

**As Reported by the Senate Finance and Financial Institutions
Committee**

**126th General Assembly
Regular Session
2005-2006**

Sub. S. B. No. 321

Senators Carey, Niehaus, Stivers, Roberts, Clancy, Austria

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A B I L L

To amend sections 183.04, 183.05, 183.30, 3702.72, 1
3702.73, 3702.81, 3702.89, and 3702.92 of the 2
Revised Code, to amend Section 312.27 of Am. Sub. 3
H.B. 66 of the 126th General Assembly, and to 4
amend Section 203.09 of Am. Sub. H.B. 66 of the 5
126th General Assembly, as subsequently amended, 6
to provide for the distribution of money received 7
by the state pursuant to the Tobacco Master 8
Settlement Agreement by making appropriations for 9
the biennium beginning July 1, 2006, and ending 10
June 30, 2008, and to provide authorization and 11
conditions for the operation of state programs. 12

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

Section 101.01. That sections 183.04, 183.05, 183.30, 13
3702.72, 3702.73, 3702.81, 3702.89, and 3702.92 of the Revised 14
Code be amended to read as follows: 15

Sec. 183.04. There is hereby created the tobacco use 16
prevention and control foundation, the general management of which 17
is vested in a board of trustees of ~~twenty-four~~ twenty-three 18
members as follows: 19

(A) Eight members who are health professionals, health 20
researchers, or representatives of health organizations. Two of 21
these members shall be appointed by the governor, two by the 22
speaker of the house of representatives, one by the minority 23
leader of the house of representatives, two by the president of 24
the senate, and one by the minority leader of the senate. 25

(B) Two members, one of whom has experience in financial 26
planning and accounting and one of whom has experience in media 27
and mass marketing, who shall be appointed by the governor; 28

(C) One member, who shall be appointed by the governor from a 29
list of at least three individuals recommended by the American 30
cancer society; 31

(D) One member, who shall be appointed by the governor from a 32
list of at least three individuals recommended by the American 33
heart association; 34

(E) One member, who shall be appointed by the governor from a 35
list of at least three individuals recommended by the American 36
lung association; 37

(F) One member, who shall be appointed by the governor from a 38
list of at least three individuals recommended by the association 39
of hospitals and health systems; 40

(G) One member, who shall be appointed by the governor from a 41
list of at least three individuals recommended by the Ohio state 42
medical association; 43

(H) One member, who shall be appointed by the governor from a 44
list of at least three individuals recommended by the association 45
of Ohio health commissioners; 46

(I) One member, who shall be appointed by the governor from a 47
list of at least three individuals recommended by the Ohio dental 48
association; 49

(J) One nonvoting member, who shall be a member of the house
of representatives of the political party of which the speaker of
the house of representatives is a member and who shall be
appointed by the speaker;

(K) One nonvoting member, who shall be a member of the house
of representatives of the major political party of which the
speaker of the house of representatives is not a member and who
shall be appointed by the speaker;

(L) One nonvoting member, who shall be a member of the senate
of the political party of which the president of the senate is a
member and who shall be appointed by the president;

(M) One nonvoting member, who shall be a member of the senate
of the major political party of which the president of the senate
is not a member and who shall be appointed by the president;

(N) The director of health, and the executive director of the
commission on minority health, or the executive director's
designee, ~~and the attorney general~~, who shall serve as ex officio
members.

The appointments of the governor shall be with the advice and
consent of the senate.

Terms of office for the non-legislative members appointed by
the governor, president, speaker, and minority leaders shall be
for five years. The terms of legislative members shall be for the
biennial session of the general assembly in which they are
appointed. Each member shall hold office from the date of
appointment until the end of the term for which the member was
appointed. Any member appointed to fill a vacancy occurring prior
to the expiration of the term for which the member's predecessor
was appointed shall hold office for the remainder of that term.
Any member shall continue in office subsequent to the expiration
date of the member's term until the member's successor takes

office, or until a period of sixty days has elapsed, whichever
occurs first. A vacancy in an unexpired term shall be filled in
the same manner as the original appointment. The governor may
remove any non-legislative member for malfeasance, misfeasance, or
nonfeasance after a hearing in accordance with Chapter 119. of the
Revised Code.

The members of the board shall serve without compensation but
shall receive their reasonable and necessary expenses incurred in
the conduct of foundation business.

Sections 101.82 to 101.87 of the Revised Code do not apply to
the foundation.

Sec. 183.05. The board of trustees of the tobacco use
prevention and control foundation shall select a chairperson from
among its members and shall meet once during each quarter or at
such other times as the board decides. A majority of the voting
members of the board constitutes a quorum, and no action shall be
taken without the affirmative vote of a majority of the ~~members~~
quorum.

