

**As Introduced**

**127th General Assembly  
Regular Session  
2007-2008**

**H. B. No. 100**

**Representative Brinkman**

—

**A BILL**

To amend sections 102.02, 102.06, 109.981, 119.01, 1707.01, 3345.12, 4121.01, 4121.12, 4121.121, 4121.122, 4121.125, 4121.126, 4121.128, 4121.37, 4121.441, 4121.48, 4121.61, 4121.67, 4121.70, 4123.01, 4123.025, 4123.21, 4123.25, 4123.29, 4123.291, 4123.311, 4123.32, 4123.34, 4123.341, 4123.342, 4123.35, 4123.351, 4123.37, 4123.38, 4123.39, 4123.40, 4123.41, 4123.411, 4123.419, 4123.44, 4123.441, 4123.47, 4123.50, 4123.511, 4123.512, 4123.57, 4123.65, 4123.66, 4123.75, 4123.80, 4123.82, 4123.92, 4125.05, 4127.07, 4127.08, 4131.04, 4131.06, 4131.13, 4131.14, 4131.16, 4167.02, 4167.07, 4167.08, 4167.09, 4167.11, and 4167.14; to enact new section 4121.123 and sections 121.51, 4123.321, and 4123.442; to repeal sections 4121.06 and 4121.123 of the Revised Code; to amend Section 4 of Am. Sub. H.B. 516 of the 125th General Assembly, as subsequently amended; and to amend Section 3 of Am. H.B. 67 of the 126th General Assembly, as subsequently amended, to abolish the Workers' Compensation Oversight Commission, the Workers' Compensation Oversight Commission Nominating Committee, and the Services Committee; to create

the Bureau of Workers' Compensation Board of 25  
Directors and specified working committees, to 26  
transfer the powers and duties of the Oversight 27  
Commission to the Board and the working 28  
committees, and to make other changes in the 29  
Workers' Compensation Law, to make appropriations 30  
for the Bureau of Workers' Compensation for the 31  
biennium beginning July 1, 2007, and ending June 32  
30, 2009, and to provide authorization and 33  
conditions for the operation of the Bureau's 34  
programs. 35

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

**Section 101.01.** That sections 102.02, 102.06, 109.981, 36  
119.01, 1707.01, 3345.12, 4121.01, 4121.12, 4121.121, 4121.122, 37  
4121.125, 4121.126, 4121.128, 4121.37, 4121.441, 4121.48, 4121.61, 38  
4121.67, 4121.70, 4123.01, 4123.025, 4123.21, 4123.25, 4123.29, 39  
4123.291, 4123.311, 4123.32, 4123.34, 4123.341, 4123.342, 4123.35, 40  
4123.351, 4123.37, 4123.38, 4123.39, 4123.40, 4123.41, 4123.411, 41  
4123.419, 4123.44, 4123.441, 4123.47, 4123.50, 4123.511, 4123.512, 42  
4123.57, 4123.65, 4123.66, 4123.75, 4123.80, 4123.82, 4123.92, 43  
4125.05, 4127.07, 4127.08, 4131.04, 4131.06, 4131.13, 4131.14, 44  
4131.16, 4167.02, 4167.07, 4167.08, 4167.09, 4167.11, and 4167.14 45  
be amended; and new section 4121.123 and sections 121.51, 46  
4123.321, and 4123.442 of the Revised Code be enacted to read as 47  
follows: 48

**Sec. 102.02.** (A) Except as otherwise provided in division (H) 49  
of this section, all of the following shall file with the 50  
appropriate ethics commission the disclosure statement described 51  
in this division on a form prescribed by the appropriate 52  
commission: every person who is elected to or is a candidate for a 53

state, county, or city office and every person who is appointed to 54  
fill a vacancy for an unexpired term in such an elective office; 55  
all members of the state board of education; the director, 56  
assistant directors, deputy directors, division chiefs, or persons 57  
of equivalent rank of any administrative department of the state; 58  
the president or other chief administrative officer of every state 59  
institution of higher education as defined in section 3345.011 of 60  
the Revised Code; the executive director and the members of the 61  
capitol square review and advisory board appointed or employed 62  
pursuant to section 105.41 of the Revised Code; the chief 63  
executive officer and the members of the board of each state 64  
retirement system; each employee of a state retirement board who 65  
is a state retirement system investment officer licensed pursuant 66  
to section 1707.163 of the Revised Code; the members of the Ohio 67  
retirement study council appointed pursuant to division (C) of 68  
section 171.01 of the Revised Code; employees of the Ohio 69  
retirement study council, other than employees who perform purely 70  
administrative or clerical functions; the administrator of 71  
workers' compensation and each voting member of the bureau of 72  
workers' compensation ~~oversight commission~~ board of directors; the 73  
chief investment officer of the bureau of workers' compensation; 74  
all members of the board of commissioners on grievances and 75  
discipline of the supreme court and the ethics commission created 76  
under section 102.05 of the Revised Code; every business manager, 77  
treasurer, or superintendent of a city, local, exempted village, 78  
joint vocational, or cooperative education school district or an 79  
educational service center; every person who is elected to or is a 80  
candidate for the office of member of a board of education of a 81  
city, local, exempted village, joint vocational, or cooperative 82  
education school district or of a governing board of an 83  
educational service center that has a total student count of 84  
twelve thousand or more as most recently determined by the 85  
department of education pursuant to section 3317.03 of the Revised 86

Code; every person who is appointed to the board of education of a 87  
municipal school district pursuant to division (B) or (F) of 88  
section 3311.71 of the Revised Code; all members of the board of 89  
directors of a sanitary district that is established under Chapter 90  
6115. of the Revised Code and organized wholly for the purpose of 91  
providing a water supply for domestic, municipal, and public use, 92  
and that includes two municipal corporations in two counties; 93  
every public official or employee who is paid a salary or wage in 94  
accordance with schedule C of section 124.15 or schedule E-2 of 95  
section 124.152 of the Revised Code; members of the board of 96  
trustees and the executive director of the tobacco use prevention 97  
and control foundation; members of the board of trustees and the 98  
executive director of the southern Ohio agricultural and community 99  
development foundation; and every other public official or 100  
employee who is designated by the appropriate ethics commission 101  
pursuant to division (B) of this section. 102

The disclosure statement shall include all of the following: 103

(1) The name of the person filing the statement and each 104  
member of the person's immediate family and all names under which 105  
the person or members of the person's immediate family do 106  
business; 107

(2)(a) Subject to divisions (A)(2)(b) and (c) of this section 108  
and except as otherwise provided in section 102.022 of the Revised 109  
Code, identification of every source of income, other than income 110  
from a legislative agent identified in division (A)(2)(b) of this 111  
section, received during the preceding calendar year, in the 112  
person's own name or by any other person for the person's use or 113  
benefit, by the person filing the statement, and a brief 114  
description of the nature of the services for which the income was 115  
received. If the person filing the statement is a member of the 116  
general assembly, the statement shall identify the amount of every 117  
source of income received in accordance with the following ranges 118

of amounts: zero or more, but less than one thousand dollars; one 119  
thousand dollars or more, but less than ten thousand dollars; ten 120  
thousand dollars or more, but less than twenty-five thousand 121  
dollars; twenty-five thousand dollars or more, but less than fifty 122  
thousand dollars; fifty thousand dollars or more, but less than 123  
one hundred thousand dollars; and one hundred thousand dollars or 124  
more. Division (A)(2)(a) of this section shall not be construed to 125  
require a person filing the statement who derives income from a 126  
business or profession to disclose the individual items of income 127  
that constitute the gross income of that business or profession, 128  
except for those individual items of income that are attributable 129  
to the person's or, if the income is shared with the person, the 130  
partner's, solicitation of services or goods or performance, 131  
arrangement, or facilitation of services or provision of goods on 132  
behalf of the business or profession of clients, including 133  
corporate clients, who are legislative agents. A person who files 134  
the statement under this section shall disclose the identity of 135  
and the amount of income received from a person who the public 136  
official or employee knows or has reason to know is doing or 137  
seeking to do business of any kind with the public official's or 138  
employee's agency. 139

(b) If the person filing the statement is a member of the 140  
general assembly, the statement shall identify every source of 141  
income and the amount of that income that was received from a 142  
legislative agent during the preceding calendar year, in the 143  
person's own name or by any other person for the person's use or 144  
benefit, by the person filing the statement, and a brief 145  
description of the nature of the services for which the income was 146  
received. Division (A)(2)(b) of this section requires the 147  
disclosure of clients of attorneys or persons licensed under 148  
section 4732.12 of the Revised Code, or patients of persons 149  
certified under section 4731.14 of the Revised Code, if those 150  
clients or patients are legislative agents. Division (A)(2)(b) of 151

this section requires a person filing the statement who derives 152  
income from a business or profession to disclose those individual 153  
items of income that constitute the gross income of that business 154  
or profession that are received from legislative agents. 155

(c) Except as otherwise provided in division (A)(2)(c) of 156  
this section, division (A)(2)(a) of this section applies to 157  
attorneys, physicians, and other persons who engage in the 158  
practice of a profession and who, pursuant to a section of the 159  
Revised Code, the common law of this state, a code of ethics 160  
applicable to the profession, or otherwise, generally are required 161  
not to reveal, disclose, or use confidences of clients, patients, 162  
or other recipients of professional services except under 163  
specified circumstances or generally are required to maintain 164  
those types of confidences as privileged communications except 165  
under specified circumstances. Division (A)(2)(a) of this section 166  
does not require an attorney, physician, or other professional 167  
subject to a confidentiality requirement as described in division 168  
(A)(2)(c) of this section to disclose the name, other identity, or 169  
address of a client, patient, or other recipient of professional 170  
services if the disclosure would threaten the client, patient, or 171  
other recipient of professional services, would reveal details of 172  
the subject matter for which legal, medical, or professional 173  
advice or other services were sought, or would reveal an otherwise 174  
privileged communication involving the client, patient, or other 175  
recipient of professional services. Division (A)(2)(a) of this 176  
section does not require an attorney, physician, or other 177  
professional subject to a confidentiality requirement as described 178  
in division (A)(2)(c) of this section to disclose in the brief 179  
description of the nature of services required by division 180  
(A)(2)(a) of this section any information pertaining to specific 181  
professional services rendered for a client, patient, or other 182  
recipient of professional services that would reveal details of 183  
the subject matter for which legal, medical, or professional 184

advice was sought or would reveal an otherwise privileged 185  
communication involving the client, patient, or other recipient of 186  
professional services. 187

(3) The name of every corporation on file with the secretary 188  
of state that is incorporated in this state or holds a certificate 189  
of compliance authorizing it to do business in this state, trust, 190  
business trust, partnership, or association that transacts 191  
business in this state in which the person filing the statement or 192  
any other person for the person's use and benefit had during the 193  
preceding calendar year an investment of over one thousand dollars 194  
at fair market value as of the thirty-first day of December of the 195  
preceding calendar year, or the date of disposition, whichever is 196  
earlier, or in which the person holds any office or has a 197  
fiduciary relationship, and a description of the nature of the 198  
investment, office, or relationship. Division (A)(3) of this 199  
section does not require disclosure of the name of any bank, 200  
savings and loan association, credit union, or building and loan 201  
association with which the person filing the statement has a 202  
deposit or a withdrawable share account. 203

(4) All fee simple and leasehold interests to which the 204  
person filing the statement holds legal title to or a beneficial 205  
interest in real property located within the state, excluding the 206  
person's residence and property used primarily for personal 207  
recreation; 208

(5) The names of all persons residing or transacting business 209  
in the state to whom the person filing the statement owes, in the 210  
person's own name or in the name of any other person, more than 211  
one thousand dollars. Division (A)(5) of this section shall not be 212  
construed to require the disclosure of debts owed by the person 213  
resulting from the ordinary conduct of a business or profession or 214  
debts on the person's residence or real property used primarily 215  
for personal recreation, except that the superintendent of 216

financial institutions shall disclose the names of all 217  
state-chartered savings and loan associations and of all service 218  
corporations subject to regulation under division (E)(2) of 219  
section 1151.34 of the Revised Code to whom the superintendent in 220  
the superintendent's own name or in the name of any other person 221  
owes any money, and that the superintendent and any deputy 222  
superintendent of banks shall disclose the names of all 223  
state-chartered banks and all bank subsidiary corporations subject 224  
to regulation under section 1109.44 of the Revised Code to whom 225  
the superintendent or deputy superintendent owes any money. 226

(6) The names of all persons residing or transacting business 227  
in the state, other than a depository excluded under division 228  
(A)(3) of this section, who owe more than one thousand dollars to 229  
the person filing the statement, either in the person's own name 230  
or to any person for the person's use or benefit. Division (A)(6) 231  
of this section shall not be construed to require the disclosure 232  
of clients of attorneys or persons licensed under section 4732.12 233  
or 4732.15 of the Revised Code, or patients of persons certified 234  
under section 4731.14 of the Revised Code, nor the disclosure of 235  
debts owed to the person resulting from the ordinary conduct of a 236  
business or profession. 237

(7) Except as otherwise provided in section 102.022 of the 238  
Revised Code, the source of each gift of over seventy-five 239  
dollars, or of each gift of over twenty-five dollars received by a 240  
member of the general assembly from a legislative agent, received 241  
by the person in the person's own name or by any other person for 242  
the person's use or benefit during the preceding calendar year, 243  
except gifts received by will or by virtue of section 2105.06 of 244  
the Revised Code, or received from spouses, parents, grandparents, 245  
children, grandchildren, siblings, nephews, nieces, uncles, aunts, 246  
brothers-in-law, sisters-in-law, sons-in-law, daughters-in-law, 247  
fathers-in-law, mothers-in-law, or any person to whom the person 248

filing the statement stands in loco parentis, or received by way 249  
of distribution from any inter vivos or testamentary trust 250  
established by a spouse or by an ancestor; 251

(8) Except as otherwise provided in section 102.022 of the 252  
Revised Code, identification of the source and amount of every 253  
payment of expenses incurred for travel to destinations inside or 254  
outside this state that is received by the person in the person's 255  
own name or by any other person for the person's use or benefit 256  
and that is incurred in connection with the person's official 257  
duties, except for expenses for travel to meetings or conventions 258  
of a national or state organization to which any state agency, 259  
including, but not limited to, any legislative agency or state 260  
institution of higher education as defined in section 3345.011 of 261  
the Revised Code, pays membership dues, or any political 262  
subdivision or any office or agency of a political subdivision 263  
pays membership dues; 264

(9) Except as otherwise provided in section 102.022 of the 265  
Revised Code, identification of the source of payment of expenses 266  
for meals and other food and beverages, other than for meals and 267  
other food and beverages provided at a meeting at which the person 268  
participated in a panel, seminar, or speaking engagement or at a 269  
meeting or convention of a national or state organization to which 270  
any state agency, including, but not limited to, any legislative 271  
agency or state institution of higher education as defined in 272  
section 3345.011 of the Revised Code, pays membership dues, or any 273  
political subdivision or any office or agency of a political 274  
subdivision pays membership dues, that are incurred in connection 275  
with the person's official duties and that exceed one hundred 276  
dollars aggregated per calendar year; 277

