedures for administering and 100  
implementing the lead service line replacement program created 101  
in section 6109.09 of the Revised Code. The director shall 102

<u>ensure that the rules establish all of the following:</u>	103
<u>(A) A requirement that the owner or operator of a public</u>	104
<u>water system identify and oversee the removal of all lead</u>	105
<u>service lines connected to the system not later than twenty</u>	106
<u>years after the effective date of this section;</u>	107
<u>(B) Requirements and procedures for the submission of lead</u>	108
<u>service line replacement plans under section 6109.092 of the</u>	109
<u>Revised Code;</u>	110
<u>(C) Procedures for prioritizing lead service lines for</u>	111
<u>replacement;</u>	112
<u>(D) Procedures for identifying grant money that is</u>	113
<u>available to public water systems for lead service line</u>	114
<u>replacement and notifying public water systems of the</u>	115
<u>availability of such grants;</u>	116
<u>(E) Procedures that the owner or operator of a public</u>	117
<u>water system shall follow, when division (D) (2) of section</u>	118
<u>6109.094 of the Revised Code applies, to require a customer to</u>	119
<u>pay all or part of the costs of the replacement of the</u>	120
<u>customer's lead service line in one lump sum or through periodic</u>	121
<u>payments made via the customer's water bill. The director shall</u>	122
<u>ensure that rules adopted under division (E) of this section</u>	123
<u>take into account a customer's ability to pay. Such rules also</u>	124
<u>shall provide for payment exemptions for customers who are of</u>	125
<u>low or moderate income.</u>	126
<u>(F) Procedures for the owner or operator of a public water</u>	127
<u>system to financially contribute to replacing the lead service</u>	128
<u>line of a customer who is of low or moderate income when</u>	129
<u>division (E) (2) of section 6109.094 of the Revised Code applies;</u>	130
<u>(G) A requirement that any person who removes a lead</u>	131

<u>service line shall remove the entire line;</u>	132
<u>(H) Procedures by which the owner or operator of a public</u>	133
<u>water system shall provide a customer with educational resources</u>	134
<u>regarding the flushing of plumbing and use of water filters</u>	135
<u>before, during, and after a lead service line is replaced;</u>	136
<u>(I) Any other requirements and procedures necessary for</u>	137
<u>the implementation and administration of the lead service line</u>	138
<u>replacement program.</u>	139
<b><u>Sec. 6109.092.</u></b> (A) <u>Not later than one year after the</u>	140
<u>director of environmental protection adopts rules under section</u>	141
<u>6109.091 of the Revised Code, the owner or operator of a public</u>	142
<u>water system shall submit a lead service line replacement plan</u>	143
<u>to the office of lead service line replacement in accordance</u>	144
<u>with those rules. The owner or operator of the public water</u>	145
<u>system shall update the lead service line replacement plan</u>	146
<u>annually.</u>	147
<u>(B) A lead service line replacement plan shall include the</u>	148
<u>following:</u>	149
<u>(1) Information regarding whether there are lead service</u>	150
<u>lines connected to the public water system;</u>	151
<u>(2) A water distribution system material inventory of all</u>	152
<u>service lines. An inventory shall identify the following:</u>	153
<u>(a) The number, diameter, and location of lead service</u>	154
<u>lines, service lines that are likely to have lead, and service</u>	155
<u>lines that contain unknown material;</u>	156
<u>(b) The number, diameter, and location of lines described</u>	157
<u>in division (B) (2) (a) of this section that were added to the</u>	158
<u>inventory after the prior year's submission; and</u>	159

(c) The number, diameter, and location of lines described 160  
in division (B) (2) (a) of this section that were replaced prior 161  
to the commencement of the inventory. 162

(3) A schedule that delineates each lead service line 163  
replacement phase within the service area of the public water 164  
system and the chronological order in which the phases will be 165  
completed. 166

(4) Any other information required by rule adopted under 167  
section 6109.091 of the Revised Code. 168

(C) An owner or operator of a public water system shall 169  
include an initial inventory described in division (B) (2) of 170  
this section with the initial plan submitted under this section. 171  
The owner or operator shall complete the inventory not later 172  
than five years after the effective date of this section. 173