Sec. 183.30. (A) Except as provided in division (D) of this
section, no more than five per cent of the total ~~expenditures~~
disbursements, encumbrances, and obligations of the tobacco use
prevention and control foundation in a fiscal year shall be for
administrative expenses of the foundation in the same fiscal year.

(B) Except as provided in division (D) of this section, no
more than five per cent of the total ~~expenditures~~ disbursements,
encumbrances, and obligations of the southern Ohio agricultural
and community development foundation in a fiscal year shall be for
administrative expenses of the foundation in the same fiscal year.

(C) Except as provided in division (D) of this section, no
more than five per cent of the total ~~expenditures made from~~

disbursements, encumbrances, and obligations of the biomedical 111
research and technology transfer trust fund by the third frontier 112
commission in a fiscal year shall be for administrative expenses 113
relating to the administration of the commission trust fund by the 114
third frontier commission in the same fiscal year. 115

(D) This section's five per cent limitation on administrative 116
expenses does not apply to any fiscal year for which the 117
controlling board approves a spending plan that the foundation or 118
commission submits to the board. 119

Sec. 3702.72. (A) A primary care physician who ~~has not~~ 120
~~received national health service corps tuition or student loan~~ 121
~~repayment assistance~~ will not have an outstanding obligation for 122
medical service to the federal government, a state, or other 123
entity at the time of participation in the physician loan 124
repayment program and meets one of the following requirements may 125
apply for participation in the physician loan repayment program: 126

(1) The primary care physician is enrolled in the final year 127
of an accredited program required for board certification in a 128
primary care specialty. 129

(2) The primary care physician is enrolled in the final year 130
of a fellowship program in a primary care specialty. 131

(3) The primary care physician ~~has been engaged in the~~ 132
~~practice of medicine and surgery or osteopathic medicine and~~ 133
~~surgery in this state for not more than three years prior to~~ 134
~~submitting the application~~ holds a valid certificate to practice 135
medicine and surgery or osteopathic medicine and surgery issued 136
under Chapter 4731. of the Revised Code. 137

(B) An application for participation in the physician loan 138
repayment program shall be submitted to the director of health on 139
a form that the director shall prescribe. The information required 140

to be submitted with an application includes the following: 141

(1) The applicant's name, permanent address or address at 142
which the applicant is currently residing if different from the 143
permanent address, and telephone number; 144

(2) The applicant's primary care specialty; 145

(3) The medical school or osteopathic medical school the 146
applicant attended, the dates of attendance, and verification of 147
attendance; 148

(4) The facility or institution where the applicant's medical 149
residency program was completed or is being performed, and, if 150
completed, the date of completion; 151

(5) A summary and verification of the educational expenses 152
for which the applicant seeks reimbursement under the program; 153

(6) Verification of the applicant's authorization under 154
Chapter 4731. of the Revised Code to practice medicine and surgery 155
or osteopathic medicine and surgery; 156

(7) Verification of the applicant's United States citizenship 157
or status as a legal alien. 158

Sec. 3702.73. If the general assembly has appropriated funds 159
for the physician loan repayment program, the director of health 160
shall approve an applicant for participation in the program if the 161
director finds that, in accordance with the priorities established 162
under section 3702.77 of the Revised Code, the applicant is 163
eligible for participation in the program and the applicant's 164
primary care specialty is needed in a health resource shortage 165
area. 166

Upon approval, the director shall notify and enter into 167
discussions with the applicant. The object of the discussions is 168
to facilitate the recruitment of the applicant to a site within a 169

health resource shortage area at which, according to the
priorities established under section 3702.77 of the Revised Code,
the applicant's primary care specialty is most needed. ~~The
director may pay the costs incurred by the applicant and the
applicant's spouse for travel, meals, and lodging in making one
visit to one health resource shortage area. The director may also
refer an applicant to the Ohio primary care association, inc., for
assistance in being recruited to a site within a health resource
shortage area at which the applicant will agree to be placed.~~

If the director and applicant agree on the applicant's
placement at a particular site within a health resource shortage
area, the applicant shall prepare, sign, and deliver to the
director a letter of intent agreeing to that placement.

Sec. 3702.81. There is hereby created the physician loan
repayment advisory board. The board shall consist of eleven
members as follows:

(A) The following six members appointed by the governor: a
representative of the department of health, a representative of
the Ohio academy of family practice, a representative of the board
of regents, a representative of the Ohio ~~primary care~~ association
of community health centers, inc., a representative of the Ohio
state medical association, and a representative of the Ohio
osteopathic association;

(B) Two members of the house of representatives, one from
each political party, appointed by the speaker of the house of
representatives;

(C) Two members of the senate, one from each political party,
appointed by the president of the senate.