(10) If the disclosure statement is filed by a public 278  
official or employee described in division (B)(2) of section 279  
101.73 of the Revised Code or division (B)(2) of section 121.63 of 280

the Revised Code who receives a statement from a legislative 281  
agent, executive agency lobbyist, or employer that contains the 282  
information described in division (F)(2) of section 101.73 of the 283  
Revised Code or division (G)(2) of section 121.63 of the Revised 284  
Code, all of the nondisputed information contained in the 285  
statement delivered to that public official or employee by the 286  
legislative agent, executive agency lobbyist, or employer under 287  
division (F)(2) of section 101.73 or (G)(2) of section 121.63 of 288  
the Revised Code. 289

A person may file a statement required by this section in 290  
person or by mail. A person who is a candidate for elective office 291  
shall file the statement no later than the thirtieth day before 292  
the primary, special, or general election at which the candidacy 293  
is to be voted on, whichever election occurs soonest, except that 294  
a person who is a write-in candidate shall file the statement no 295  
later than the twentieth day before the earliest election at which 296  
the person's candidacy is to be voted on. A person who holds 297  
elective office shall file the statement on or before the 298  
fifteenth day of April of each year unless the person is a 299  
candidate for office. A person who is appointed to fill a vacancy 300  
for an unexpired term in an elective office shall file the 301  
statement within fifteen days after the person qualifies for 302  
office. Other persons shall file an annual statement on or before 303  
the fifteenth day of April or, if appointed or employed after that 304  
date, within ninety days after appointment or employment. No 305  
person shall be required to file with the appropriate ethics 306  
commission more than one statement or pay more than one filing fee 307  
for any one calendar year. 308

The appropriate ethics commission, for good cause, may extend 309  
for a reasonable time the deadline for filing a statement under 310  
this section. 311

A statement filed under this section is subject to public 312

inspection at locations designated by the appropriate ethics 313  
commission except as otherwise provided in this section. 314

(B) The Ohio ethics commission, the joint legislative ethics 315  
committee, and the board of commissioners on grievances and 316  
discipline of the supreme court, using the rule-making procedures 317  
of Chapter 119. of the Revised Code, may require any class of 318  
public officials or employees under its jurisdiction and not 319  
specifically excluded by this section whose positions involve a 320  
substantial and material exercise of administrative discretion in 321  
the formulation of public policy, expenditure of public funds, 322  
enforcement of laws and rules of the state or a county or city, or 323  
the execution of other public trusts, to file an annual statement 324  
on or before the fifteenth day of April under division (A) of this 325  
section. The appropriate ethics commission shall send the public 326  
officials or employees written notice of the requirement by the 327  
fifteenth day of February of each year the filing is required 328  
unless the public official or employee is appointed after that 329  
date, in which case the notice shall be sent within thirty days 330  
after appointment, and the filing shall be made not later than 331  
ninety days after appointment. 332

Except for disclosure statements filed by members of the 333  
board of trustees and the executive director of the tobacco use 334  
prevention and control foundation and members of the board of 335  
trustees and the executive director of the southern Ohio 336  
agricultural and community development foundation, disclosure 337  
statements filed under this division with the Ohio ethics 338  
commission by members of boards, commissions, or bureaus of the 339  
state for which no compensation is received other than reasonable 340  
and necessary expenses shall be kept confidential. Disclosure 341  
statements filed with the Ohio ethics commission under division 342  
(A) of this section by business managers, treasurers, and 343  
superintendents of city, local, exempted village, joint 344

vocational, or cooperative education school districts or 345  
educational service centers shall be kept confidential, except 346  
that any person conducting an audit of any such school district or 347  
educational service center pursuant to section 115.56 or Chapter 348  
117. of the Revised Code may examine the disclosure statement of 349  
any business manager, treasurer, or superintendent of that school 350  
district or educational service center. The Ohio ethics commission 351  
shall examine each disclosure statement required to be kept 352  
confidential to determine whether a potential conflict of interest 353  
exists for the person who filed the disclosure statement. A 354  
potential conflict of interest exists if the private interests of 355  
the person, as indicated by the person's disclosure statement, 356  
might interfere with the public interests the person is required 357  
to serve in the exercise of the person's authority and duties in 358  
the person's office or position of employment. If the commission 359  
determines that a potential conflict of interest exists, it shall 360  
notify the person who filed the disclosure statement and shall 361  
make the portions of the disclosure statement that indicate a 362  
potential conflict of interest subject to public inspection in the 363  
same manner as is provided for other disclosure statements. Any 364  
portion of the disclosure statement that the commission determines 365  
does not indicate a potential conflict of interest shall be kept 366  
confidential by the commission and shall not be made subject to 367  
public inspection, except as is necessary for the enforcement of 368  
Chapters 102. and 2921. of the Revised Code and except as 369  
otherwise provided in this division. 370

(C) No person shall knowingly fail to file, on or before the 371  
applicable filing deadline established under this section, a 372  
statement that is required by this section. 373

(D) No person shall knowingly file a false statement that is 374  
required to be filed under this section. 375

(E)(1) Except as provided in divisions (E)(2) and (3) of this 376

section, the statement required by division (A) or (B) of this 377  
section shall be accompanied by a filing fee of forty dollars. 378

(2) The statement required by division (A) of this section 379  
shall be accompanied by the following filing fee to be paid by the 380  
person who is elected or appointed to, or is a candidate for, any 381  
of the following offices: 382

For state office, except member of the		383
state board of education	\$65	384
For office of member of general assembly	\$40	385
For county office	\$40	386
For city office	\$25	387
For office of member of the state board		388
of education	\$25	389
For office of member of a city, local,		390
exempted village, or cooperative		391
education board of		392
education or educational service		393
center governing board	\$20	394
For position of business manager,		395
treasurer, or superintendent of a		396
city, local, exempted village, joint		397
vocational, or cooperative education		398
school district or		399
educational service center	\$20	400

(3) No judge of a court of record or candidate for judge of a 401  
court of record, and no referee or magistrate serving a court of 402  
record, shall be required to pay the fee required under division 403  
(E)(1) or (2) or (F) of this section. 404

(4) For any public official who is appointed to a nonelective 405  
office of the state and for any employee who holds a nonelective 406  
position in a public agency of the state, the state agency that is 407  
the primary employer of the state official or employee shall pay 408

the fee required under division (E)(1) or (F) of this section. 409

(F) If a statement required to be filed under this section is 410  
not filed by the date on which it is required to be filed, the 411  
appropriate ethics commission shall assess the person required to 412  
file the statement a late filing fee of ten dollars for each day 413  
the statement is not filed, except that the total amount of the 414  
late filing fee shall not exceed two hundred fifty dollars. 415

(G)(1) The appropriate ethics commission other than the Ohio 416  
ethics commission shall deposit all fees it receives under 417  
divisions (E) and (F) of this section into the general revenue 418  
fund of the state. 419

(2) The Ohio ethics commission shall deposit all receipts, 420  
including, but not limited to, fees it receives under divisions 421  
(E) and (F) of this section and all moneys it receives from 422  
settlements under division (G) of section 102.06 of the Revised 423  
Code, into the Ohio ethics commission fund, which is hereby 424  
created in the state treasury. All moneys credited to the fund 425  
shall be used solely for expenses related to the operation and 426  
statutory functions of the commission. 427

(H) Division (A) of this section does not apply to a person 428  
elected or appointed to the office of precinct, ward, or district 429  
committee member under Chapter 3517. of the Revised Code; a 430  
presidential elector; a delegate to a national convention; village 431  
or township officials and employees; any physician or psychiatrist 432  
who is paid a salary or wage in accordance with schedule C of 433  
section 124.15 or schedule E-2 of section 124.152 of the Revised 434  
Code and whose primary duties do not require the exercise of 435  
administrative discretion; or any member of a board, commission, 436  
or bureau of any county or city who receives less than one 437  
thousand dollars per year for serving in that position. 438

**Sec. 102.06.** (A) The appropriate ethics commission shall 439

receive and may initiate complaints against persons subject to 440  
this chapter concerning conduct alleged to be in violation of this 441  
chapter or section 2921.42 or 2921.43 of the Revised Code. All 442  
complaints except those by the commission shall be by affidavit 443  
made on personal knowledge, subject to the penalties of perjury. 444  
Complaints by the commission shall be by affidavit, based upon 445  
reasonable cause to believe that a violation has occurred. 446

(B) The appropriate ethics commission shall investigate 447  
complaints, may investigate charges presented to it, and may 448  
request further information, including the specific amount of 449  
income from a source, from any person filing with the commission a 450  
statement required by section 102.02 or 102.021 of the Revised 451  
Code, if the information sought is directly relevant to a 452  
complaint or charges received by the commission pursuant to this 453  
section. This information is confidential, except that the 454  
commission, in its discretion, may share information gathered in 455  
the course of any investigation with, or disclose the information 456  
to, the inspector general, any appropriate prosecuting authority, 457  
any law enforcement agency, or any other appropriate ethics 458  
commission. If the accused person is a member of the public 459  
employees retirement board, state teachers retirement board, 460  
school employees retirement board, board of trustees of the Ohio 461  
police and fire pension fund, or state highway patrol retirement 462  
board, or is a voting member of the bureau of workers' 463  
compensation oversight commission board of directors, the 464  
appropriate ethics commission, in its discretion, also may share 465  
information gathered in the course of an investigation with, or 466  
disclose the information to, the attorney general and the auditor 467  
of state. The person so requested shall furnish the information to 468  
the commission, unless within fifteen days from the date of the 469  
request the person files an action for declaratory judgment 470  
challenging the legitimacy of the request in the court of common 471  
pleas of the county of the person's residence, the person's place 472

of employment, or Franklin county. The requested information need 473  
not be furnished to the commission during the pendency of the 474  
judicial proceedings. Proceedings of the commission in connection 475  
with the declaratory judgment action shall be kept confidential 476  
except as otherwise provided by this section. Before the 477  
commission proceeds to take any formal action against a person who 478  
is the subject of an investigation based on charges presented to 479  
the commission, a complaint shall be filed against the person. If 480  
the commission finds that a complaint is not frivolous, and there 481  
is reasonable cause to believe that the facts alleged in a 482  
complaint constitute a violation of section 102.02, 102.021, 483  
102.03, 102.04, 102.07, 2921.42, or 2921.43 of the Revised Code, 484  
it shall hold a hearing. If the commission does not so find, it 485  
shall dismiss the complaint and notify the accused person in 486  
writing of the dismissal of the complaint. The commission shall 487  
not make a report of its finding unless the accused person 488  
requests a report. Upon the request of the accused person, the 489  
commission shall make a public report of its finding. The person 490  
against whom the complaint is directed shall be given reasonable 491  
notice by certified mail of the date, time, and place of the 492  
hearing and a statement of the charges and the law directly 493  
involved and shall be given the opportunity to be represented by 494  
counsel, to have counsel appointed for the person if the person is 495  
unable to afford counsel without undue hardship, to examine the 496  
evidence against the person, to produce evidence and to call and 497  
subpoena witnesses in the person's defense, to confront the 498  
person's accusers, and to cross-examine witnesses. The commission 499  
shall have a stenographic record made of the hearing. The hearing 500  
shall be closed to the public. 501

(C)(1)(a) If, upon the basis of the hearing, the appropriate 502  
ethics commission finds by a preponderance of the evidence that 503  
the facts alleged in the complaint are true and constitute a 504  
violation of section 102.02, 102.021, 102.03, 102.04, 102.07, 505

2921.42, or 2921.43 of the Revised Code, it shall report its 506  
findings to the appropriate prosecuting authority for proceedings 507  
in prosecution of the violation and to the appointing or employing 508  
authority of the accused. If the accused person is a member of the 509  
public employees retirement board, state teachers retirement 510  
board, school employees retirement board, board of trustees of the 511  
Ohio police and fire pension fund, or state highway patrol 512  
retirement board, the commission also shall report its findings to 513  
the Ohio retirement study council. 514

(b) If the Ohio ethics commission reports its findings to the 515  
appropriate prosecuting authority under division (C)(1)(a) of this 516  
section and the prosecuting authority has not initiated any 517  
official action on those findings within ninety days after 518  
receiving the commission's report of them, the commission may 519  
publicly comment that no official action has been taken on its 520  
findings, except that the commission shall make no comment in 521  
violation of the Rules of Criminal Procedure or about any 522  
indictment that has been sealed pursuant to any law or those 523  
rules. The commission shall make no comment regarding the merits 524  
of its findings. As used in division (C)(1)(b) of this section, 525  
"official action" means prosecution, closure after investigation, 526  
or grand jury action resulting in a true bill of indictment or no 527  
true bill of indictment. 528

(2) If the appropriate ethics commission does not find by a 529  
preponderance of the evidence that the facts alleged in the 530  
complaint are true and constitute a violation of section 102.02, 531  
102.021, 102.03, 102.04, 102.07, 2921.42, or 2921.43 of the 532  
Revised Code or if the commission has not scheduled a hearing 533  
within ninety days after the complaint is filed or has not finally 534  
disposed of the complaint within six months after it has been 535  
heard, it shall dismiss the complaint and notify the accused 536  
person in writing of the dismissal of the complaint. The 537

commission shall not make a report of its finding unless the 538  
accused person requests a report. Upon the request of the accused 539  
person, the commission shall make a public report of the finding, 540  
but in this case all evidence and the record of the hearing shall 541  
remain confidential unless the accused person also requests that 542  
the evidence and record be made public. Upon request by the 543  
accused person, the commission shall make the evidence and the 544  
record available for public inspection. 545

(D) The appropriate ethics commission, or a member of the 546  
commission, may administer oaths, and the commission may issue 547  
subpoenas to any person in the state compelling the attendance of 548  
witnesses and the production of relevant papers, books, accounts, 549  
and records. The commission shall issue subpoenas to compel the 550  
attendance of witnesses and the production of documents upon the 551  
request of an accused person. Section 101.42 of the Revised Code 552  
shall govern the issuance of these subpoenas insofar as 553  
applicable. Upon the refusal of any person to obey a subpoena or 554  
to be sworn or to answer as a witness, the commission may apply to 555  
the court of common pleas of Franklin county under section 2705.03 556  
of the Revised Code. The court shall hold proceedings in 557  
accordance with Chapter 2705. of the Revised Code. The commission 558  
or the accused person may take the depositions of witnesses 559  
residing within or without the state in the same manner as 560  
prescribed by law for the taking of depositions in civil actions 561  
in the court of common pleas. 562

(E) At least once each year, the Ohio ethics commission shall 563  
report on its activities of the immediately preceding year to the 564  
majority and minority leaders of the senate and house of 565  
representatives of the general assembly. The report shall indicate 566  
the total number of complaints received, initiated, and 567  
investigated by the commission, the total number of complaints for 568  
which formal hearings were held, and the total number of 569

complaints for which formal prosecution was recommended or 570  
requested by the commission. The report also shall indicate the 571  
nature of the inappropriate conduct alleged in each complaint and 572  
the governmental entity with which any employee or official that 573  
is the subject of a complaint was employed at the time of the 574  
alleged inappropriate conduct. 575

(F) All papers, records, affidavits, and documents upon any 576  
complaint, inquiry, or investigation relating to the proceedings 577  
of the appropriate ethics commission shall be sealed and are 578  
private and confidential, except as otherwise provided in this 579  
section and section 102.07 of the Revised Code. 580

(G)(1) When a complaint or charge is before it, the Ohio 581  
ethics commission or the appropriate prosecuting authority, in 582  
consultation with the person filing the complaint or charge, the 583  
accused, and any other person the commission or prosecuting 584  
authority considers necessary, may compromise or settle the 585  
complaint or charge with the agreement of the accused. The 586  
compromise or settlement may include mediation, restitution, 587  
rescission of affected contracts, forfeiture of any benefits 588  
resulting from a violation or potential violation of law, 589  
resignation of a public official or employee, or any other relief 590  
that is agreed upon between the commission or prosecuting 591  
authority and the accused. 592

(2) Any settlement agreement entered into under division 593  
(G)(1) of this section shall be in writing and be accompanied by a 594  
statement of the findings of the commission or prosecuting 595  
authority and the reasons for entering into the agreement. The 596  
commission or prosecuting authority shall retain the agreement and 597  
statement in the commission's or prosecuting authority's office 598  
and, in the commission's or prosecuting authority's discretion, 599  
may make the agreement, the statement, and any supporting 600  
information public, unless the agreement provides otherwise. 601

(3) If a settlement agreement is breached by the accused, the commission or prosecuting authority, in the commission's or prosecuting authority's discretion, may rescind the agreement and reinstitute any investigation, hearing, or prosecution of the accused. No information obtained from the accused in reaching the settlement that is not otherwise discoverable from the accused shall be used in any proceeding before the commission or by the appropriate prosecuting authority in prosecuting the violation. Notwithstanding any other section of the Revised Code, if a settlement agreement is breached, any statute of limitations for a violation of this chapter or section 2921.42 or 2921.43 of the Revised Code is tolled from the date the complaint or charge is filed until the date the settlement agreement is breached.