(D) Nothing in sections 6109.09 to 6109.093 of the Revised 174  
Code shall be construed to require the owner or operator of a 175  
public water system to unearth a lead service line. 176

**Sec. 6109.093.** (A) The director shall review, and approve 177  
or disapprove, all lead service line replacement plans submitted 178  
under section 6109.092 of the Revised Code. If the director 179  
determines that a plan submitted by the owner or operator of a 180  
public water system does not meet the requirements of that 181  
section and rules adopted under section 6109.091 of the Revised 182  
Code, the director shall issue an order requiring the owner or 183  
operator to submit a corrected plan. 184

(B) If the director determines that a corrected plan 185  
submitted by the owner or operator of a public water system does 186  
not meet the requirements of section 6109.092 of the Revised 187  
Code and rules adopted under section 6109.091 of the Revised 188

Code, the director shall adopt a lead service line replacement plan on behalf of the owner or operator. 189  
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(C) No owner or operator of a public water system shall fail to submit a lead service line replacement plan or a corrected plan under this section. No owner or operator of a public water system shall fail to properly implement a lead service line plan approved or adopted under this section. 191  
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(D) The owner or operator of a public water system is not eligible for a grant issued by any state agency for the replacement of lead service lines unless the owner or operator is properly implementing a lead service line replacement plan approved or adopted under this section. 196  
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**Sec. 6109.094.** (A) As used in this section, "external funding" means funding, other than funding derived from an increase in the rates paid by customers of a public water system, that is available for use in replacing lead service lines. 201  
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(B) After the director of environmental protection approves or adopts a lead service line replacement plan under section 6109.093 of the Revised Code, the office of lead service line replacement, before an owner or operator of a public water system begins each phase of the plan, shall determine whether the owner or operator has sufficient external funding to complete the phase. The office shall base its determination on guidelines that the director shall establish. After the determination, an owner or operator of the public water system shall proceed in accordance with division (C) or (D) of this section. 206  
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(C) If the office determines that the owner or operator 217



has sufficient external funding to complete the phase, the owner 218  
or operator shall complete the phase by replacing the applicable 219  
lead service lines in accordance with its lead service line 220  
replacement plan and rules adopted under section 6109.091 of the 221  
Revised Code. 222

(D) (1) If the office determines that the owner or operator 223  
does not have sufficient external funding to complete the phase, 224  
the owner or operator shall, in coordination with the office, 225  
search and apply for any available federal, state, local, or 226  
other sources of external funding. 227

(2) If the owner or operator is able to obtain external 228  
funding that covers at least fifty per cent of the cost of the 229  
phase, the owner or operator may raise the rates of the 230  
customers directly affected by the phase in an amount sufficient 231  
to cover the remaining costs of completing the phase. After the 232  
rate increase, the owner or operator shall complete the phase by 233  
replacing the applicable lead service lines in accordance with 234  
its lead service line replacement plan and rules adopted under 235  
section 6109.091 of the Revised Code. The owner or operator 236  
shall eliminate the rate increase after the phase is complete 237  
and all costs associated with the completion have been paid. 238

(3) If the owner or operator is unable to obtain external 239  
funding that covers at least fifty per cent of the cost of the 240  
phase, the owner or operator shall apply for a waiver from the 241  
director from any penalty associated with being unable to 242  
complete the phase in compliance with the applicable lead line 243  
replacement plan. The director shall grant the owner or operator 244  
the waiver for a period of up to five years. During the waiver 245  
period, the owner or operator's failure to replace lead service 246  
lines in accordance with the applicable lead service line 247

replacement plan does not constitute a violation of division (A) 248  
of section 6109.31 of the Revised Code. 249