Of the initial appointments made by the governor, three shall
be for terms ending June 30, 1994, and four shall be for terms

ending June 30, 1995. Of the initial appointments made by the
speaker of the house of representatives, one shall be for a term
ending June 30, 1994, and one shall be for a term ending June 30,
1995. Of the initial appointments made by the president of the
senate, one shall be for a term ending June 30, 1994, and one
shall be for a term ending June 30, 1995. Thereafter, terms of
office shall be two years, commencing on the first day of July and
ending on the thirtieth day of June. Each member shall hold office
from the date of appointment until the end of the term for which
the member was appointed, except that a legislative member ceases
to be a member of the board upon ceasing to be a member of the
general assembly.

Vacancies shall be filled in the manner prescribed for the
original appointment. A member appointed to fill a vacancy
occurring prior to the expiration of the term for which the
member's predecessor was appointed shall hold office for the
remainder of that term. A member shall continue in office
subsequent to the expiration of the member's term until a
successor takes office or until sixty days have elapsed, whichever
occurs first. No person shall be appointed to the board for more
than two consecutive terms.

The governor, speaker, or president may remove a member for
whom the governor, speaker, or president was the appointing
authority, for misfeasance, malfeasance, or willful neglect of
duty.

The governor shall designate a member of the board to serve
as chairperson of the board.

The board shall meet at least once annually. The chairperson
shall call special meetings as needed or upon the request of six
members.

Six members of the board constitute a quorum to transact and

vote on all business coming before the board.	231
Members of the board shall serve without compensation, but	232
shall be reimbursed for reasonable and necessary expenses incurred	233
in the discharge of their duties.	234
The department of health shall provide the board with staff	235
assistance as requested by the board.	236
Sec. 3702.89. (A) An individual who has <u>is</u> not received	237
<u>receiving</u> national health service corps tuition or student loan	238
repayment assistance and meets one of the following requirements	239
may apply for participation in the dentist loan repayment program:	240
(1) The applicant is a dental student enrolled in the final	241
year of dental college.	242
(2) The applicant is a dental resident in the final year of	243
residency.	244
(3) The applicant has been engaged in the practice of	245
dentistry in this state for not more than three years prior to	246
submitting the application.	247
(B) An application for participation in the dentist loan	248
repayment program shall be submitted to the director of health on	249
a form the director shall prescribe. The following information	250
shall be included or supplied:	251
(1) The applicant's name, permanent address or address at	252
which the applicant is currently residing if different from the	253
permanent address, and telephone number;	254
(2) The dental college the applicant is attending or	255
attended, dates of attendance, and verification of attendance;	256
(3) If the applicant is a dental resident, the facility or	257
institution at which the dental residency is being performed;	258
(4) A summary and verification of the educational expenses	259

for which the applicant seeks reimbursement under the program; 260

(5) If the applicant is a dentist, verification of the 261
applicant's license issued under Chapter 4715. of the Revised Code 262
to practice dentistry and proof of good standing; 263

(6) Verification of the applicant's United States citizenship 264
or status as a legal alien. 265

Sec. 3702.92. There is hereby created the dentist loan 266
repayment advisory board. The board shall consist of the following 267
members: 268

(A) One member of the house of representatives, appointed by 269
the speaker of the house of representatives; 270

(B) One member of the senate, appointed by the president of 271
the senate; 272

(C) A representative of the board of regents, appointed by 273
the chancellor; 274

(D) The director of health or an employee of the department 275
of health designated by the director; 276

(E) Three representatives of the dental profession, appointed 277
by the governor from persons nominated by the Ohio dental 278
association. 279

The governor shall appoint the dental profession 280
representatives not later than ninety days after ~~the effective~~ 281
~~date of this section~~ October 29, 2003. The terms of all members 282
shall commence ninety-one days after ~~the effective date of this~~ 283
~~section~~ October 29, 2003. Of the initial appointments made by the 284
governor, two shall serve a term of one year and one shall serve a 285
term of two years. The initial appointment made by the speaker of 286
the house of representatives shall be for a term of one year. The 287
initial appointment made by the president of the senate shall be 288

for a term of two years. 289

Vacancies shall be filled in the manner prescribed for the 290
original appointment. A member appointed to fill a vacancy 291
occurring prior to the expiration of the term for which the 292
member's predecessor was appointed shall hold office for the 293
remainder of that term. A member shall continue in office 294
subsequent to the expiration of the member's term until a 295
successor takes office or until sixty days have elapsed, whichever 296
occurs first. No person shall be appointed to the board for more 297
than two consecutive terms. Thereafter, terms of office shall be 298
two years. Each member shall hold office from the date of 299
appointment until the end of the term for which the member was 300
appointed, except that a legislative member ceases to be a member 301
of the board on ceasing to be a member of the general assembly. 302