**Sec. 109.981.** If a voting member of the bureau of workers' compensation oversight commission board of directors breaches the member's fiduciary duty to the bureau of workers' compensation, the attorney general may maintain a civil action against the board member for harm resulting from that breach. Notwithstanding section 4121.128 of the Revised Code, after being informed of an allegation that the entire ~~oversight commission~~ board has breached its fiduciary duty, the ~~oversight commission~~ board may retain independent legal counsel, including legal counsel provided by the ~~oversight commission's~~ board's fiduciary insurance carrier, to advise the board and to represent the board. The attorney general may recover damages or be granted injunctive relief, which shall include the enjoinder of specified activities and the removal of the member from the board. Any damages awarded shall be paid to the bureau. The authority to maintain a civil action created by this section is in addition to any authority the attorney general possesses under any other provision of the Revised Code.

**Sec. 119.01.** As used in sections 119.01 to 119.13 of the

Revised Code: 633

(A)(1) "Agency" means, except as limited by this division, 634  
any official, board, or commission having authority to promulgate 635  
rules or make adjudications in the civil service commission, the 636  
division of liquor control, the department of taxation, the 637  
industrial commission, the bureau of workers' compensation, the 638  
functions of any administrative or executive officer, department, 639  
division, bureau, board, or commission of the government of the 640  
state specifically made subject to sections 119.01 to 119.13 of 641  
the Revised Code, and the licensing functions of any 642  
administrative or executive officer, department, division, bureau, 643  
board, or commission of the government of the state having the 644  
authority or responsibility of issuing, suspending, revoking, or 645  
canceling licenses. 646

Except as otherwise provided in division (I) of this section, 647  
sections 119.01 to 119.13 of the Revised Code do not apply to the 648  
public utilities commission. Sections 119.01 to 119.13 of the 649  
Revised Code do not apply to the utility radiological safety 650  
board; to the controlling board; to actions of the superintendent 651  
of financial institutions and the superintendent of insurance in 652  
the taking possession of, and rehabilitation or liquidation of, 653  
the business and property of banks, savings and loan associations, 654  
savings banks, credit unions, insurance companies, associations, 655  
reciprocal fraternal benefit societies, and bond investment 656  
companies; to any action taken by the division of securities under 657  
section 1707.201 of the Revised Code; or to any action that may be 658  
taken by the superintendent of financial institutions under 659  
section 1113.03, 1121.06, 1121.10, 1125.09, 1125.12, 1125.18, 660  
1157.01, 1157.02, 1157.10, 1165.01, 1165.02, 1165.10, 1349.33, 661  
1733.35, 1733.361, 1733.37, or 1761.03 of the Revised Code. 662

Sections 119.01 to 119.13 of the Revised Code do not apply to 663  
actions of the industrial commission or the bureau of workers' 664

compensation under sections 4123.01 to 4123.94 of the Revised Code 665  
with respect to all matters of adjudication, ~~and~~ or to the actions 666  
of the industrial commission, bureau of workers' compensation 667  
board of directors, workers' compensation investment committee, 668  
and bureau of workers' compensation under division (D) of section 669  
4121.32, sections 4123.29, 4123.34, 4123.341, 4123.342, 4123.40, 670  
4123.411, 4123.44, and 4123.442, and divisions (B), (C), and (E) 671  
of section 4131.14 of the Revised Code. 672

(2) "Agency" also means any official or work unit having 673  
authority to promulgate rules or make adjudications in the 674  
department of job and family services, but only with respect to 675  
both of the following: 676

(a) The adoption, amendment, or rescission of rules that 677  
section 5101.09 of the Revised Code requires be adopted in 678  
accordance with this chapter; 679

(b) The issuance, suspension, revocation, or cancellation of 680  
licenses. 681

(B) "License" means any license, permit, certificate, 682  
commission, or charter issued by any agency. "License" does not 683  
include any arrangement whereby a person, institution, or entity 684  
furnishes medicaid services under a provider agreement with the 685  
department of job and family services pursuant to Title XIX of the 686  
"Social Security Act," 49 Stat. 620 (1935), 42 U.S.C. 301, as 687  
amended. 688

(C) "Rule" means any rule, regulation, or standard, having a 689  
general and uniform operation, adopted, promulgated, and enforced 690  
by any agency under the authority of the laws governing such 691  
agency, and includes any appendix to a rule. "Rule" does not 692  
include any internal management rule of an agency unless the 693  
internal management rule affects private rights and does not 694  
include any guideline adopted pursuant to section 3301.0714 of the 695

Revised Code. 696

(D) "Adjudication" means the determination by the highest or 697  
ultimate authority of an agency of the rights, duties, privileges, 698  
benefits, or legal relationships of a specified person, but does 699  
not include the issuance of a license in response to an 700  
application with respect to which no question is raised, nor other 701  
acts of a ministerial nature. 702

(E) "Hearing" means a public hearing by any agency in 703  
compliance with procedural safeguards afforded by sections 119.01 704  
to 119.13 of the Revised Code. 705

(F) "Person" means a person, firm, corporation, association, 706  
or partnership. 707

(G) "Party" means the person whose interests are the subject 708  
of an adjudication by an agency. 709

(H) "Appeal" means the procedure by which a person, aggrieved 710  
by a finding, decision, order, or adjudication of any agency, 711  
invokes the jurisdiction of a court. 712

(I) "Rule-making agency" means any board, commission, 713  
department, division, or bureau of the government of the state 714  
that is required to file proposed rules, amendments, or 715  
rescissions under division (D) of section 111.15 of the Revised 716  
Code and any agency that is required to file proposed rules, 717  
amendments, or rescissions under divisions (B) and (H) of section 718  
119.03 of the Revised Code. "Rule-making agency" includes the 719  
public utilities commission. "Rule-making agency" does not include 720  
any state-supported college or university. 721

(J) "Substantive revision" means any addition to, elimination 722  
from, or other change in a rule, an amendment of a rule, or a 723  
rescission of a rule, whether of a substantive or procedural 724  
nature, that changes any of the following: 725

(1) That which the rule, amendment, or rescission permits, 726  
authorizes, regulates, requires, prohibits, penalizes, rewards, or 727  
otherwise affects; 728

(2) The scope or application of the rule, amendment, or 729  
rescission. 730

(K) "Internal management rule" means any rule, regulation, or 731  
standard governing the day-to-day staff procedures and operations 732  
within an agency. 733

Sec. 121.51. There is hereby created in the office of the 734  
inspector general the office of deputy inspector general for the 735  
bureau of workers' compensation and industrial commission. The 736  
inspector general shall hire the deputy inspector general, and the 737  
deputy inspector general shall serve at the pleasure of the 738  
inspector general. A person employed as the deputy inspector 739  
general shall have the same qualifications as those specified in 740  
section 121.49 of the Revised Code for the inspector general. The 741  
inspector general shall provide professional and clerical 742  
assistance to the deputy inspector general. The administrator of 743  
workers' compensation shall pay the costs incurred by the deputy 744  
inspector general, including the salaries of the deputy inspector 745  
general and employees of the office of the deputy inspector 746  
general. 747

The deputy inspector general shall investigate all claims or 748  
cases of criminal violations, abuse of office, or misconduct on 749  
the part of employees of the bureau of workers' compensation or 750  
the industrial commission and shall conduct a program of random 751  
review of the processing of workers' compensation claims. The 752  
deputy inspector general has the same powers and duties regarding 753  
matters concerning the bureau and the commission as those 754  
specified in sections 121.42, 121.43, and 121.45 of the Revised 755  
Code for the inspector general. Complaints may be filed with the 756

deputy inspector general in the same manner as prescribed for 757  
complaints filed with the inspector general under section 121.46 758  
of the Revised Code. All investigations conducted and reports 759  
issued by the deputy inspector general are subject to section 760  
121.44 of the Revised Code. 761

The members of the commission, bureau of workers' 762  
compensation board of directors, workers' compensation audit 763  
committee, workers' compensation actuarial committee, and workers' 764  
compensation investment committee, and the administrator and 765  
employees of the commission and the bureau shall cooperate with 766  
and provide assistance to, the deputy inspector general in the 767  
performance of any investigation conducted by the deputy inspector 768  
general. In particular, those persons shall make their premises, 769  
equipment, personnel, books, records, and papers readily available 770  
to the deputy inspector general. In the course of an 771  
investigation, the deputy inspector general may question any of 772  
those persons employed by the commission or the administrator and 773  
any other person transacting business with the commission, the 774  
board, the audit committee, the actuarial committee, the 775  
investment committee, the administrator, or the bureau, and may 776  
inspect and copy any books, records, or papers in the possession 777  
of those entities, taking care to preserve the confidentiality of 778  
information contained in responses to questions or the books, 779  
records, or papers that are made confidential by law. In 780  
performing any investigation, the deputy inspector general shall 781  
avoid interfering with the ongoing operations of the entities 782  
being investigated, except insofar as is reasonably necessary to 783  
successfully complete the investigation. 784

The deputy inspector general shall deliver to the board, the 785  
administrator, the commission, and the governor any case for which 786  
remedial action is necessary. The deputy inspector general shall 787  
maintain a public record of its activities to the extent permitted 788

under this section, ensuring that the rights of the parties 789  
involved in each case are protected, and, once every six months, 790  
shall report to the governor, the general assembly, the board, the 791  
administrator, and commission, the deputy inspector general's 792  
findings and the corrective actions subsequently taken in cases 793  
considered by the deputy inspector general. 794

No person shall disclose any information that is designated 795  
as confidential in accordance with section 121.44 of the Revised 796  
Code or any confidential information that is acquired in the 797  
course of an investigation conducted under this section to any 798  
person who is not legally entitled to disclosure of that 799  
information. 800

**Sec. 1707.01.** As used in this chapter: 801

(A) Whenever the context requires it, "division" or "division 802  
of securities" may be read as "director of commerce" or as 803  
"commissioner of securities." 804

(B) "Security" means any certificate or instrument, or any 805  
oral, written, or electronic agreement, understanding, or 806  
opportunity, that represents title to or interest in, or is 807  
secured by any lien or charge upon, the capital, assets, profits, 808  
property, or credit of any person or of any public or governmental 809  
body, subdivision, or agency. It includes shares of stock, 810  
certificates for shares of stock, an uncertificated security, 811  
membership interests in limited liability companies, voting-trust 812  
certificates, warrants and options to purchase securities, 813  
subscription rights, interim receipts, interim certificates, 814  
promissory notes, all forms of commercial paper, evidences of 815  
indebtedness, bonds, debentures, land trust certificates, fee 816  
certificates, leasehold certificates, syndicate certificates, 817  
endowment certificates, interests in or under profit-sharing or 818  
participation agreements, interests in or under oil, gas, or 819

mining leases, preorganization or reorganization subscriptions, 820  
preorganization certificates, reorganization certificates, 821  
interests in any trust or pretended trust, any investment 822  
contract, any life settlement interest, any instrument evidencing 823  
a promise or an agreement to pay money, warehouse receipts for 824  
intoxicating liquor, and the currency of any government other than 825  
those of the United States and Canada, but sections 1707.01 to 826  
1707.45 of the Revised Code do not apply to the sale of real 827  
estate. 828

(C)(1) "Sale" has the full meaning of "sale" as applied by or 829  
accepted in courts of law or equity, and includes every 830  
disposition, or attempt to dispose, of a security or of an 831  
interest in a security. "Sale" also includes a contract to sell, 832  
an exchange, an attempt to sell, an option of sale, a solicitation 833  
of a sale, a solicitation of an offer to buy, a subscription, or 834  
an offer to sell, directly or indirectly, by agent, circular, 835  
pamphlet, advertisement, or otherwise. 836

(2) "Sell" means any act by which a sale is made. 837

(3) The use of advertisements, circulars, or pamphlets in 838  
connection with the sale of securities in this state exclusively 839  
to the purchasers specified in division (D) of section 1707.03 of 840  
the Revised Code is not a sale when the advertisements, circulars, 841  
and pamphlets describing and offering those securities bear a 842  
readily legible legend in substance as follows: "This offer is 843  
made on behalf of dealers licensed under sections 1707.01 to 844  
1707.45 of the Revised Code, and is confined in this state 845  
exclusively to institutional investors and licensed dealers." 846

(4) The offering of securities by any person in conjunction 847  
with a licensed dealer by use of advertisement, circular, or 848  
pamphlet is not a sale if that person does not otherwise attempt 849  
to sell securities in this state. 850

(5) Any security given with, or as a bonus on account of, any purchase of securities is conclusively presumed to constitute a part of the subject of that purchase and has been "sold."

(6) "Sale" by an owner, pledgee, or mortgagee, or by a person acting in a representative capacity, includes sale on behalf of such party by an agent, including a licensed dealer or salesperson.

(D) "Person," except as otherwise provided in this chapter, means a natural person, firm, partnership, limited partnership, partnership association, syndicate, joint-stock company, unincorporated association, trust or trustee except where the trust was created or the trustee designated by law or judicial authority or by a will, and a corporation or limited liability company organized under the laws of any state, any foreign government, or any political subdivision of a state or foreign government.