**Sec. 6109.22.** (A) There is hereby created the drinking 250  
water assistance fund to provide financial and technical 251  
assistance for the purposes of protecting public health and 252  
achieving and maintaining compliance with the Safe Drinking 253  
Water Act and this chapter. In addition to the accounts created 254  
under divisions (G) and (H) of this section, the drinking water 255  
assistance fund may include any other accounts established by 256  
the director of environmental protection. The fund shall be 257  
administered by the director consistent with the Safe Drinking 258  
Water Act, this section, and rules adopted under division (M) of 259  
this section. 260

(B) The drinking water assistance fund shall consist of 261  
the moneys credited to it from all capitalization grants 262  
received under the Safe Drinking Water Act except for moneys 263  
reserved by the governor pursuant to Title III, section 302 of 264  
that act, all moneys credited to the fund from nonfederal 265  
sources, including, without limitation, the proceeds of state 266  
bonds or notes issued for the benefit of the fund, all payments 267  
of principal and interest on loans made from the fund, and all 268  
investment earnings on moneys held in the fund. On or before the 269  
date that a capitalization grant payment made under the 270  
authority of the Safe Drinking Water Act is credited to the 271  
fund, required matching moneys shall be credited to the fund. 272  
Any moneys transferred to or reserved from the drinking water 273  
assistance fund pursuant to Title III, section 302 of the Safe 274  
Drinking Water Act shall be accounted for separately. 275

(C) In a manner consistent with the Safe Drinking Water 276  
Act and the applicable drinking water assistance management plan 277

prepared in accordance with this section, the director may 278  
reserve and award for assistance moneys allotted to the state 279  
under section 1452 of the Safe Drinking Water Act, provided that 280  
the director makes a determination that the use of the moneys 281  
will accomplish the state's objectives and the objectives 282  
established for capitalization grants under the Safe Drinking 283  
Water Act. The director may use a portion of the reserved moneys 284  
to enter into contracts with qualified organizations, including 285  
private nonprofit organizations, to provide statewide on-site 286  
technical assistance to small public water systems. 287

(D) Subject to the terms of the agreements provided for in 288  
division (E) of this section, moneys in the drinking water 289  
assistance fund shall be held in trust by the Ohio water 290  
development authority for the purposes of this section, shall be 291  
kept in the same manner that funds of the authority are kept 292  
under section 6121.11 of the Revised Code, and may be invested 293  
in the same manner that funds of the authority are invested 294  
under section 6121.12 of the Revised Code. Moneys in the 295  
drinking water assistance fund shall be separate and apart from 296  
and not a part of the state treasury or of the other funds of 297  
the authority. No withdrawals or disbursements shall be made 298  
from the drinking water assistance fund without the written 299  
authorization of the director. 300

(E) The director shall adopt written criteria to ensure 301  
that fiscal controls are established for prudent administration 302  
of the drinking water assistance fund. For that purpose, the 303  
director and the authority shall enter into any necessary and 304  
appropriate agreements under which the authority may perform or 305  
provide any of the following: 306

(1) Fiscal controls and accounting procedures governing 307

fund balances, receipts, and disbursements;	308
(2) Administration of loan accounts;	309
(3) Maintenance, management, and investment of moneys in the fund.	310 311
Any agreement entered into under division (E) of this section shall provide for the payment of reasonable fees to the authority for any services it performs under the agreement and may provide for reasonable fees for the assistance of financial or accounting advisors. Payment of any of the fees to the authority may be made from the drinking water assistance administrative account established under division (G) of this section.	312 313 314 315 316 317 318 319
(F) The authority may make moneys available to the director for the purpose of providing matching moneys required to be credited to the drinking water assistance fund under division (B) of this section, subject to any terms that the director and the authority consider appropriate, and may pledge moneys that are held by the authority to secure the payment of bonds or notes issued by the authority to provide those matching moneys.	320 321 322 323 324 325 326 327
The director and the authority may enter into trust agreements to enable the authority to issue and refund bonds or notes for the sole benefit of the drinking water assistance fund, including, without limitation, the raising of matching moneys required to be credited to the fund in accordance with division (B) of this section. The agreements may authorize the pledge of moneys accruing to the fund from payments of principal or interest or both on loans made from the fund to secure bonds or notes, the proceeds of which bonds or notes shall be for the	328 329 330 331 332 333 334 335 336

sole benefit of the drinking water assistance fund. The 337  
agreements may contain any terms that the director and the 338  
authority consider reasonable and proper for the payment and 339  
security of the bondholders or noteholders. 340