The governor, speaker, or president may remove a member for 303
whom the governor, speaker, or president was the appointing 304
authority, for misfeasance, malfeasance, or willful neglect of 305
duty. 306

The board shall designate a member to serve as chairperson of 307
the board. 308

The board shall meet at least once annually. The chairperson 309
shall call special meetings as needed or upon the request of ~~six~~ 310
four members. 311

~~Six~~ Four members of the board constitute a quorum to transact 312
and vote on all business coming before the board. 313

Members of the board shall serve without compensation, but 314
may be reimbursed for reasonable and necessary expenses incurred 315
in the discharge of their duties. 316

The department of health shall provide the board with staff 317
assistance as requested by the board. 318

Section 101.02. That existing sections 183.04, 183.05, 319
183.30, 3702.72, 3702.73, 3702.81, 3702.89, and 3702.92 of the 320
Revised Code are hereby repealed. 321

Section 201.10. All items in Sections 203.10 to 205.10 of 322
this act are hereby appropriated as designated out of any moneys 323
in the state treasury to the credit of the designated fund that 324
are not otherwise appropriated. For all appropriations made in 325
these sections, those in the first column are for fiscal year 2007 326
and those in the second column are for fiscal year 2008. 327

Section 203.10. ADA DEPARTMENT OF ALCOHOL AND DRUG ADDICTION 328
SERVICES 329
Tobacco Master Settlement Agreement Fund Group 330
L87 038-403 Urban Minority \$ 500,000 \$ 500,000 331
Alcoholism and Drug
Abuse Outreach
Programs
L87 038-405 Juvenile Offender \$ 3,000,000 \$ 3,000,000 332
Aftercare Program
TOTAL TSF Tobacco Master Settlement \$ 3,500,000 \$ 3,500,000 333
Agreement Fund Group
TOTAL ALL BUDGET FUND GROUPS \$ 3,500,000 \$ 3,500,000 334

Section 203.20. AGO ATTORNEY GENERAL 336
Tobacco Master Settlement Agreement Fund Group 337
J87 055-635 Law Enforcement \$ 620,000 \$ 0 338
Technology, Training,
and Facility
Enhancements
U87 055-402 Tobacco Settlement \$ 673,797 \$ 723,797 339
Oversight,

Administration, and				
Enforcement				
TOTAL TSF Tobacco Master Settlement Agreement Fund Group	\$	1,293,797	\$	723,797 340
TOTAL ALL BUDGET FUND GROUPS	\$	1,293,797	\$	723,797 341
Section 203.30. DEV DEPARTMENT OF DEVELOPMENT				343
Tobacco Master Settlement Agreement Fund Group				344
M87 195-435 Biomedical Research and Technology Transfer	\$	27,502,244	\$	21,416,437 345
TOTAL TSF Tobacco Master Settlement Agreement Fund Group	\$	27,502,244	\$	21,416,437 346
TOTAL ALL BUDGET FUND GROUPS	\$	27,502,244	\$	21,416,437 347
Section 203.40. ETC ETECH OHIO				349
Tobacco Master Settlement Agreement Fund Group				350
S87 935-602 Education Technology Trust Fund	\$	4,350,000	\$	4,350,000 351
TOTAL TSF Tobacco Master Settlement Agreement Fund Group				352
Group	\$	4,350,000	\$	4,350,000 353
TOTAL ALL BUDGET FUND GROUPS	\$	4,350,000	\$	4,350,000 354
SCHOOLNET PLUS				355
The eTech Ohio Commission shall distribute SchoolNet Plus Grants to qualifying school districts in fiscal year 2007 and fiscal year 2008 to establish and equip at least one interactive computer workstation for each five children enrolled in the eighth grade as reported by the school district pursuant to division (A) of section 3317.03 of the Revised Code.				356
Districts in the first two quartiles of wealth will receive up to \$128 per pupil for students in the targeted grade to				357
				358
				359
				360
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				362
				363
				364

purchase classroom computers. Districts in the third and fourth 365
quartiles will receive up to \$82 per pupil in the targeted grade. 366
If a district has met the state's goal of one computer to every 367
five students in the targeted grade, the district may use the 368
funds provided through SchoolNet Plus to purchase computers for 369
successive grades or to fulfill educational technology needs in 370
other grades as specified in the district's technology plan. 371