(E)(1) "Dealer," except as otherwise provided in this chapter, means every person, other than a salesperson, who engages or professes to engage, in this state, for either all or part of the person's time, directly or indirectly, either in the business of the sale of securities for the person's own account, or in the business of the purchase or sale of securities for the account of others in the reasonable expectation of receiving a commission, fee, or other remuneration as a result of engaging in the purchase and sale of securities. "Dealer" does not mean any of the following:

(a) Any issuer, including any officer, director, employee, or trustee of, or member or manager of, or partner in, or any general partner of, any issuer, that sells, offers for sale, or does any act in furtherance of the sale of a security that represents an economic interest in that issuer, provided no commission, fee, or other similar remuneration is paid to or received by the issuer

for the sale; 883

(b) Any licensed attorney, public accountant, or firm of such 884  
attorneys or accountants, whose activities are incidental to the 885  
practice of the attorney's, accountant's, or firm's profession; 886

(c) Any person that, for the account of others, engages in 887  
the purchase or sale of securities that are issued and outstanding 888  
before such purchase and sale, if a majority or more of the equity 889  
interest of an issuer is sold in that transaction, and if, in the 890  
case of a corporation, the securities sold in that transaction 891  
represent a majority or more of the voting power of the 892  
corporation in the election of directors; 893

(d) Any person that brings an issuer together with a 894  
potential investor and whose compensation is not directly or 895  
indirectly based on the sale of any securities by the issuer to 896  
the investor; 897

(e) Any bank; 898

(f) Any person that the division of securities by rule 899  
exempts from the definition of "dealer" under division (E)(1) of 900  
this section. 901

(2) "Licensed dealer" means a dealer licensed under this 902  
chapter. 903

(F)(1) "Salesman" or "salesperson" means every natural 904  
person, other than a dealer, who is employed, authorized, or 905  
appointed by a dealer to sell securities within this state. 906

(2) The general partners of a partnership, and the executive 907  
officers of a corporation or unincorporated association, licensed 908  
as a dealer are not salespersons within the meaning of this 909  
definition, nor are clerical or other employees of an issuer or 910  
dealer that are employed for work to which the sale of securities 911  
is secondary and incidental; but the division of securities may 912

require a license from any such partner, executive officer, or 913  
employee if it determines that protection of the public 914  
necessitates the licensing. 915

(3) "Licensed salesperson" means a salesperson licensed under 916  
this chapter. 917

(G) "Issuer" means every person who has issued, proposes to 918  
issue, or issues any security. 919

(H) "Director" means each director or trustee of a 920  
corporation, each trustee of a trust, each general partner of a 921  
partnership, except a partnership association, each manager of a 922  
partnership association, and any person vested with managerial or 923  
directory power over an issuer not having a board of directors or 924  
trustees. 925

(I) "Incorporator" means any incorporator of a corporation 926  
and any organizer of, or any person participating, other than in a 927  
representative or professional capacity, in the organization of an 928  
unincorporated issuer. 929

(J) "Fraud," "fraudulent," "fraudulent acts," "fraudulent 930  
practices," or "fraudulent transactions" means anything recognized 931  
on or after July 22, 1929, as such in courts of law or equity; any 932  
device, scheme, or artifice to defraud or to obtain money or 933  
property by means of any false pretense, representation, or 934  
promise; any fictitious or pretended purchase or sale of 935  
securities; and any act, practice, transaction, or course of 936  
business relating to the purchase or sale of securities that is 937  
fraudulent or that has operated or would operate as a fraud upon 938  
the seller or purchaser. 939

(K) Except as otherwise specifically provided, whenever any 940  
classification or computation is based upon "par value," as 941  
applied to securities without par value, the average of the 942  
aggregate consideration received or to be received by the issuer 943

for each class of those securities shall be used as the basis for 944  
that classification or computation. 945

(L)(1) "Intangible property" means patents, copyrights, 946  
secret processes, formulas, services, good will, promotion and 947  
organization fees and expenses, trademarks, trade brands, trade 948  
names, licenses, franchises, any other assets treated as 949  
intangible according to generally accepted accounting principles, 950  
and securities, accounts receivable, or contract rights having no 951  
readily determinable value. 952

(2) "Tangible property" means all property other than 953  
intangible property and includes securities, accounts receivable, 954  
and contract rights, when the securities, accounts receivable, or 955  
contract rights have a readily determinable value. 956

(M) "Public utilities" means those utilities defined in 957  
sections 4905.02, 4905.03, 4907.02, and 4907.03 of the Revised 958  
Code; in the case of a foreign corporation, it means those 959  
utilities defined as public utilities by the laws of its domicile; 960  
and in the case of any other foreign issuer, it means those 961  
utilities defined as public utilities by the laws of the situs of 962  
its principal place of business. The term always includes 963  
railroads whether or not they are so defined as public utilities. 964

(N) "State" means any state of the United States, any 965  
territory or possession of the United States, the District of 966  
Columbia, and any province of Canada. 967

(O) "Bank" means any bank, trust company, savings and loan 968  
association, savings bank, or credit union that is incorporated or 969  
organized under the laws of the United States, any state of the 970  
United States, Canada, or any province of Canada and that is 971  
subject to regulation or supervision by that country, state, or 972  
province. 973

(P) "Include," when used in a definition, does not exclude 974

other things or persons otherwise within the meaning of the term	975
defined.	976
(Q)(1) "Registration by description" means that the	977
requirements of section 1707.08 of the Revised Code have been	978
complied with.	979
(2) "Registration by qualification" means that the	980
requirements of sections 1707.09 and 1707.11 of the Revised Code	981
have been complied with.	982
(3) "Registration by coordination" means that there has been	983
compliance with section 1707.091 of the Revised Code. Reference in	984
this chapter to registration by qualification also includes	985
registration by coordination unless the context otherwise	986
indicates.	987
(R) "Intoxicating liquor" includes all liquids and compounds	988
that contain more than three and two-tenths per cent of alcohol by	989
weight and are fit for use for beverage purposes.	990
(S) "Institutional investor" means any corporation, bank,	991
insurance company, pension fund or pension fund trust, employees'	992
profit-sharing fund or employees' profit-sharing trust, any	993
association engaged, as a substantial part of its business or	994
operations, in purchasing or holding securities, or any trust in	995
respect of which a bank is trustee or cotrustee. "Institutional	996
investor" does not include any business entity formed for the	997
primary purpose of evading sections 1707.01 to 1707.45 of the	998
Revised Code.	999
(T) A reference to a statute of the United States or to a	1000
rule, regulation, or form promulgated by the securities and	1001
exchange commission or by another federal agency means the	1002
statute, rule, regulation, or form as it exists at the time of the	1003
act, omission, event, or transaction to which it is applied under	1004
this chapter.	1005

(U) "Securities and exchange commission" means the securities and exchange commission established by the Securities Exchange Act of 1934.

(V)(1) "Control bid" means the purchase of or offer to purchase any equity security of a subject company from a resident of this state if either of the following applies:

(a) After the purchase of that security, the offeror would be directly or indirectly the beneficial owner of more than ten per cent of any class of the issued and outstanding equity securities of the issuer.

(b) The offeror is the subject company, there is a pending control bid by a person other than the issuer, and the number of the issued and outstanding shares of the subject company would be reduced by more than ten per cent.

(2) For purposes of division (V)(1) of this section, "control bid" does not include any of the following:

(a) A bid made by a dealer for the dealer's own account in the ordinary course of business of buying and selling securities;

(b) An offer to acquire any equity security solely in exchange for any other security, or the acquisition of any equity security pursuant to an offer, for the sole account of the offeror, in good faith and not for the purpose of avoiding the provisions of this chapter, and not involving any public offering of the other security within the meaning of Section 4 of Title I of the "Securities Act of 1933," 48 Stat. 77, 15 U.S.C.A. 77d(2), as amended;

(c) Any other offer to acquire any equity security, or the acquisition of any equity security pursuant to an offer, for the sole account of the offeror, from not more than fifty persons, in good faith and not for the purpose of avoiding the provisions of this chapter.

(W) "Offeror" means a person who makes, or in any way 1037  
participates or aids in making, a control bid and includes persons 1038  
acting jointly or in concert, or who intend to exercise jointly or 1039  
in concert any voting rights attached to the securities for which 1040  
the control bid is made and also includes any subject company 1041  
making a control bid for its own securities. 1042

(X)(1) "Investment adviser" means any person who, for 1043  
compensation, engages in the business of advising others, either 1044  
directly or through publications or writings, as to the value of 1045  
securities or as to the advisability of investing in, purchasing, 1046  
or selling securities, or who, for compensation and as a part of 1047  
regular business, issues or promulgates analyses or reports 1048  
concerning securities. 1049

(2) "Investment adviser" does not mean any of the following: 1050

(a) Any attorney, accountant, engineer, or teacher, whose 1051  
performance of investment advisory services described in division 1052  
(X)(1) of this section is solely incidental to the practice of the 1053  
attorney's, accountant's, engineer's, or teacher's profession; 1054

(b) A publisher of any bona fide newspaper, news magazine, or 1055  
business or financial publication of general and regular 1056  
circulation; 1057

(c) A person who acts solely as an investment adviser 1058  
representative; 1059

(d) A bank holding company, as defined in the "Bank Holding 1060  
Company Act of 1956," 70 Stat. 133, 12 U.S.C. 1841, that is not an 1061  
investment company; 1062

(e) A bank, or any receiver, conservator, or other 1063  
liquidating agent of a bank; 1064

(f) Any licensed dealer or licensed salesperson whose 1065  
performance of investment advisory services described in division 1066

(X)(1) of this section is solely incidental to the conduct of the dealer's or salesperson's business as a licensed dealer or licensed salesperson and who receives no special compensation for the services;

(g) Any person, the advice, analyses, or reports of which do not relate to securities other than securities that are direct obligations of, or obligations guaranteed as to principal or interest by, the United States, or securities issued or guaranteed by corporations in which the United States has a direct or indirect interest, and that have been designated by the secretary of the treasury as exempt securities as defined in the "Securities Exchange Act of 1934," 48 Stat. 881, 15 U.S.C. 78c;

(h) Any person that is excluded from the definition of investment adviser pursuant to section 202(a)(11)(A) to (E) of the "Investment Advisers Act of 1940," 15 U.S.C. 80b-2(a)(11), or that has received an order from the securities and exchange commission under section 202(a)(11)(F) of the "Investment Advisers Act of 1940," 15 U.S.C. 80b-2(a)(11)(F), declaring that the person is not within the intent of section 202(a)(11) of the Investment Advisers Act of 1940.

(i) A person who acts solely as a state retirement system investment officer or as a bureau of workers' compensation chief investment officer;

(j) Any other person that the division designates by rule, if the division finds that the designation is necessary or appropriate in the public interest or for the protection of investors or clients and consistent with the purposes fairly intended by the policy and provisions of this chapter.

(Y)(1) "Subject company" means an issuer that satisfies both of the following:

(a) Its principal place of business or its principal

executive office is located in this state, or it owns or controls 1098  
assets located within this state that have a fair market value of 1099  
at least one million dollars. 1100

(b) More than ten per cent of its beneficial or record equity 1101  
security holders are resident in this state, more than ten per 1102  
cent of its equity securities are owned beneficially or of record 1103  
by residents in this state, or more than one thousand of its 1104  
beneficial or record equity security holders are resident in this 1105  
state. 1106

(2) The division of securities may adopt rules to establish 1107  
more specific application of the provisions set forth in division 1108  
(Y)(1) of this section. Notwithstanding the provisions set forth 1109  
in division (Y)(1) of this section and any rules adopted under 1110  
this division, the division, by rule or in an adjudicatory 1111  
proceeding, may make a determination that an issuer does not 1112  
constitute a "subject company" under division (Y)(1) of this 1113  
section if appropriate review of control bids involving the issuer 1114  
is to be made by any regulatory authority of another jurisdiction. 1115

(Z) "Beneficial owner" includes any person who directly or 1116  
indirectly through any contract, arrangement, understanding, or 1117  
relationship has or shares, or otherwise has or shares, the power 1118  
to vote or direct the voting of a security or the power to dispose 1119  
of, or direct the disposition of, the security. "Beneficial 1120  
ownership" includes the right, exercisable within sixty days, to 1121  
acquire any security through the exercise of any option, warrant, 1122  
or right, the conversion of any convertible security, or 1123  
otherwise. Any security subject to any such option, warrant, 1124  
right, or conversion privilege held by any person shall be deemed 1125  
to be outstanding for the purpose of computing the percentage of 1126  
outstanding securities of the class owned by that person, but 1127  
shall not be deemed to be outstanding for the purpose of computing 1128  
the percentage of the class owned by any other person. A person 1129

shall be deemed the beneficial owner of any security beneficially 1130  
owned by any relative or spouse or relative of the spouse residing 1131  
in the home of that person, any trust or estate in which that 1132  
person owns ten per cent or more of the total beneficial interest 1133  
or serves as trustee or executor, any corporation or entity in 1134  
which that person owns ten per cent or more of the equity, and any 1135  
affiliate or associate of that person. 1136

(AA) "Offeree" means the beneficial or record owner of any 1137  
security that an offeror acquires or offers to acquire in 1138  
connection with a control bid. 1139

(BB) "Equity security" means any share or similar security, 1140  
or any security convertible into any such security, or carrying 1141  
any warrant or right to subscribe to or purchase any such 1142  
security, or any such warrant or right, or any other security 1143  
that, for the protection of security holders, is treated as an 1144  
equity security pursuant to rules of the division of securities. 1145

(CC)(1) "Investment adviser representative" means a 1146  
supervised person of an investment adviser, provided that the 1147  
supervised person has more than five clients who are natural 1148  
persons other than excepted persons defined in division (EE) of 1149  
this section, and that more than ten per cent of the supervised 1150  
person's clients are natural persons other than excepted persons 1151  
defined in division (EE) of this section. "Investment adviser 1152  
representative" does not mean any of the following: 1153

(a) A supervised person that does not on a regular basis 1154  
solicit, meet with, or otherwise communicate with clients of the 1155  
investment adviser; 1156

(b) A supervised person that provides only investment 1157  
advisory services described in division (X)(1) of this section by 1158  
means of written materials or oral statements that do not purport 1159  
to meet the objectives or needs of specific individuals or 1160

accounts; 1161

(c) Any other person that the division designates by rule, if 1162  
the division finds that the designation is necessary or 1163  
appropriate in the public interest or for the protection of 1164  
investors or clients and is consistent with the provisions fairly 1165  
intended by the policy and provisions of this chapter. 1166

(2) For the purpose of the calculation of clients in division 1167  
(CC)(1) of this section, a natural person and the following 1168  
persons are deemed a single client: Any minor child of the natural 1169  
person; any relative, spouse, or relative of the spouse of the 1170  
natural person who has the same principal residence as the natural 1171  
person; all accounts of which the natural person or the persons 1172  
referred to in division (CC)(2) of this section are the only 1173  
primary beneficiaries; and all trusts of which the natural person 1174  
or persons referred to in division (CC)(2) of this section are the 1175  
only primary beneficiaries. Persons who are not residents of the 1176  
United States need not be included in the calculation of clients 1177  
under division (CC)(1) of this section. 1178

(3) If subsequent to March 18, 1999, amendments are enacted 1179  
or adopted defining "investment adviser representative" for 1180  
purposes of the Investment Advisers Act of 1940 or additional 1181  
rules or regulations are promulgated by the securities and 1182  
exchange commission regarding the definition of "investment 1183  
adviser representative" for purposes of the Investment Advisers 1184  
Act of 1940, the division of securities shall, by rule, adopt the 1185  
substance of the amendments, rules, or regulations, unless the 1186  
division finds that the amendments, rules, or regulations are not 1187  
necessary for the protection of investors or in the public 1188  
interest. 1189

(DD) "Supervised person" means a natural person who is any of 1190  
the following: 1191