(G) There is hereby established within the drinking water 341  
assistance fund the drinking water assistance administrative 342  
account. No state matching moneys deposited into the fund under 343  
this section shall be used for the purpose of paying for or 344  
defraying the costs of administering this section. The director 345  
may establish and collect fees from applicants for assistance 346  
provided under this section. The total fees charged to an 347  
applicant under this division for assistance under this section 348  
shall not exceed the following: 349

(1) For the environmental protection agency, one per cent 350  
of the principal amount of the assistance awarded to the 351  
applicant; 352

(2) For the authority, thirty-five one-hundredths of one 353  
per cent of the principal amount of the assistance awarded to 354  
the applicant. 355

All moneys from the fees shall be credited to the drinking 356  
water assistance administrative account in the fund. The moneys 357  
shall be used solely to defray the costs of administering this 358  
section. 359

(H) There is hereby established within the drinking water 360  
assistance fund the water supply revolving loan account. The 361  
director may provide financial assistance from the water supply 362  
revolving loan account ~~for improvements to community both of the~~ 363  
following: 364

(1) Community water systems and ~~to~~ nonprofit noncommunity 365

public water systems <u>for improvements;</u>	366
<u>(2) Public water systems for the purposes of replacing</u>	367
<u>lead service lines and funding lead service line replacement</u>	368
<u>plans under section 6109.092 of the Revised Code.</u>	369
(I) All moneys from the fund credited to the water supply	370
revolving loan account, all interest earned on moneys credited	371
to the account, and all payments of principal and interest on	372
loans made from the account shall be dedicated in perpetuity and	373
used and reused solely for the following purposes, except as	374
otherwise provided in this section:	375
(1) To make loans to community water systems and nonprofit	376
noncommunity public water systems, <u>and to make loans to public</u>	377
<u>water systems for the purposes of replacing lead service lines</u>	378
<u>and funding lead service line replacement plans under section</u>	379
<u>6109.092 of the Revised Code,</u> subject to all of the following	380
conditions:	381
(a) The loans are made at or below market rates of	382
interest, including, without limitation, interest-free loans;	383
(b) Each recipient of a loan shall establish a dedicated	384
source of security or revenue for repayment of the loan;	385
(c) Periodic payments of principal and interest shall be	386
required on the dates and in the amounts approved by the	387
director;	388
(d) All payments of principal and interest on the loans	389
shall be credited to the water supply revolving loan account.	390
(2) To purchase or refinance at or below market rates	391
interest debt obligations incurred after July 1, 1993, by	392
municipal corporations, other political subdivisions, and	393

interstate agencies having territory in the state. If any debt 394  
obligations are purchased or refinanced under division (I) (2) of 395  
this section to provide financial assistance for any of the 396  
purposes allowed under division (I) of this section, the 397  
repayment period may extend up to forty-five years. However, the 398  
repayment period shall not exceed the expected useful life of 399  
any facilities that are financed by the obligations. 400

(3) To guarantee or purchase insurance for debt 401  
obligations when the guarantee or insurance would improve the 402  
borrower's access to credit markets or would reduce the interest 403  
paid on those obligations; 404

(4) As a source of revenue or security for the payment of 405  
principal and interest on general obligation or revenue bonds or 406  
notes issued by this state if the proceeds of the sale of the 407  
bonds or notes are or will be deposited into the account; 408

(5) To provide subsidies in addition to any other 409  
financial assistance afforded disadvantaged communities under 410  
this section; 411

(6) To earn interest on moneys credited to the account; 412

(7) To provide any other assistance authorized by the Safe 413  
Drinking Water Act or any other federal law related to the use 414  
of federal funds administered under the Safe Drinking Water Act. 415

(J) The director may provide financial assistance from the 416  
water supply revolving loan account after determining all of the 417  
following: 418