Section 203.50. DOH DEPARTMENT OF HEALTH 372

Tobacco Master Settlement Agreement Fund Group				373
L87 440-404 Minority Health Care	\$	350,000	\$ 350,000	374
Data Development				
L87 440-409 Tuberculosis	\$	450,000	\$ 450,000	375
Prevention and				
Treatment				
L87 440-410 Hepatitis C Prevention	\$	425,000	\$ 425,000	376
and Intervention				
L87 440-411 Dental Care Programs	\$	420,000	\$ 420,000	377
for Minority and				
Low-Income Populations				
L87 440-412 Emergency Medications	\$	850,000	\$ 850,000	378
and Oxygen for				
Low-Income Seniors				
L87 440-414 Uncompensated Care	\$	3,855,050	\$ 3,855,050	379
L87 440-420 Childhood Lead WIC	\$	500,000	\$ 500,000	380
L87 440-421 Infant Mortality	\$	266,000	\$ 266,000	381
Reduction Initiative				
L87 440-432 Prevnar Vaccines	\$	4,700,000	\$ 4,700,000	382
TOTAL TSF Tobacco Master				383
Settlement Agreement Fund				384
Group	\$	11,816,050	\$ 11,816,050	385
TOTAL ALL BUDGET FUND GROUPS	\$	11,816,050	\$ 11,816,050	386

Section 203.60. MIH COMMISSION ON MINORITY HEALTH				388
Tobacco Master Settlement Agreement Fund Group				389
L87 149-402	Minority Health and	\$ 1,090,000	\$ 1,090,000	390
	Academic Partnership			
	Grants			
L87 149-403	Training and Capacity	\$ 100,000	\$ 100,000	391
	Building			
TOTAL TSF Tobacco Master Settlement		\$ 1,190,000	\$ 1,190,000	392
Agreement Fund Group				
TOTAL ALL BUDGET FUND GROUPS		\$ 1,190,000	\$ 1,190,000	393
Section 203.70. DHS DEPARTMENT OF PUBLIC SAFETY				395
Tobacco Master Settlement Agreement Fund Group				396
L87 767-406	Under-Age Tobacco Use	\$ 610,560	\$ 610,560	397
	Enforcement			
TOTAL TSF Tobacco Master Settlement		\$ 610,560	\$ 610,560	398
Agreement Fund Group				
TOTAL ALL BUDGET FUND GROUPS		\$ 610,560	\$ 610,560	399
Section 203.80. SOA SOUTHERN OHIO AGRICULTURAL AND COMMUNITY				401
DEVELOPMENT FOUNDATION				402
Tobacco Master Settlement Agreement Fund Group				403
5M9 945-601	Operating Expenses	\$ 456,942	\$ 475,220	404
K87 945-602	Southern Ohio	\$ 13,150,375	\$ 7,513,251	405
	Agricultural and			
	Community Development			
	Foundation			
TOTAL TSF Tobacco Master				406
Settlement Agreement Fund				407
Group		\$ 13,607,317	\$ 7,988,471	408
TOTAL ALL BUDGET FUND GROUPS		\$ 13,607,317	\$ 7,988,471	409

Section 203.90.	TAX DEPARTMENT OF TAXATION			411
	Tobacco Master Settlement Agreement Fund Group			412
T87 110-402	Tobacco Settlement	\$	328,034	\$ 328,034 413
	Enforcement			
TOTAL TSF	Tobacco Master Settlement	\$	328,034	\$ 328,034 414
	Agreement Fund Group			
TOTAL ALL BUDGET FUND GROUPS		\$	328,034	\$ 328,034 415
Section 205.10.	TUP TOBACCO USE PREVENTION AND CONTROL			417
	FOUNDATION			418
	Tobacco Master Settlement Agreement Fund Group			419
5M8 940-601	Operating Expenses	\$	1,659,091	\$ 1,717,159 420
TOTAL TSF	Tobacco Master Settlement	\$	1,659,091	\$ 1,717,159 421
	Agreement Fund Group			
TOTAL ALL BUDGET FUND GROUPS		\$	1,659,091	\$ 1,717,159 422
Section 207.10.	All items set forth in this section are			424
	hereby appropriated out of any moneys in the state treasury to the			425
	credit of the Education Facilities Trust Fund (Fund N87) that are			426
	not otherwise appropriated.			427
			Appropriations	
	SFC SCHOOL FACILITIES COMMISSION			428
CAP-780	Classroom Facilities Assistance Program	\$	648,500,000	429
Total School Facilities Commission		\$	648,500,000	430
TOTAL Education Facilities Trust Fund		\$	648,500,000	431
Section 207.13.	Section 207.10 of this act shall remain in			433
	full force and effect commencing on July 1, 2006, and terminating			434
	on June 30, 2008, for the purpose of drawing money from the state			435
	treasury in payment of liabilities lawfully incurred thereunder,			436
	and on June 30, 2008, and not before, the moneys appropriated			437
	thereby shall lapse into the funds from which they are severally			438

appropriated. 439

The appropriations made in Section 207.10 of this act are 440
subject to all provisions of the capital appropriations act 441
governing the 2006-2008 biennium that are generally applicable to 442
such appropriations. Expenditures from appropriations contained in 443
Section 207.10 of this act shall be accounted for as though made 444
in the capital appropriations act governing the 2006-2008 445
biennium. 446