(1) A partner, officer, or director of an investment adviser,	1192
or other person occupying a similar status or performing similar	1193
functions with respect to an investment adviser;	1194
(2) An employee of an investment adviser;	1195
(3) A person who provides investment advisory services	1196
described in division (X)(1) of this section on behalf of the	1197
investment adviser and is subject to the supervision and control	1198
of the investment adviser.	1199
(EE) "Excepted person" means a natural person to whom any of	1200
the following applies:	1201
(1) Immediately after entering into the investment advisory	1202
contract with the investment adviser, the person has at least	1203
seven hundred fifty thousand dollars under the management of the	1204
investment adviser.	1205
(2) The investment adviser reasonably believes either of the	1206
following at the time the investment advisory contract is entered	1207
into with the person:	1208
(a) The person has a net worth, together with assets held	1209
jointly with a spouse, of more than one million five hundred	1210
thousand dollars.	1211
(b) The person is a qualified purchaser as defined in	1212
division (FF) of this section.	1213
(3) Immediately prior to entering into an investment advisory	1214
contract with the investment adviser, the person is either of the	1215
following:	1216
(a) An executive officer, director, trustee, general partner,	1217
or person serving in a similar capacity, of the investment	1218
adviser;	1219
(b) An employee of the investment adviser, other than an	1220
employee performing solely clerical, secretarial, or	1221

administrative functions or duties for the investment adviser, 1222  
which employee, in connection with the employee's regular 1223  
functions or duties, participates in the investment activities of 1224  
the investment adviser, provided that, for at least twelve months, 1225  
the employee has been performing such nonclerical, nonsecretarial, 1226  
or nonadministrative functions or duties for or on behalf of the 1227  
investment adviser or performing substantially similar functions 1228  
or duties for or on behalf of another company. 1229

If subsequent to March 18, 1999, amendments are enacted or 1230  
adopted defining "excepted person" for purposes of the Investment 1231  
Advisers Act of 1940 or additional rules or regulations are 1232  
promulgated by the securities and exchange commission regarding 1233  
the definition of "excepted person" for purposes of the Investment 1234  
Advisers Act of 1940, the division of securities shall, by rule, 1235  
adopt the substance of the amendments, rules, or regulations, 1236  
unless the division finds that the amendments, rules, or 1237  
regulations are not necessary for the protection of investors or 1238  
in the public interest. 1239

(FF)(1) "Qualified purchaser" means either of the following: 1240

(a) A natural person who owns not less than five million 1241  
dollars in investments as defined by rule by the division of 1242  
securities; 1243

(b) A natural person, acting for the person's own account or 1244  
accounts of other qualified purchasers, who in the aggregate owns 1245  
and invests on a discretionary basis, not less than twenty-five 1246  
million dollars in investments as defined by rule by the division 1247  
of securities. 1248

(2) If subsequent to March 18, 1999, amendments are enacted 1249  
or adopted defining "qualified purchaser" for purposes of the 1250  
Investment Advisers Act of 1940 or additional rules or regulations 1251  
are promulgated by the securities and exchange commission 1252

regarding the definition of "qualified purchaser" for purposes of 1253  
the Investment Advisers Act of 1940, the division of securities 1254  
shall, by rule, adopt the amendments, rules, or regulations, 1255  
unless the division finds that the amendments, rules, or 1256  
regulations are not necessary for the protection of investors or 1257  
in the public interest. 1258

(GG)(1) "Purchase" has the full meaning of "purchase" as 1259  
applied by or accepted in courts of law or equity and includes 1260  
every acquisition of, or attempt to acquire, a security or an 1261  
interest in a security. "Purchase" also includes a contract to 1262  
purchase, an exchange, an attempt to purchase, an option to 1263  
purchase, a solicitation of a purchase, a solicitation of an offer 1264  
to sell, a subscription, or an offer to purchase, directly or 1265  
indirectly, by agent, circular, pamphlet, advertisement, or 1266  
otherwise. 1267

(2) "Purchase" means any act by which a purchase is made. 1268

(3) Any security given with, or as a bonus on account of, any 1269  
purchase of securities is conclusively presumed to constitute a 1270  
part of the subject of that purchase. 1271

(HH) "Life settlement interest" means the entire interest or 1272  
any fractional interest in an insurance policy or certificate of 1273  
insurance, or in an insurance benefit under such a policy or 1274  
certificate, that is the subject of a life settlement contract. 1275

For purposes of this division, "life settlement contract" 1276  
means an agreement for the purchase, sale, assignment, transfer, 1277  
devise, or bequest of any portion of the death benefit or 1278  
ownership of any life insurance policy or contract, in return for 1279  
consideration or any other thing of value that is less than the 1280  
expected death benefit of the life insurance policy or contract. 1281  
"Life settlement contract" includes a viatical settlement contract 1282  
as defined in section 3916.01 of the Revised Code, but does not 1283

include any of the following:	1284
(1) A loan by an insurer under the terms of a life insurance policy, including, but not limited to, a loan secured by the cash value of the policy;	1285 1286 1287
(2) An agreement with a bank that takes an assignment of a life insurance policy as collateral for a loan;	1288 1289
(3) The provision of accelerated benefits as defined in section 3915.21 of the Revised Code;	1290 1291
(4) Any agreement between an insurer and a reinsurer;	1292
(5) An agreement by an individual to purchase an existing life insurance policy or contract from the original owner of the policy or contract, if the individual does not enter into more than one life settlement contract per calendar year;	1293 1294 1295 1296
(6) The initial purchase of an insurance policy or certificate of insurance from its owner by a viatical settlement provider, as defined in section 3916.01 of the Revised Code, that is licensed under Chapter 3916. of the Revised Code.	1297 1298 1299 1300
(II) "State retirement system" means the public employees retirement system, Ohio police and fire pension fund, state teachers retirement system, school employees retirement system, and state highway patrol retirement system.	1301 1302 1303 1304
(JJ) "State retirement system investment officer" means an individual employed by a state retirement system as a chief investment officer, assistant investment officer, or the person in charge of a class of assets or in a position that is substantially equivalent to chief investment officer, assistant investment officer, or person in charge of a class of assets.	1305 1306 1307 1308 1309 1310
(KK) "Bureau of workers' compensation chief investment officer" means an individual employed by the <del>bureau</del> <u>administrator</u> of workers' compensation as a chief investment officer <u>or</u> in a	1311 1312 1313

position that is substantially equivalent to a chief investment officer. 1314  
1315

**Sec. 3345.12.** (A) As used in this section and sections 1316  
3345.07 and 3345.11 of the Revised Code, in other sections of the 1317  
Revised Code that make reference to this section unless the 1318  
context does not permit, and in related bond proceedings unless 1319  
otherwise expressly provided: 1320

(1) "State university or college" means each of the state 1321  
universities identified in section 3345.011 of the Revised Code 1322  
and the northeastern Ohio universities college of medicine, and 1323  
includes its board of trustees. 1324

(2) "Institution of higher education" or "institution" means 1325  
a state university or college, or a community college district, 1326  
technical college district, university branch district, or state 1327  
community college, and includes the applicable board of trustees 1328  
or, in the case of a university branch district, any other 1329  
managing authority. 1330

(3) "Housing and dining facilities" means buildings, 1331  
structures, and other improvements, and equipment, real estate, 1332  
and interests in real estate therefor, to be used for or in 1333  
connection with dormitories or other living quarters and 1334  
accommodations, or related dining halls or other food service and 1335  
preparation facilities, for students, members of the faculty, 1336  
officers, or employees of the institution of higher education, and 1337  
their spouses and families. 1338

(4) "Auxiliary facilities" means buildings, structures, and 1339  
other improvements, and equipment, real estate, and interests in 1340  
real estate therefor, to be used for or in connection with student 1341  
activity or student service facilities, housing and dining 1342  
facilities, dining halls, and other food service and preparation 1343  
facilities, vehicular parking facilities, bookstores, athletic and 1344

recreational facilities, faculty centers, auditoriums, assembly 1345  
and exhibition halls, hospitals, infirmaries and other medical and 1346  
health facilities, research, and continuing education facilities. 1347

(5) "Education facilities" means buildings, structures, and 1348  
other improvements, and equipment, real estate, and interests in 1349  
real estate therefor, to be used for or in connection with, 1350  
classrooms or other instructional facilities, libraries, 1351  
administrative and office facilities, and other facilities, other 1352  
than auxiliary facilities, to be used directly or indirectly for 1353  
or in connection with the conduct of the institution of higher 1354  
education. 1355

(6) "Facilities" means housing and dining facilities, 1356  
auxiliary facilities, or education facilities, and includes any 1357  
one, part of, or any combination of such facilities, and further 1358  
includes site improvements, utilities, machinery, furnishings, and 1359  
any separate or connected buildings, structures, improvements, 1360  
sites, open space and green space areas, utilities or equipment to 1361  
be used in, or in connection with the operation or maintenance of, 1362  
or supplementing or otherwise related to the services or 1363  
facilities to be provided by, such facilities. 1364

(7) "Obligations" means bonds or notes or other evidences of 1365  
obligation, including interest coupons pertaining thereto, 1366  
authorized to be issued under this section or section 3345.07, 1367  
3345.11, 3354.121, 3355.091, 3357.112, or 3358.10 of the Revised 1368  
Code. 1369

(8) "Bond service charges" means principal, including any 1370  
mandatory sinking fund or redemption requirements for the 1371  
retirement of obligations, interest, or interest equivalent and 1372  
other accreted amounts, and any call premium required to be paid 1373  
on obligations. 1374

(9) "Bond proceedings" means the resolutions, trust 1375

agreement, indenture, and other agreements and credit enhancement 1376  
facilities, and amendments and supplements to the foregoing, or 1377  
any one or more or combination thereof, authorizing, awarding, or 1378  
providing for the terms and conditions applicable to, or providing 1379  
for the security or liquidity of, obligations, and the provisions 1380  
contained in those obligations. 1381

(10) "Costs of facilities" means the costs of acquiring, 1382  
constructing, reconstructing, rehabilitating, remodeling, 1383  
renovating, enlarging, improving, equipping, or furnishing 1384  
facilities, and the financing thereof, including the cost of 1385  
clearance and preparation of the site and of any land to be used 1386  
in connection with facilities, the cost of any indemnity and 1387  
surety bonds and premiums on insurance, all related direct 1388  
administrative expenses and allocable portions of direct costs of 1389  
the institution of higher education or state agency, cost of 1390  
engineering, architectural services, design, plans, specifications 1391  
and surveys, estimates of cost, legal fees, fees and expenses of 1392  
trustees, depositories, bond registrars, and paying agents for the 1393  
obligations, cost of issuance of the obligations and financing 1394  
costs and fees and expenses of financial advisers and consultants 1395  
in connection therewith, interest on the obligations from the date 1396  
thereof to the time when interest is to be covered by available 1397  
receipts or other sources other than proceeds of the obligations, 1398  
amounts necessary to establish reserves as required by the bond 1399  
proceedings, costs of audits, the reimbursements of all moneys 1400  
advanced or applied by or borrowed from the institution or others, 1401  
from whatever source provided, including any temporary advances 1402  
from state appropriations, for the payment of any item or items of 1403  
cost of facilities, and all other expenses necessary or incident 1404  
to planning or determining feasibility or practicability with 1405  
respect to facilities, and such other expenses as may be necessary 1406  
or incident to the acquisition, construction, reconstruction, 1407  
rehabilitation, remodeling, renovation, enlargement, improvement, 1408

equipment, and furnishing of facilities, the financing thereof and 1409  
the placing of them in use and operation, including any one, part 1410  
of, or combination of such classes of costs and expenses. 1411

(11) "Available receipts" means all moneys received by the 1412  
institution of higher education, including income, revenues, and 1413  
receipts from the operation, ownership, or control of facilities, 1414  
grants, gifts, donations, and pledges and receipts therefrom, 1415  
receipts from fees and charges, and the proceeds of the sale of 1416  
obligations, including proceeds of obligations issued to refund 1417  
obligations previously issued, but excluding any special fee, and 1418  
receipts therefrom, charged pursuant to division (D) of section 1419  
154.21 of the Revised Code. 1420

(12) "Credit enhancement facilities" has the meaning given in 1421  
division (H) of section 133.01 of the Revised Code. 1422

(13) "Financing costs" has the meaning given in division (K) 1423  
of section 133.01 of the Revised Code. 1424

(14) "Interest" or "interest equivalent" has the meaning 1425  
given in division (R) of section 133.01 of the Revised Code. 1426

(B) Obligations issued under section 3345.07 or 3345.11 of 1427  
the Revised Code by a state university or college shall be 1428  
authorized by resolution of its board of trustees. Obligations 1429  
issued by any other institution of higher education shall be 1430  
authorized by resolution of its board of trustees, or managing 1431  
directors in the case of certain university branch districts, as 1432  
applicable. Sections 9.96 and 9.98 to 9.983 of the Revised Code 1433  
apply to obligations. Obligations may be issued to pay costs of 1434  
facilities even if the institution anticipates the possibility of 1435  
a future state appropriation to pay all or a portion of such 1436  
costs. 1437

(C) Obligations shall be secured by a pledge of and lien on 1438  
all or such part of the available receipts of the institution of 1439

higher education as it provides for in the bond proceedings, 1440  
excluding moneys raised by taxation and state appropriations. Such 1441  
pledge and lien may be made prior to all other expenses, claims, 1442  
or payments, excepting any pledge of such available receipts 1443  
previously made to the contrary and except as provided by any 1444  
existing restrictions on the use thereof, or such pledge and lien 1445  
may be made subordinate to such other expenses, claims, or 1446  
payments, as provided in the bond proceedings. Obligations may be 1447  
additionally secured by covenants of the institution to make, fix, 1448  
adjust, collect, and apply such charges, rates, fees, rentals, and 1449  
other items of available receipts as will produce pledged 1450  
available receipts sufficient to meet bond service charges, 1451  
reserve, and other requirements provided for in the bond 1452  
proceedings. Notwithstanding this and any other sections of the 1453  
Revised Code, the holders or owners of the obligations shall not 1454  
be given the right and shall have no right to have excises or 1455  
taxes levied by the general assembly for the payment of bond 1456  
service charges thereon, and each such obligation shall bear on 1457  
its face a statement to that effect and to the effect that the 1458  
right to such payment is limited to the available receipts and 1459  
special funds pledged to such purpose under the bond proceedings. 1460

All pledged available receipts and funds and the proceeds of 1461  
obligations are trust funds and, subject to the provisions of this 1462  
section and the applicable bond proceedings, shall be held, 1463  
deposited, invested, reinvested, disbursed, applied, and used to 1464  
such extent, in such manner, at such times, and for such purposes, 1465  
as are provided in the bond proceedings. 1466