(1) The applicant for financial assistance has the legal, 419  
institutional, managerial, and financial capability to 420  
construct, operate, and maintain its public water system and the 421  
proposed improvements to it; 422

- (2) The applicant will implement a financial management plan that includes, without limitation, provisions for satisfactory repayment of the financial assistance;
- (3) The public water system of which the project for which assistance is proposed is a part is economically and nonmonetarily cost-effective, based on an evaluation of feasible alternatives that meet the drinking water treatment needs of the planning area in which the proposed project is located;
- (4) Based on a comprehensive environmental review approved by the director, there are no significant adverse environmental effects resulting from all necessary improvements to the public water system of which the project proposed for assistance is a part;
- (5) Public participation has occurred during the process of planning the project in compliance with applicable requirements under the Safe Drinking Water Act;
- (6) The application meets the requirements of this section and rules adopted under division (M) of this section and is consistent with section 1452 of the Safe Drinking Water Act and regulations adopted under it;
- (7) If the applicant for assistance is a water district formed under Chapter 6119. of the Revised Code that operates a public water system and that water district seeks to extend the distribution facilities, increase the number of service connections to its system, or provide for any other expansion of its system, the water district has consulted with the board of county commissioners from each county in which is located the proposed extension of distribution facilities, increase in the number of service connections, or other expansion of the public



water system; 452

(8) The application meets any other requirements that the 453  
director considers necessary or appropriate to protect public 454  
health and the environment and to ensure the financial integrity 455  
of the water supply revolving loan account. 456

Upon approval by the director of an application for 457  
financial assistance, the Ohio water development authority shall 458  
disburse the appropriate financial assistance from the water 459  
supply revolving loan account. If the proposed financial 460  
assistance is a loan, and if the payments of the principal or 461  
interest on the loan are or are expected to be pledged to secure 462  
payment of bonds issued or expected to be issued by the 463  
authority, the director shall submit the application for the 464  
loan to the authority for review and approval with respect to 465  
any matters pertaining to security for and the marketability of 466  
authority bonds. Review and approval by the authority shall be 467  
required prior to the making of such a loan. 468

(K) In accordance with rules adopted under division (M) of 469  
this section, the director periodically shall prepare a drinking 470  
water assistance management plan establishing the short-term and 471  
long-term goals for the assistance provided under this section, 472  
the allocation of available resources for the purposes of this 473  
section, the environmental, financial, and administrative terms, 474  
conditions, and criteria for the award of financial and 475  
technical assistance under this section, and the intended uses 476  
of capitalization grants and available moneys from the drinking 477  
water assistance fund. Criteria for awarding financial or 478  
technical assistance under this section shall not favor or 479  
disfavor any otherwise qualified nonprofit noncommunity public 480  
water system because it is owned by, operated by, or services a 481

religious organization or a facility used for religious 482  
purposes. Prior to its adoption, the director shall make the 483  
drinking water assistance management plan available for public 484  
review and comment at a minimum of two public meetings and shall 485  
take adequate steps to ensure that reasonable public notice of 486  
each public meeting is given at least thirty days prior to the 487  
meeting. 488

The plan shall include, without limitation, a system that 489  
prioritizes projects funded by the water supply revolving loan 490  
account based on the relative risk to human health being 491  
addressed, their necessity for ensuring compliance with 492  
requirements of the Safe Drinking Water Act, and their 493  
affordability to the applicants, as determined by the director. 494  
Financial assistance for projects from the water supply 495  
revolving loan account shall be limited to projects that are 496  
included in that prioritization and shall be awarded based upon 497  
their priority position and the applicants' readiness to proceed 498  
with their proposed activities as determined by the director. 499  
The drinking water assistance management plan shall include 500  
terms, conditions, amounts of moneys, and qualifying criteria, 501  
in addition to any other criteria established under this 502  
section, governing the financial assistance to be awarded to 503  
applicants from the water supply revolving loan account. The 504  
director shall determine the most effective use of the moneys in 505  
that account to achieve the state's drinking water assistance 506  
goals and objectives. 507