Section 209.10. All items set forth in this section are 447
hereby appropriated in fiscal year 2007 for emergency repairs to 448
Ohio Historical Society sites out of any moneys in the state 449
treasury to the credit of the Cultural and Sports Facilities 450
Building Fund (Fund 030) that are not otherwise appropriated: 451

AFC CULTURAL FACILITIES COMMISSION 452

CAP-745	Historic Sites and Museums	\$	400,000	453
	Total Cultural Facilities Commission	\$	400,000	454
	Total Cultural and Sports Facilities Building Fund	\$	400,000	455

Section 209.11. The Treasurer of State is hereby authorized 457
to issue and sell, in accordance with Section 2o of Article VII, 458
Ohio Constitution, and pursuant to sections 151.01 and 151.40 of 459
the Revised Code, original obligations in an aggregate principal 460
amount not to exceed \$400,000, in addition to the original 461
issuance of obligations heretofore authorized by prior acts of the 462
General Assembly. These authorized obligations shall be issued and 463
sold from time to time, subject to applicable constitutional and 464
statutory limitations, as needed to ensure sufficient moneys to 465
the credit of the Cultural and Sports Facilities Building Fund 466
(Fund 030) to pay costs associated with emergency repairs to Ohio 467
Historical Society sites. 468

Section 303.03. PERSONAL SERVICE EXPENSES 469

Unless otherwise prohibited by law, each appropriation in 470
this act from which personal service expenses are paid shall bear 471
the employer's share of public employees' retirement, workers' 472
compensation, disabled workers' relief, and all group insurance 473
programs; the costs of centralized accounting, centralized payroll 474
processing, and related personnel reports and services; the cost 475
of the Office of Collective Bargaining; the cost of the Personnel 476
Board of Review; the cost of the Employee Assistance Program; the 477
cost of the Equal Opportunity Center; the costs of interagency 478
information management infrastructure; and the cost of 479
administering the state employee merit system as required by 480
section 124.07 of the Revised Code. Such costs shall be determined 481
in conformity with appropriate sections of law and paid in 482
accordance with procedures specified by the Office of Budget and 483
Management. 484

Section 303.06. REISSUANCE OF VOIDED WARRANTS 485

In order to provide funds for the reissuance of voided 486
warrants pursuant to section 117.47 of the Revised Code, there is 487
hereby appropriated, out of moneys in the state treasury from the 488
fund credited as provided in section 117.47 of the Revised Code, 489
that amount sufficient to pay such warrants when approved by the 490
Office of Budget and Management. 491

Section 303.09. REAPPROPRIATION OF UNEXPENDED ENCUMBERED 492
BALANCES OF OPERATING APPROPRIATIONS 493

An unexpended balance of an operating appropriation or 494
reappropriation that a state agency lawfully encumbered prior to 495
the close of a fiscal year is reappropriated on the first day of 496
July of the following fiscal year from the fund from which it was 497

originally appropriated or reappropriated for the following period 498
and shall remain available only for the purpose of discharging the 499
encumbrance. 500

(A) For an encumbrance for personal services, maintenance, 501
equipment, or items for resale, other than an encumbrance for an 502
item of special order manufacture not available on term contract 503
or in the open market or for reclamation of land or oil and gas 504
wells, for a period of not more than five months from the end of 505
the fiscal year; 506

(B) For an encumbrance for an item of special order 507
manufacture not available on term contract or in the open market, 508
for a period of not more than five months from the end of the 509
fiscal year or, with the written approval of the Director of 510
Budget and Management, for a period of not more than twelve months 511
from the end of the fiscal year; 512

(C) For an encumbrance for reclamation of land or oil and gas 513
wells, for a period ending when the encumbered appropriation is 514
expended or for a period of two years, whichever is less; 515

(D) For an encumbrance for any other expense, for such period 516
as the Director of Budget and Management approves, provided such 517
period does not exceed two years. 518