(D) The bond proceedings for obligations shall provide for 1467  
the purpose thereof and the principal amount or maximum principal 1468  
amount, and provide for or authorize the manner of determining the 1469  
principal maturity or maturities, the sale price including any 1470  
permitted discount, the interest rate or rates, which may be a 1471

variable rate or rates, or the maximum interest rate, the date of 1472  
the obligations and the date or dates of payment of interest 1473  
thereon, their denominations, the manner of sale thereof, and the 1474  
establishment within or without the state of a place or places of 1475  
payment of bond service charges. The bond proceedings also shall 1476  
provide for a pledge of and lien on available receipts of the 1477  
institution of higher education as provided in division (C) of 1478  
this section, and a pledge of and lien on such fund or funds 1479  
provided in the bond proceedings arising from available receipts, 1480  
which pledges and liens may provide for parity with obligations 1481  
theretofore or thereafter issued by the institution. The available 1482  
receipts so pledged and thereafter received by the institution and 1483  
the funds so pledged are immediately subject to the lien of such 1484  
pledge without any physical delivery thereof or further act, and 1485  
the lien of any such pledge is valid and binding against all 1486  
parties having claims of any kind against the institution, 1487  
irrespective of whether such parties have notice thereof, and 1488  
shall create a perfected security interest for all purposes of 1489  
Chapter 1309. of the Revised Code, without the necessity for 1490  
separation or delivery of funds or for the filing or recording of 1491  
the bond proceedings by which such pledge is created or any 1492  
certificate, statement, or other document with respect thereto; 1493  
and the pledge of such available receipts and funds shall be 1494  
effective and the money therefrom and thereof may be applied to 1495  
the purposes for which pledged without necessity for any act of 1496  
appropriation. 1497

(E) The bond proceedings may contain additional provisions 1498  
customary or appropriate to the financing or to the obligations or 1499  
to particular obligations, including: 1500

(1) The acquisition, construction, reconstruction, equipment, 1501  
furnishing, improvement, operation, alteration, enlargement, 1502  
maintenance, insurance, and repair of facilities, and the duties 1503

of the institution of higher education with reference thereto; 1504

(2) The terms of the obligations, including provisions for 1505  
their redemption prior to maturity at the option of the 1506  
institution of higher education at such price or prices and under 1507  
such terms and conditions as are provided in the bond proceedings; 1508

(3) Limitations on the purposes to which the proceeds of the 1509  
obligations may be applied; 1510

(4) The rates or rentals or other charges for the use of or 1511  
right to use the facilities financed by the obligations, or other 1512  
properties the revenues or receipts from which are pledged to the 1513  
obligations, and rules for assuring use and occupancy thereof, 1514  
including limitations upon the right to modify such rates, 1515  
rentals, other charges, or regulations; 1516

(5) The use and expenditure of the pledged available receipts 1517  
in such manner and to such extent as shall be determined, which 1518  
may include provision for the payment of the expenses of 1519  
operation, maintenance, and repair of facilities so that such 1520  
expenses, or part thereof, shall be paid or provided as a charge 1521  
prior or subsequent to the payment of bond service charges and any 1522  
other payments required to be made by the bond proceedings; 1523

(6) Limitations on the issuance of additional obligations; 1524

(7) The terms of any trust agreement or indenture securing 1525  
the obligations or under which the same may be issued; 1526

(8) The deposit, investment, and application of funds, and 1527  
the safeguarding of funds on hand or on deposit without regard to 1528  
Chapter 131. or 135. of the Revised Code, and any bank or trust 1529  
company or other financial institution that acts as depository of 1530  
any moneys under the bond proceedings shall furnish such 1531  
indemnifying bonds or pledge such securities as required by the 1532  
bond proceedings or otherwise by the institution of higher 1533  
education; 1534

(9) The binding effect of any or every provision of the bond 1535  
proceedings upon such officer, board, commission, authority, 1536  
agency, department, or other person or body as may from time to 1537  
time have the authority under law to take such actions as may be 1538  
necessary to perform all or any part of the duty required by such 1539  
provision; 1540

(10) Any provision that may be made in a trust agreement or 1541  
indenture; 1542

(11) Any other or additional agreements with respect to the 1543  
facilities of the institution of higher education, their 1544  
operation, the available receipts and funds pledged, and insurance 1545  
of facilities and of the institution, its officers and employees. 1546

(F) Such obligations may have the seal of the institution of 1547  
higher education or a facsimile thereof affixed thereto or printed 1548  
thereon and shall be executed by such officers as are designated 1549  
in the bond proceedings, which execution may be by facsimile 1550  
signatures. Any obligations may be executed by an officer who, on 1551  
the date of execution, is the proper officer although on the date 1552  
of such obligations such person was not the proper officer. In 1553  
case any officer whose signature or a facsimile of whose signature 1554  
appears on any such obligation ceases to be such officer before 1555  
delivery thereof, such signature or facsimile is nevertheless 1556  
valid and sufficient for all purposes as if the person had 1557  
remained such officer until such delivery; and in case the seal of 1558  
the institution has been changed after a facsimile of the seal has 1559  
been imprinted on such obligations, such facsimile seal continues 1560  
to be sufficient as to such obligations and obligations issued in 1561  
substitution or exchange therefor. 1562

(G) All such obligations are negotiable instruments and 1563  
securities under Chapter 1308. of the Revised Code, subject to the 1564  
provisions of the bond proceedings as to registration. The 1565  
obligations may be issued in coupon or in registered form, or 1566

both. Provision may be made for the registration of any 1567  
obligations with coupons attached thereto as to principal alone or 1568  
as to both principal and interest, their exchange for obligations 1569  
so registered, and for the conversion or reconversion into 1570  
obligations with coupons attached thereto of any obligations 1571  
registered as to both principal and interest, and for reasonable 1572  
charges for such registration, exchange, conversion, and 1573  
reconversion. 1574

(H) Pending preparation of definitive obligations, the 1575  
institution of higher education may issue interim receipts or 1576  
certificates which shall be exchanged for such definitive 1577  
obligations. 1578

(I) Such obligations may be secured additionally by a trust 1579  
agreement or indenture between the institution of higher education 1580  
and a corporate trustee, which may be any trust company or bank 1581  
having the powers of a trust company within or without this state 1582  
but authorized to exercise trust powers within this state. Any 1583  
such agreement or indenture may contain the resolution authorizing 1584  
the issuance of the obligations, any provisions that may be 1585  
contained in the bond proceedings as authorized by this section, 1586  
and other provisions which are customary or appropriate in an 1587  
agreement or indenture of such type, including: 1588

(1) Maintenance of each pledge, trust agreement, and 1589  
indenture, or other instrument comprising part of the bond 1590  
proceedings until the institution of higher education has fully 1591  
paid the bond service charges on the obligations secured thereby, 1592  
or provision therefor has been made; 1593

(2) In the event of default in any payments required to be 1594  
made by the bond proceedings, or any other agreement of the 1595  
institution of higher education made as a part of the contract 1596  
under which the obligations were issued, enforcement of such 1597  
payments or agreement by mandamus, the appointment of a receiver, 1598

suit in equity, action at law, or any combination of the 1599  
foregoing; 1600

(3) The rights and remedies of the holders of obligations and 1601  
of the trustee, and provisions for protecting and enforcing them, 1602  
including limitations on rights of individual holders of 1603  
obligations; 1604

(4) The replacement of any obligations that become mutilated 1605  
or are destroyed, lost, or stolen; 1606

(5) Such other provisions as the trustee and the institution 1607  
of higher education agree upon, including limitations, conditions, 1608  
or qualifications relating to any of the foregoing. 1609

(J) Each duty of the institution of higher education and its 1610  
officers or employees, undertaken pursuant to the bond proceedings 1611  
or any related agreement or lease made under authority of law, is 1612  
hereby established as a duty of such institution, and of each such 1613  
officer or employee having authority to perform such duty, 1614  
specially enjoined by law resulting from an office, trust, or 1615  
station within the meaning of section 2731.01 of the Revised Code. 1616  
The persons who are at the time the members of the board of 1617  
trustees or the managing directors of the institution or its 1618  
officers or employees are not liable in their personal capacities 1619  
on such obligations, or lease, or other agreement of the 1620  
institution. 1621

(K) The authority to issue obligations includes authority to: 1622

(1) Issue obligations in the form of bond anticipation notes 1623  
and to renew them from time to time by the issuance of new notes. 1624  
Such notes are payable solely from the available receipts and 1625  
funds that may be pledged to the payment of such bonds, or from 1626  
the proceeds of such bonds or renewal notes, or both, as the 1627  
institution of higher education provides in its resolution 1628  
authorizing such notes. Such notes may be additionally secured by 1629

covenants of the institution to the effect that it will do such or 1630  
all things necessary for the issuance of such bonds or renewal 1631  
notes in appropriate amount, and either exchange such bonds or 1632  
renewal notes therefor or apply the proceeds thereof to the extent 1633  
necessary, to make full payment of the bond service charges on 1634  
such notes at the time or times contemplated, as provided in such 1635  
resolution. Subject to the provisions of this division, all 1636  
references to obligations in this section apply to such 1637  
anticipation notes. 1638

(2) Issue obligations to refund, including funding and 1639  
retirement of, obligations previously issued to pay costs of 1640  
facilities. Such obligations may be issued in amounts sufficient 1641  
for payment of the principal amount of the obligations to be so 1642  
refunded, any redemption premiums thereon, principal maturities of 1643  
any obligations maturing prior to the redemption of any other 1644  
obligations on a parity therewith to be so refunded, interest 1645  
accrued or to accrue to the maturity date or dates of redemption 1646  
of such obligations, and any expenses incurred or to be incurred 1647  
in connection with such refunding or the issuance of the 1648  
obligations. 1649

(L) Obligations are lawful investments for banks, societies 1650  
for savings, savings and loan associations, deposit guarantee 1651  
associations, trust companies, trustees, fiduciaries, insurance 1652  
companies, including domestic for life and domestic not for life, 1653  
trustees or other officers having charge of sinking and bond 1654  
retirement or other special funds of political subdivisions and 1655  
taxing districts of this state, the commissioners of the sinking 1656  
fund, the administrator of workers' compensation in accordance 1657  
with the investment policy ~~established~~ approved by the bureau of 1658  
workers' compensation oversight commission board of directors 1659  
pursuant to section 4121.12 of the Revised Code, the state 1660  
teachers retirement system, the public employees retirement 1661

system, the school employees retirement system, and the Ohio 1662  
police and fire pension fund, notwithstanding any other provisions 1663  
of the Revised Code or rules adopted pursuant thereto by any state 1664  
agency with respect to investments by them, and are also 1665  
acceptable as security for the deposit of public moneys. 1666

(M) All facilities purchased, acquired, constructed, or owned 1667  
by an institution of higher education, or financed in whole or in 1668  
part by obligations issued by an institution, and used for the 1669  
purposes of the institution or other publicly owned and controlled 1670  
college or university, is public property used exclusively for a 1671  
public purpose, and such property and the income therefrom is 1672  
exempt from all taxation and assessment within this state, 1673  
including ad valorem and excise taxes. The obligations, the 1674  
transfer thereof, and the income therefrom, including any profit 1675  
made on the sale thereof, are at all times free from taxation 1676  
within the state. The transfer of tangible personal property by 1677  
lease under authority of this section or section 3345.07, 3345.11, 1678  
3354.121, 3355.091, 3357.112, or 3358.10 of the Revised Code is 1679  
not a sale as used in Chapter 5739. of the Revised Code. 1680

(N) The authority granted by this section is cumulative with 1681  
the authority granted to institutions of higher education under 1682  
Chapter 154. of the Revised Code, and nothing in this section 1683  
impairs or limits the authority granted by Chapter 154. of the 1684  
Revised Code. In any lease, agreement, or commitment made by an 1685  
institution of higher education under Chapter 154. of the Revised 1686  
Code, it may agree to restrict or subordinate any pledge it may 1687  
thereafter make under authority of this section. 1688

(O) Title to lands acquired under this section and sections 1689  
3345.07 and 3345.11 of the Revised Code by a state university or 1690  
college shall be taken in the name of the state. 1691

(P) Except where costs of facilities are to be paid in whole 1692  
or in part from funds appropriated by the general assembly, 1693

section 125.81 of the Revised Code and the requirement for 1694  
certification with respect thereto under section 153.04 of the 1695  
Revised Code do not apply to such facilities. 1696

(Q) A state university or college may sell or lease lands or 1697  
interests in land owned by it or by the state for its use, or 1698  
facilities authorized to be acquired or constructed by it under 1699  
section 3345.07 or 3345.11 of the Revised Code, to permit the 1700  
purchasers or lessees thereof to acquire, construct, equip, 1701  
furnish, reconstruct, alter, enlarge, remodel, renovate, 1702  
rehabilitate, improve, maintain, repair, or maintain and operate 1703  
thereon and to provide by lease or otherwise to such institution, 1704  
facilities authorized in section 3345.07 or 3345.11 of the Revised 1705  
Code. Such land or interests therein shall be sold for such 1706  
appraised value, or leased, and on such terms as the board of 1707  
trustees determines. All deeds or other instruments relating to 1708  
such sales or leases shall be executed by such officer of the 1709  
state university or college as the board of trustees designates. 1710  
The state university or college shall hold, invest, or use the 1711  
proceeds of such sales or leases for the same purposes for which 1712  
proceeds of borrowings may be used under sections 3345.07 and 1713  
3345.11 of the Revised Code. 1714

(R) An institution of higher education may pledge available 1715  
receipts, to the extent permitted by division (C) of this section 1716  
with respect to obligations, to secure the payments to be made by 1717  
it under any lease, lease with option to purchase, or 1718  
lease-purchase agreement authorized under this section or section 1719  
3345.07, 3345.11, 3354.121, 3355.091, 3357.112, or 3358.10 of the 1720  
Revised Code. 1721

**Sec. 4121.01.** (A) As used in sections 4121.01 to 4121.29 of 1722  
the Revised Code: 1723

(1) "Place of employment" means every place, whether indoors 1724

or out, or underground, and the premises appurtenant thereto, 1725  
where either temporarily or permanently any industry, trade, or 1726  
business is carried on, or where any process or operation, 1727  
directly or indirectly related to any industry, trade, or 1728  
business, is carried on and where any person is directly or 1729  
indirectly employed by another for direct or indirect gain or 1730  
profit, but does not include any place where persons are employed 1731  
in private domestic service or agricultural pursuits which do not 1732  
involve the use of mechanical power. 1733

(2) "Employment" means any trade, occupation, or process of 1734  
manufacture or any method of carrying on such trade, occupation, 1735  
or process of manufacture in which any person may be engaged, 1736  
except in such private domestic service or agricultural pursuits 1737  
as do not involve the use of mechanical power. 1738

(3) "Employer" means every person, firm, corporation, agent, 1739  
manager, representative, or other person having control or custody 1740  
of any employment, place of employment, or employee. 1741

(4) "Employee" means every person who may be required or 1742  
directed by any employer, in consideration of direct or indirect 1743  
gain or profit, to engage in any employment, or to go, or work, or 1744  
be at any time in any place of employment. 1745

(5) "Frequenter" means every person, other than an employee, 1746  
who may go in or be in a place of employment under circumstances 1747  
which render the person other than a trespasser. 1748

(6) "Deputy" means any person employed by the industrial 1749  
commission or the bureau of workers' compensation, designated as a 1750  
deputy by the commission or the administrator of workers' 1751  
compensation, who possesses special, technical, scientific, 1752  
managerial, professional, or personal abilities or qualities in 1753  
matters within the jurisdiction of the commission or the bureau, 1754  
and who may be engaged in the performance of duties under the 1755

direction of the commission or the bureau calling for the exercise 1756  
of such abilities or qualities. 1757

(7) "Order" means any decision, rule, regulation, direction, 1758  
requirement, or standard, or any other determination or decision 1759  
that the bureau is empowered to and does make. 1760

(8) "General order" means an order that applies generally 1761  
throughout the state to all persons, employments, or places of 1762  
employment, or all persons, employments, or places of employment 1763  
of a class under the jurisdiction of the bureau. All other orders 1764  
shall be considered special orders. 1765