(L) The director, consistent with this section and 508  
applicable rules adopted under division (M) of this section, may 509  
enter into an agreement with an applicant for assistance from 510  
the drinking water assistance fund. Based on the director's 511  
review and approval of the project plans submitted under section 512

6109.07 of the Revised Code, any determinations made under 513  
division (J) of this section if an applicant seeks funding from 514  
the water supply revolving loan account, and any other 515  
requirements of this section and rules adopted under it, the 516  
director may establish in the agreement environmental and 517  
financial terms and conditions of the financial assistance to be 518  
offered to the applicant. If the recipient of financial 519  
assistance under this section defaults on any payment required 520  
in the agreement for financial assistance or otherwise violates 521  
a term or condition of the agreement or of the plan approval for 522  
the project under section 6109.07 of the Revised Code, the 523  
director, in addition to any other available remedies, may 524  
terminate, suspend, or require immediate repayment of the 525  
financial assistance. The director also may take any enforcement 526  
action available under this chapter. 527

(M) The director may adopt rules in accordance with 528  
Chapter 119. of the Revised Code for the implementation and 529  
administration of this section. The rules shall be consistent 530  
with section 1452 of the Safe Drinking Water Act. 531

(N) (1) For the purposes of this section, appealable 532  
actions of the director pursuant to section 3745.04 of the 533  
Revised Code are limited to the following: 534

(a) Adoption of the drinking water assistance management 535  
plan prepared under division (K) of this section; 536

(b) Approval of priority systems, priority lists, and 537  
written program administration policies; 538

(c) Approval or disapproval under this section of 539  
applicants' project plans submitted under section 6109.07 of the 540  
Revised Code; 541

(d) Approval or disapproval of an application for 542  
assistance. 543

(2) Notwithstanding section 119.06 of the Revised Code, 544  
the director may take the final actions described in divisions 545  
(N) (1) (a) to (d) of this section without holding an adjudication 546  
hearing in connection with the action and without first issuing 547  
a proposed action under section 3745.07 of the Revised Code. 548

(3) Each action described in divisions (N) (1) (a) to (d) of 549  
this section and each approval of a plan under section 6109.07 550  
of the Revised Code is a separate and discrete action of the 551  
director. Appeals are limited to the issues concerning the 552  
specific action appealed. Any appeal shall not include issues 553  
determined under the scope of any prior action. 554

(O) The failure or inability of a public water system to 555  
obtain assistance under this section does not alter the 556  
obligation of the public water system to comply with all 557  
applicable requirements of this chapter and rules adopted under 558  
it. 559

**Section 2.** That existing sections 6109.01 and 6109.22 of 560  
the Revised Code are hereby repealed. 561

**Section 3.** (A) There is hereby created the Governor's Task 562  
Force on Lead, which shall consist of seven members appointed by 563  
the Governor who have expertise regarding safe drinking water. 564  
The Governor shall make appointments to the Task Force not later 565  
than thirty days after the effective date of this section. The 566  
Governor shall ensure that the membership of the Task Force is 567  
representative of public water systems, the Ohio Environmental 568  
Protection Agency, academia in the field of drinking water 569  
management, and public water systems users. The Task Force shall 570

develop recommendations governing the following:	571
(1) Protocols for prioritizing funding for lead service line replacement. The Task Force shall ensure that such prioritization protocols favor disadvantaged communities.	572 573 574
(2) Incentives that may be adopted to encourage owners and operators of public water systems to provide matching funds for any funding for lead service line replacement provided from federal and state sources. The Task Force shall ensure that the incentives take into account public water systems with a small rate base and systems with a large rate base of low-income rate payers;	575 576 577 578 579 580 581
(3) Alternative enforcement and incentive systems to encourage public water systems to replace lead service lines.	582 583
(B) The Task Force shall submit its recommendations to the Director of Environmental Protection not later than six months after the effective date of this section. The Director shall incorporate the recommendations, to the extent possible, in the rules adopted under section 6109.091 of the Revised Code.	584 585 586 587 588
(C) Upon submission of the recommendations under division (B) of this section, the Task Force shall cease to exist.	589 590