Any operating appropriations for which unexpended balances 519
are reappropriated beyond a five-month period from the end of the 520
fiscal year pursuant to division (B) of this section shall be 521
reported to the Controlling Board by the Director of Budget and 522
Management by the thirty-first day of December of each year. The 523
report on each such item shall include the item, the cost of the 524
item, and the name of the vendor. This report to the Controlling 525
Board shall be updated on a quarterly basis for encumbrances 526
remaining open. 527

Upon the expiration of the reappropriation period set out in 528

division (A), (B), (C), or (D) of this section, a reappropriation 529
made pursuant to this section lapses, and the Director of Budget 530
and Management shall cancel the encumbrance of the unexpended 531
reappropriation not later than the end of the weekend following 532
the expiration of the reappropriation period. 533

Notwithstanding the preceding paragraph, with the approval of 534
the Director of Budget and Management, an unexpended balance of an 535
encumbrance that was reappropriated on the first day of July 536
pursuant to this section for a period specified in division (C) or 537
(D) of this section and that remains encumbered at the close of 538
the fiscal biennium is hereby reappropriated pursuant to this 539
section on the first day of July of the following fiscal biennium 540
from the fund from which it was originally appropriated or 541
reappropriated for the applicable period specified in division (C) 542
or (D) of this section and shall remain available only for the 543
purpose of discharging the encumbrance. 544

If the Controlling Board approved a purchase, that approval 545
remains in effect as long as the appropriation used to make that 546
purchase remains encumbered. 547

Section 403.05. That Section 312.27 of Am. Sub. H.B. 66 of 548
the 126th General Assembly be amended to read as follows: 549

Sec. 312.27. TRANSFERS TO THE EDUCATION FACILITIES TRUST FUND 550

Notwithstanding section 183.02 of the Revised Code, after all 551
transfers from the Tobacco Master Settlement Agreement Fund (Fund 552
087) to various other funds of cash that would have otherwise been 553
transferred to the Tobacco Use Prevention and Cessation Trust Fund 554
(Fund H87) in fiscal year 2006 have been made, the Director of 555
Budget and Management shall transfer the remaining balance of the 556
funds that would otherwise be transferred to the Tobacco Use 557
Prevention and Cessation Trust Fund in fiscal year 2006 to the 558

Education Facilities Trust Fund (Fund N87). 559

Notwithstanding section 183.02 of the Revised Code and 560
division (B)(3) of Section 206.27 of Am. Sub. H.B. 66 of the 126th 561
General Assembly, after all transfers from the Tobacco Master 562
Settlement Agreement Fund (Fund 087) to various other funds of 563
cash that would have otherwise been transferred to the Tobacco Use 564
Prevention and Cessation Trust Fund (Fund H87) in fiscal year 2007 565
have been made, the Director of Budget and Management shall 566
transfer the remaining balance of the funds that would otherwise 567
be transferred to the Tobacco Use Prevention and Cessation Trust 568
Fund in fiscal year 2007 to the Education Facilities Trust Fund 569
(Fund N87). 570

Section 403.06. That existing Section 312.27 of Am. Sub. H.B. 571
66 of the 126th General Assembly is hereby repealed. 572

Section 403.11. That Section 203.09 of Am. Sub. H.B. 66 of 573
the 126th General Assembly, as amended by Am. Sub. H.B. 530 of the 574
126th General Assembly, be amended to read as follows: 575

Sec. 203.09. ADJ ADJUTANT GENERAL 576

General Revenue Fund 577

GRF 745-401	Ohio Military Reserve	\$	15,188	\$	15,188	578
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GRF 745-404	Air National Guard	\$	1,939,762	\$	1,939,762	579
					<u>2,081,717</u>	

GRF 745-407	National Guard	\$	1,400,000	\$	1,400,000	580
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Benefits

GRF 745-409	Central Administration	\$	3,949,590	\$	3,949,590	581
					<u>4,171,926</u>	

GRF 745-499	Army National Guard	\$	4,086,222	\$	4,086,222	582
					<u>4,721,931</u>	