(9) "Local order" means any ordinance, order, rule, or 1766  
determination of the legislative authority of any municipal 1767  
corporation, or any trustees, or board or officers of any 1768  
municipal corporation upon any matter over which the bureau has 1769  
jurisdiction. 1770

(10) "Welfare" means comfort, decency, and moral well-being. 1771

(11) "Safe" or "safety," as applied to any employment or a 1772  
place of employment, means such freedom from danger to the life, 1773  
health, safety, or welfare of employees or frequenters as the 1774  
nature of the employment will reasonably permit, including 1775  
requirements as to the hours of labor with relation to the health 1776  
and welfare of employees. 1777

(12) "Employee organization" means any labor or bona fide 1778  
organization in which employees participate and that exists for 1779  
the purpose, in whole or in part, of dealing with employers 1780  
concerning grievances, labor disputes, wages, hours, terms, and 1781  
other conditions of employment. 1782

(B) As used in the Revised Code: 1783

(1) "Industrial commission" means the chairperson of the 1784  
three-member industrial commission created pursuant to section 1785

4121.02 of the Revised Code when the context refers to the 1786  
authority vested in the chairperson as the chief executive officer 1787  
of the three-member industrial commission pursuant to divisions 1788  
(A), (B), (C), and (D) of section 4121.03 of the Revised Code. 1789

(2) "Industrial commission" means the three-member industrial 1790  
commission created pursuant to section 4121.02 of the Revised Code 1791  
when the context refers to the authority vested in the 1792  
three-member industrial commission pursuant to division (E) of 1793  
section 4121.03 of the Revised Code. 1794

(3) "Industrial commission" means the industrial commission 1795  
as a state agency when the context refers to the authority vested 1796  
in the industrial commission as a state agency. 1797

**Sec. 4121.12.** (A) There is hereby created the bureau of 1798  
workers' compensation ~~oversight commission~~ board of directors 1799  
consisting of ~~eleven~~ fifteen members, of which members the 1800  
governor shall appoint ~~five~~ eleven with the advice and consent of 1801  
the senate. Of the ~~five~~ eleven members the governor appoints, ~~two~~ 1802  
one shall be ~~individuals~~ an individual who, on account of ~~their~~ 1803  
the individual's previous vocation, employment, or affiliations, 1804  
can be classed as a representative of employees, ~~at least one of~~ 1805  
~~whom is representative of employees who are members of an;~~ two 1806  
shall be individuals who, on account of their previous vocation, 1807  
employment, or affiliations, can be classed as representatives of 1808  
employee ~~organization~~ organizations and at least one of these two 1809  
individuals shall be members of the executive committee of the 1810  
largest statewide labor federation; ~~two~~ three shall be individuals 1811  
who, on account of their previous vocation, employment, or 1812  
affiliations, can be classed as ~~representative~~ representatives of 1813  
~~employers~~ industry, one of whom represents self-insuring employers 1814  
~~and,~~ one of whom employs one hundred or more employees and has 1815  
experience as an employer in compliance with section 4123.35 of 1816

the Revised Code other than a self-insuring employer, and one of 1817  
~~those two representatives also shall represent employers whose~~ 1818  
~~employees are not members of an employee organization whom employs~~ 1819  
less than one hundred employees and has experience as an employer 1820  
in compliance with section 4123.35 of the Revised Code other than 1821  
a self-insuring employer; two shall be individuals who, because of 1822  
their vocation, employment, or affiliations, can be classed as 1823  
investment and securities experts who have experience with state 1824  
workers' compensation funds or state pension funds; one individual 1825  
who shall be a certified public accountant; one individual who 1826  
shall be an actuary who is a member in good standing with the 1827  
American academy of actuaries or who is an associate or fellow 1828  
with the society of actuaries; and one shall represent the public 1829  
and also be an individual who, on account of the individual's 1830  
previous vocation, employment, or affiliations, cannot be classed 1831  
as either predominantly representative of employees or of 1832  
~~employers~~ industry. The governor shall select the chairperson of 1833  
the ~~commission~~ board who shall serve as chairperson at the 1834  
pleasure of the governor. ~~No more than three members appointed by~~ 1835  
~~the governor shall belong to or be affiliated with the same~~ 1836  
~~political party.~~ 1837

~~Each~~ None of these ~~five~~ eleven members, within the three 1838  
years immediately preceding the member's appointment, shall have 1839  
~~at least three years' experience in the field of insurance,~~ 1840  
~~finance,~~ been employed by the bureau of workers' compensation, 1841  
~~law, accounting, actuarial, personnel, investments, or data~~ 1842  
~~processing, or in the management of an organization whose size is~~ 1843  
~~commensurate with that of the bureau of workers' compensation. At~~ 1844  
~~least one of these five members shall be an attorney licensed~~ 1845  
~~under Chapter 4705. of the Revised Code to practice law in this~~ 1846  
state by any person, partnership, or corporation that has provided 1847  
to the bureau services of a financial or investment nature, 1848  
including the management, analysis, supervision, or investment of 1849

assets. 1850

(B) The governor shall appoint the initial members to the 1851  
board not later than sixty days after the effective date of this 1852  
amendment. Of the initial appointments made to the ~~commission~~ 1853  
board, the governor shall appoint ~~one~~ the member who represents 1854  
employees ~~to a term ending one year after September 1, 1995,~~ one 1855  
member who represents ~~employers to a term ending two years after~~ 1856  
~~September 1, 1995~~ industry, and the member who represents the 1857  
public to a term ending ~~three years~~ one year after ~~September 1,~~ 1858  
~~1995,~~ the effective date of this amendment; one member who 1859  
represents ~~employees~~ industry, one member who represents employee 1860  
organizations, one member who is an investment and securities 1861  
expert, and the member who is a certified public accountant to a 1862  
term ending ~~four~~ two years after ~~September 1, 1995,~~ the effective 1863  
date of this amendment; and one member who represents ~~employers~~ 1864  
industry, one member who represents employee organizations, one 1865  
member who is an investment and securities expert, and the member 1866  
who is an actuary to a term ending ~~five~~ three years after 1867  
~~September 1, 1995~~ the effective date of this amendment. 1868  
Thereafter, terms of office shall be for three years, with each 1869  
term ending on the same day of the same month as did the term that 1870  
it succeeds. Each member shall hold office from the date of the 1871  
member's appointment until the end of the term for which the 1872  
member was appointed. 1873

~~The governor shall not appoint any person to more than two~~ 1874  
~~full terms of office on the commission. This restriction does not~~ 1875  
~~prevent the governor from appointing a person to fill a vacancy~~ 1876  
~~caused by the death, resignation, or removal of a commission~~ 1877  
~~member and also appointing that person twice to full terms on the~~ 1878  
~~commission, or from appointing a person previously appointed to~~ 1879  
~~fill less than a full term twice to full terms on the commission~~ 1880  
Members may be reappointed. Any member appointed to fill a vacancy 1881

occurring prior to the expiration date of the term for which the 1882  
member's predecessor was appointed shall hold office as a member 1883  
for the remainder of that term. A member shall continue in office 1884  
subsequent to the expiration date of the member's term until a 1885  
successor takes office or until a period of sixty days has 1886  
elapsed, whichever occurs first. 1887

~~(C) In making appointments to the commission, the governor 1888  
shall select the members from the list of names submitted by the 1889  
workers' compensation oversight commission nominating committee 1890  
pursuant to this division. Within fourteen days after the governor 1891  
calls the initial meeting of the nominating committee pursuant to 1892  
division (C) of section 4121.123 of the Revised Code, the 1893  
nominating committee shall submit to the governor, for the initial 1894  
appointments, a list containing four separate names for each of 1895  
the members on the commission. Within fourteen days after the 1896  
submission of the list, the governor shall appoint individuals 1897  
from the list. 1898~~

~~For the appointment of the member who is representative of 1899  
employees who are members of an employee organization, both for 1900  
initial appointments and for the filling of vacancies, the list of 1901  
four names submitted by the nominating committee shall be 1902  
comprised of four individuals who are members of the executive 1903  
committee of the largest statewide labor federation. 1904~~

~~Thereafter, within sixty days after a vacancy occurring as a 1905  
result of the expiration of a term and within thirty days after 1906  
other vacancies occurring on the commission, the nominating 1907  
committee shall submit a list containing four names for each 1908  
vacancy. Within fourteen days after the submission of the list, 1909  
the governor shall appoint individuals from the list. With respect 1910  
to the filling of vacancies, the nominating committee shall 1911  
provide the governor with a list of four individuals who are, in 1912  
the judgment of the nominating committee, the most fully qualified 1913~~

~~to accede to membership on the commission. The nominating  
committee shall not include the name of an individual upon the  
list for the filling of vacancies if the appointment of that  
individual by the governor would result in more than three members  
of the commission belonging to or being affiliated with the same  
political party. The committee shall include on the list for the  
filling of vacancies only the names of attorneys admitted to  
practice law in this state if, to fulfill the requirement of  
division (A) of section 4121.12 of the Revised Code, the vacancy  
must be filled by an attorney.~~

~~In order for the name of an individual to be submitted to the  
governor under this division, the nominating committee shall  
approve the individual by an affirmative vote of a majority of its  
members.~~

~~(D) The commission shall also consist of two members, known  
as the investment expert members. One investment expert member  
shall be appointed by the treasurer of state and one investment  
expert member shall be jointly appointed by the speaker of the  
house of representatives and the president of the senate. Each  
investment expert member shall have the following qualifications:~~

~~(1) Be a resident of this state;~~

~~(2) Within the three years immediately preceding the  
appointment, not have been employed by the bureau of workers'  
compensation or by any person, partnership, or corporation that  
has provided to the bureau services of a financial or investment  
nature, including the management, analysis, supervision, or  
investment of assets;~~

~~(3) Have direct experience in the management, analysis,  
supervision, or investment of assets.~~

~~Terms of office of the investment expert members shall be for  
three years, with each term ending on the same day of the same~~

~~month as did the term that it succeeds. Each member shall hold 1945  
office for the date of the member's appointment until the end of 1946  
the term for which the member was appointed. The president, 1947  
speaker, and treasurer shall not appoint any person to more than 1948  
two full terms of office on the commission. This restriction does 1949  
not prevent the president, speaker, and treasurer from appointing 1950  
a person to fill a vacancy caused by the death, resignation, or 1951  
removal of a commission member and also appointing that person 1952  
twice to full terms on the commission, or from appointing a person 1953  
previously appointed to fill less than a full term twice to full 1954  
terms on the commission. Any investment expert member appointed to 1955  
fill a vacancy occurring prior to the expiration of the term for 1956  
which the member's predecessor was appointed shall hold office 1957  
until the end of that term. The member shall continue in office 1958  
subsequent to the expiration date of the member's term until the 1959  
member's successor takes office or until a period of sixty days 1960  
has elapsed, whichever occurs first. 1961~~

~~The investment expert members of the oversight commission 1962  
shall vote only on investment matters. 1963~~

~~(E) The remaining four members of the commission board shall 1964  
be the chairperson and ranking minority member of the standing 1965  
committees of the house of representatives and of the senate to 1966  
which legislation concerning this chapter and Chapters 4123., 1967  
4127., and 4131. of the Revised Code normally are referred, or a 1968  
designee of the chairperson or ranking minority member, provided 1969  
that the designee is a member of the standing committee. 1970  
Legislative members shall serve during the session of the general 1971  
assembly to which they are elected and for as long as they are 1972  
members of the general assembly. Legislative members shall serve 1973  
in an advisory capacity to the commission board and shall have no 1974  
voting rights on matters coming before the commission board. 1975  
Membership on the commission board by legislative members shall 1976~~

not be deemed as holding a public office. 1977

~~(F)~~(D) All members of the ~~commission~~ board shall receive 1978  
their reasonable and necessary expenses pursuant to section 126.31 1979  
of the Revised Code while engaged in the performance of their 1980  
duties as members. Members appointed by the governor ~~and the~~ 1981  
~~investment expert members~~ also shall receive an annual salary not 1982  
to exceed ~~eighteen~~ thirty thousand dollars payable on the 1983  
following basis: 1984

(1) Except as provided in division (F)(2) of this section, a 1985  
member shall receive two thousand five hundred dollars during a 1986  
month in which the member attends one or more meetings of the 1987  
~~commission~~ board and shall receive no payment during a month in 1988  
which the member attends no meeting of the ~~commission~~ board. 1989

(2) A member may receive no more than the annual ~~eighteen~~ 1990  
thirty thousand dollar salary regardless of the number of meetings 1991  
held by the ~~commission~~ board during a year or the number of 1992  
meetings in excess of ~~nine~~ twelve within a year that the member 1993  
attends. 1994

The chairperson of the ~~commission~~ board shall set the meeting 1995  
dates of the ~~commission~~ board as necessary to perform the duties 1996  
of the ~~commission~~ board under this chapter and Chapters 4123., 1997  
4125., 4127., ~~and~~ 4131., and 4167. of the Revised Code. The 1998  
~~commission~~ board shall meet at least ~~nine~~ twelve times ~~during the~~ 1999  
~~period commencing on the first day of September and ending on the~~ 2000  
~~thirty-first day of August of the following~~ a year. The 2001  
administrator of workers' compensation shall provide professional 2002  
and clerical assistance to the ~~commission~~ board, as the ~~commission~~ 2003  
board considers appropriate. 2004

~~(G)~~(E) Before entering upon the duties of office, each 2005  
appointed member of the board shall take an oath of office as 2006  
required by sections 3.22 and 3.23 of the Revised Code and file in 2007

<u>the office of the secretary of state the bond required under</u>	2008
<u>section 4121.127 of the Revised Code.</u>	2009
<u>(F) The <del>commission</del> <u>board</u> shall:</u>	2010
<u>(1) Establish the overall administrative policy for the</u>	2011
<u>bureau for the purposes of this chapter and Chapters 4123., 4125.,</u>	2012
<u>4127., 4131., and 4167. of the Revised Code;</u>	2013
<u>(2) Review progress of the bureau in meeting its cost and</u>	2014
<u>quality objectives and in complying with this chapter and Chapters</u>	2015
<u>4123., 4125., 4127., and 4131., and 4167. of the Revised Code;</u>	2016
<del>(2)</del> <u>(3) Issue an annual report on the cost and quality</u>	2017
<u>objectives of the bureau to the president of the senate, the</u>	2018
<u>speaker of the house of representatives, and the governor;</u>	2019
<del>(3)</del> <u>(4) Review all independent financial audits of the bureau.</u>	2020
<u>The administrator shall provide access to records of the bureau to</u>	2021
<u>facilitate the review required under this division.</u>	2022
<del>(4)</del> <u>(5) Study issues as requested by the administrator or the</u>	2023
<u>governor;</u>	2024
<del>(5)</del> <u>(6) Contract with <del>an</del> <u>all of the following:</u></u>	2025
<u>(a) An independent actuarial firm to assist the <del>commission</del></u>	2026
<u><del>board</del> in making recommendations to the administrator regarding</u>	2027
<u><del>determining</del> premium rates;</u>	2028
<del>(6) Establish objectives, policies, and criteria for the</del>	2029
<del>administration of the investment program that include asset</del>	2030
<del>allocation targets and ranges, risk factors, asset class</del>	2031
<del>benchmarks, time horizons, total return objectives, and</del>	2032
<del>performance evaluation guidelines, and monitor the administrator's</del>	2033
<del>progress in implementing the objectives, policies, and criteria on</del>	2034
<del>a quarterly basis. The commission shall not specify in the</del>	2035
<del>objectives, policies, and criteria that the administrator or</del>	2036
<del>employees of the bureau are prohibited from conducting business</del>	2037

~~with an investment management firm, any investment management professional associated with that firm, any third party solicitor associated with that firm, or any political action committee controlled by that firm or controlled by an investment management professional of that firm based on criteria that are more restrictive than the restrictions described in divisions (Y) and (Z) of section 3517.13 of the Revised Code. The commission shall review~~

(b) An outside investment counsel to assist the workers' compensation investment committee in fulfilling its duties;

(c) An independent fiduciary counsel to assist the board in the performance of its duties.