GRF 745-502	Ohio National Guard	\$	102,973	\$	102,973	583
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Unit Fund							
TOTAL GRF General Revenue Fund		\$	11,493,735	\$	11,493,735 12,493,735	584	
General Services Fund Group						585	
534	745-612	Armory Improvements	\$	534,304	\$	534,304	586
536	745-620	Camp Perry/Buckeye Inn	\$	1,094,970	\$	1,094,970	587
Operations							
537	745-604	Ohio National Guard	\$	219,826	\$	219,826	588
Facility Maintenance							
TOTAL GSF General Services Fund		\$	1,849,100	\$	1,849,100	589	
Group							
Federal Special Revenue Fund Group						590	
3E8	745-628	Air National Guard	\$	12,174,760	\$	12,174,760	591
Agreement							
3R8	745-603	Counter Drug	\$	25,000	\$	25,000	592
Operations							
341	745-615	Air National Guard	\$	2,424,740	\$	2,424,740	593
Base Security							
342	745-616	Army National Guard	\$	8,686,893	\$	8,686,893	594
Agreement							
TOTAL FED Federal Special Revenue		\$	23,311,393	\$	23,311,393	595	
Fund Group							
State Special Revenue Fund Group						596	
5DN	745-618	Service Medal	\$	1,500	\$	0	597
Production							
5U8	745-613	Community Match	\$	90,000	\$	91,800	598
Armories							
528	745-605	Marksmanship	\$	126,078	\$	128,600	599
Activities							
TOTAL SSR State Special Revenue		\$	217,578	\$	220,400	600	
Fund Group							
TOTAL ALL BUDGET FUND GROUPS		\$	36,871,806	\$	36,874,628	601	

37,874,628

NATIONAL GUARD BENEFITS 602

The foregoing appropriation item 745-407, National Guard 603
Benefits, shall be used for purposes of sections 5919.31 and 604
5919.33 of the Revised Code, and for administrative costs of the 605
associated programs. 606

For active duty members of the Ohio National Guard who died 607
after October 7, 2001, while performing active duty, the death 608
benefit, pursuant to section 5919.33 of the Revised Code, shall be 609
paid to the beneficiary or beneficiaries designated on the 610
member's Servicemembers' Group Life Insurance Policy. 611

STATE ACTIVE DUTY COSTS 612

Of the foregoing appropriation item 745-409, Central 613
Administration, \$50,000 in each fiscal year shall be used for the 614
purpose of paying expenses related to state active duty of members 615
of the Ohio organized militia, in accordance with a proclamation 616
of the Governor. Expenses include, but are not limited to, the 617
cost of equipment, supplies, and services, as determined by the 618
Adjutant General's Department. 619

NATIONAL GUARD SERVICE MEDAL PRODUCTION 620

The foregoing appropriation item 745-618, Service Medal 621
Production, shall be used to cover costs of production of the 622
Commemorative National Guard Service Medal pursuant to section 623
5919.19 of the Revised Code. 624

CASH TRANSFER TO NATIONAL GUARD SERVICE MEDAL FUND 625

At the request of the Adjutant General, the Director of 626
Budget and Management may transfer up to \$1,500 cash from the 627
General Revenue Fund to the National Guard Service Medal Fund 628
(Fund 5DN) in fiscal year 2006. 629

Section 403.12. That existing Section 203.09 of Am. Sub. H.B. 630
66 of the 126th General Assembly, as amended by Am. Sub. H.B. 530 631
of the 126th General Assembly, is hereby repealed. 632

Section 503.03. The items of law of which the sections of law 633
contained in this act are composed, and their applications, are 634
independent and severable. If any item of law that constitutes the 635
whole or part of a section of law contained in this act, or if any 636
application of any item of law that constitutes the whole or part 637
of a section of law contained in this act, is held invalid, the 638
invalidity does not affect other items of law or applications of 639
items of law that can be given effect without the invalid item of 640
law or application. 641

Section 506.03. An item of law that composes the whole or 642
part of a section of law contained in this act that makes, or that 643
provides for funding of, an appropriation or reappropriation of 644
money has no effect after June 30, 2008, unless its context 645
clearly indicates otherwise. 646

Section 509.03. Except as otherwise specifically provided in 647
this act, the amendment or enactment of the sections of law 648
contained in this act, and the items of law of which the 649
amendments or enactments are composed, are not subject to the 650
referendum. Therefore, under Ohio Constitution, Article II, 651
Section 1d and section 1.471 of the Revised Code, the amendments 652
or enactments, and the items of law of which the amendments or 653
enactments are composed, go into immediate effect when this act 654
becomes law. 655

Section 512.03. The amendment or enactment by this act of the 656
sections of law listed in this section, and the items of law of 657
which the amendments or enactments are composed, are subject to 658

the referendum. Therefore, under Ohio Constitution, Article II, 659
Section 1c and section 1.471 of the Revised Code, the amendments 660
or enactments, and the items of law of which the amendments or 661
enactments are composed, take effect on the ninety-first day after 662
this act is filed with the Secretary of State. If, however, a 663
referendum petition is filed against any such amendment or 664
enactment, or against any item of law of which any such amendment 665
or enactment is composed, the amendment or enactment, or item, 666
unless rejected at the referendum, takes effect at the earliest 667
time permitted by law. 668

Sections 183.04, 183.05, 183.30, 3702.72, 3702.73, 3702.81, 669
3702.89, and 3702.92 of the Revised Code. 670