(7) Approve the investment policy developed by the workers' compensation investment committee pursuant to section 4121.123 of the Revised Code if the policy satisfies the requirements specified in section 4123.442 of the Revised Code.

(8) Review and publish the objectives, policies, and criteria investment policy no less than annually and ~~shall~~ make copies available to interested parties. ~~The commission shall prohibit~~

(9) Prohibit, on a prospective basis, any specific investment it finds to be contrary to ~~its~~ the investment ~~objectives, policies, and criteria.~~

~~The objectives, policies, and criteria adopted by the commission for the operation of the investment program shall prohibit investing assets of funds, directly or indirectly, in vehicles that target any of the following:~~

~~(a) Coins;~~

~~(b) Artwork;~~

~~(c) Horses;~~

~~(d) Jewelry or gems;~~

<del>(e) Stamps;</del>	2068
<del>(f) Antiques;</del>	2069
<del>(g) Artifacts;</del>	2070
<del>(h) Collectibles;</del>	2071
<del>(i) Memorabilia;</del>	2072
<del>(j) Similar unregulated investments that are not commonly part of an institutional portfolio, that lack liquidity, and that lack readily determinable valuation <u>policy approved by the board.</u></del>	2073 2074 2075
<del>(7) Specify in the objectives, policies, and criteria for the investment program that the administrator is permitted <u>(10) Vote to open each investment class and allow the administrator to</u> invest in an investment class only if the <u>commission board</u>, by a majority vote, opens that class. <u>After the commission opens;</u></del>	2076 2077 2078 2079 2080
<del><u>(11) After opening</u> a class but prior to the administrator investing in that class, <del>the commission shall</del> adopt rules establishing due diligence standards for employees of the bureau to follow when investing in that class and <del>shall</del> establish policies and procedures to review and monitor the performance and value of each investment class. <del>The commission shall submit;</del></del>	2081 2082 2083 2084 2085 2086
<del><u>(12) Submit</u> a report annually on the performance and value of each investment class to the governor, the president and minority leader of the senate, and the speaker and minority leader of the house of representatives. <del>The commission may vote to close any investment class.</del></del>	2087 2088 2089 2090 2091
<del>(8)(13) Advise and consent on all of the following:</del>	2092
<del>(a) <u>Administrative rules the administrator submits to it</u> <u>pursuant to division (B)(5) of section 4121.121 of the Revised</u> <u>Code for the classification of occupations or industries, for</u> <u>premium rates and contributions, for the amount to be credited to</u> <u>the surplus fund, for rules and systems of rating, rate revisions,</u></del>	2093 2094 2095 2096 2097

and merit rating; 2098

~~(b) The overall policy of the bureau of workers' compensation as set by the administrator;~~ 2099  
2100

~~(e)~~ The duties and authority conferred upon the administrator pursuant to section 4121.37 of the Revised Code; 2101  
2102

~~(d)~~(b) Rules the administrator adopts for the health partnership program and the qualified health plan system, as provided in sections 4121.44, 4121.441, and 4121.442 of the Revised Code; 2103  
2104  
2105  
2106

~~(e)~~(c) Rules the administrator submits to it pursuant to Chapter 4167. of the Revised Code regarding the public employment risk reduction program and the protection of public health care workers from exposure incidents. 2107  
2108  
2109  
2110

As used in this division, "public health care worker" and "exposure incident" have the same meanings as in section 4167.25 of the Revised Code. 2111  
2112  
2113

~~(9)~~(14) Perform all duties required under ~~section 4121.125~~ this chapter and Chapters 4123., 4125., 4127., 4131., and 4167. of the Revised Code; 2114  
2115  
2116

(15) Meet with the governor on an annual basis to discuss the administrator's performance of the duties specified in this chapter and Chapters 4123., 4125., 4127., 4131., and 4167. of the Revised Code. 2117  
2118  
2119  
2120

~~(H)~~(G) The board may do both of the following: 2121

(1) Vote to close any investment class; 2122

(2) Create any committees in addition to the workers' compensation audit committee, the workers' compensation actuarial committee, and the workers' compensation investment committee that the board determines are necessary to assist the board in performing its duties. 2123  
2124  
2125  
2126  
2127

(H) The office of a member of the ~~commission~~ board who is 2128  
convicted of or pleads guilty to a felony, a theft offense as 2129  
defined in section 2913.01 of the Revised Code, or a violation of 2130  
section 102.02, 102.03, 102.04, 2921.02, 2921.11, 2921.13, 2131  
2921.31, 2921.41, 2921.42, 2921.43, or 2921.44 of the Revised Code 2132  
shall be deemed vacant. The vacancy shall be filled in the same 2133  
manner as the original appointment. A person who has pleaded 2134  
guilty to or been convicted of an offense of that nature is 2135  
ineligible to be a member of the ~~commission~~ board. A member who 2136  
receives a bill of indictment for any of the offenses specified in 2137  
this section shall be automatically suspended from the ~~commission~~ 2138  
board pending resolution of the criminal matter. 2139

(I) ~~As used in this section, "employee organization" means~~ 2140  
~~any labor or bona fide organization in which employees participate~~ 2141  
~~and which exists for the purpose, in whole or in part, of dealing~~ 2142  
~~with employers concerning grievances, labor disputes, wages,~~ 2143  
~~hours, terms and other conditions of employment~~ For the purposes 2144  
of division (G)(1) of section 121.22 of the Revised Code, the 2145  
meeting between the governor and the board to review the 2146  
administrator's performance as required under division (F)(15) of 2147  
this section shall be considered a meeting regarding the 2148  
employment of the administrator. 2149

**Sec. 4121.121.** (A) There is hereby created the bureau of 2150  
workers' compensation, which shall be administered by the 2151  
administrator of workers' compensation. A person appointed to the 2152  
position of administrator shall possess significant management 2153  
experience in effectively managing an organization or 2154  
organizations of substantial size and complexity. The governor 2155  
shall appoint the administrator as provided in section 121.03 of 2156  
the Revised Code, and the administrator shall serve at the 2157  
pleasure of the governor. The governor shall fix the 2158  
administrator's salary on the basis of the administrator's 2159

experience and the administrator's responsibilities and duties 2160  
under this chapter and Chapters 4123., ~~4125.~~, 4127., 4131., and 2161  
4167. of the Revised Code. The governor shall not appoint to the 2162  
position of administrator any person who has, or whose spouse has, 2163  
given a contribution to the campaign committee of the governor in 2164  
an amount greater than one thousand dollars during the two-year 2165  
period immediately preceding the date of the appointment of the 2166  
administrator. 2167

The administrator shall hold no other public office and shall 2168  
devote full time to the duties of administrator. Before entering 2169  
upon the duties of the office, the administrator shall take an 2170  
oath of office as required by sections 3.22 and 3.23 of the 2171  
Revised Code, and shall file in the office of the secretary of 2172  
state, a bond signed by the administrator and by surety approved 2173  
by the governor, for the sum of fifty thousand dollars payable to 2174  
the state, conditioned upon the faithful performance of the 2175  
administrator's duties. 2176

(B) The administrator is responsible for the management of 2177  
the bureau ~~of workers' compensation~~ and for the discharge of all 2178  
administrative duties imposed upon the administrator in this 2179  
chapter and Chapters 4123., ~~4125.~~, 4127., 4131., and 4167. of the 2180  
Revised Code, and in the discharge thereof shall do all of the 2181  
following: 2182

(1) ~~Establish the overall administrative policy of the bureau~~ 2183  
~~for the purposes of this chapter and Chapters 4123., 4127., 4131.,~~ 2184  
~~and 4167. of the Revised Code, and perform~~ Perform all acts and 2185  
exercise all authorities and powers, discretionary and otherwise 2186  
that are required of or vested in the bureau or any of its 2187  
employees in this chapter and Chapters 4123., ~~4125.~~, 4127., 4131., 2188  
and 4167. of the Revised Code, except the acts and the exercise of 2189  
authority and power that is required of and vested in the 2190  
~~oversight commission~~ bureau of workers' compensation board of 2191

directors or the industrial commission pursuant to those chapters. 2192  
The treasurer of state shall honor all warrants signed by the 2193  
administrator, or by one or more of the administrator's employees, 2194  
authorized by the administrator in writing, or bearing the 2195  
facsimile signature of the administrator or such employee under 2196  
sections 4123.42 and 4123.44 of the Revised Code. 2197

(2) Employ, direct, and supervise all employees required in 2198  
connection with the performance of the duties assigned to the 2199  
bureau by this chapter and Chapters 4123., 4125., 4127., 4131., 2200  
and 4167. of the Revised Code, and may establish job 2201  
classification plans and compensation for all employees of the 2202  
bureau provided that this grant of authority shall not be 2203  
construed as affecting any employee for whom the state employment 2204  
relations board has established an appropriate bargaining unit 2205  
under section 4117.06 of the Revised Code. All positions of 2206  
employment in the bureau are in the classified civil service 2207  
except those employees the administrator may appoint to serve at 2208  
the administrator's pleasure in the unclassified civil service 2209  
pursuant to section 124.11 of the Revised Code. The administrator 2210  
shall fix the salaries of employees the administrator appoints to 2211  
serve at the administrator's pleasure, including the chief 2212  
operating officer, staff physicians, and other senior management 2213  
personnel of the bureau and shall establish the compensation of 2214  
staff attorneys of the bureau's legal section and their immediate 2215  
supervisors, and take whatever steps are necessary to provide 2216  
adequate compensation for other staff attorneys. 2217

The administrator may appoint a person who holds a certified 2218  
position in the classified service within the bureau to a position 2219  
in the unclassified service within the bureau. A person appointed 2220  
pursuant to this division to a position in the unclassified 2221  
service shall retain the right to resume the position and status 2222  
held by the person in the classified service immediately prior to 2223

the person's appointment in the unclassified service, regardless 2224  
of the number of positions the person held in the unclassified 2225  
service. An employee's right to resume a position in the 2226  
classified service may only be exercised when the administrator 2227  
demotes the employee to a pay range lower than the employee's 2228  
current pay range or revokes the employee's appointment to the 2229  
unclassified service. An employee forfeits the right to resume a 2230  
position in the classified service when the employee is removed 2231  
from the position in the unclassified service due to incompetence, 2232  
inefficiency, dishonesty, drunkenness, immoral conduct, 2233  
insubordination, discourteous treatment of the public, neglect of 2234  
duty, violation of this chapter or Chapter 124., 4123., 4125., 2235  
4127., 4131., or 4167. of the Revised Code, violation of the rules 2236  
of the director of administrative services or the administrator ~~of~~ 2237  
~~workers' compensation~~, any other failure of good behavior, any 2238  
other acts of misfeasance, malfeasance, or nonfeasance in office, 2239  
or conviction of a felony. An employee also forfeits the right to 2240  
resume a position in the classified service upon transfer to a 2241  
different agency. 2242

Reinstatement to a position in the classified service shall 2243  
be to a position substantially equal to that position in the 2244  
classified service held previously, as certified by the department 2245  
of administrative services. If the position the person previously 2246  
held in the classified service has been placed in the unclassified 2247  
service or is otherwise unavailable, the person shall be appointed 2248  
to a position in the classified service within the bureau that the 2249  
director of administrative services certifies is comparable in 2250  
compensation to the position the person previously held in the 2251  
classified service. Service in the position in the unclassified 2252  
service shall be counted as service in the position in the 2253  
classified service held by the person immediately prior to the 2254  
person's appointment in the unclassified service. When a person is 2255  
reinstated to a position in the classified service as provided in 2256

this division, the person is entitled to all rights, status, and 2257  
benefits accruing to the position during the person's time of 2258  
service in the position in the unclassified service. 2259

(3) Reorganize the work of the bureau, its sections, 2260  
departments, and offices to the extent necessary to achieve the 2261  
most efficient performance of its functions and to that end may 2262  
establish, change, or abolish positions and assign and reassign 2263  
duties and responsibilities of every employee of the bureau. All 2264  
persons employed by the commission in positions that, after 2265  
November 3, 1989, are supervised and directed by the administrator 2266  
under this section are transferred to the bureau in their 2267  
respective classifications but subject to reassignment and 2268  
reclassification of position and compensation as the administrator 2269  
determines to be in the interest of efficient administration. The 2270  
civil service status of any person employed by the commission is 2271  
not affected by this section. Personnel employed by the bureau or 2272  
the commission who are subject to Chapter 4117. of the Revised 2273  
Code shall retain all of their rights and benefits conferred 2274  
pursuant to that chapter as it presently exists or is hereafter 2275  
amended and nothing in this chapter or Chapter 4123. of the 2276  
Revised Code shall be construed as eliminating or interfering with 2277  
Chapter 4117. of the Revised Code or the rights and benefits 2278  
conferred under that chapter to public employees or to any 2279  
bargaining unit. 2280

(4) Provide offices, equipment, supplies, and other 2281  
facilities for the bureau. 2282

~~(5) Prepare and submit to the oversight commission 2283  
information the administrator considers pertinent or the oversight 2284  
commission requires, together with the administrator's 2285  
recommendations, in the form of administrative rules, for the 2286  
advice and consent of the oversight commission, for 2287  
classifications of occupations or industries, for premium rates 2288~~

and contributions, for the amount to be credited to the surplus 2289  
fund, for rules and systems of rating, rate revisions, and merit 2290  
rating. The administrator shall obtain Obtain, prepare, and submit 2291  
any other information the ~~oversight commission~~ board requires for 2292  
the prompt and efficient discharge of its duties. 2293

(6) Keep the accounts required by division (A) of section 2294  
~~4123.34 of the Revised Code~~ an accurate account of the money paid 2295  
in premiums by each of the several classes of occupations or 2296  
industries specified by the board; the losses on account of 2297  
injuries, occupational disease, and death of employees thereof; an 2298  
account of the money received from each individual employer and 2299  
the amount of losses incurred against the state insurance fund on 2300  
account of injuries, occupational disease, and death of the 2301  
employees of the employer; and all other accounts and records 2302  
necessary to the collection, administration, and distribution of 2303  
the workers' compensation funds and shall obtain the statistical 2304  
and other information required by section 4123.19 of the Revised 2305  
Code. 2306

(7) Exercise the investment powers vested in the 2307  
administrator by section 4123.44 of the Revised Code in accordance 2308  
with the investment ~~objectives, policies, and criteria established~~ 2309  
policy approved by the ~~oversight commission~~ board pursuant to 2310  
section 4121.12 of the Revised Code and in consultation with the 2311  
chief investment officer of the bureau of workers' compensation. 2312  
The administrator shall not engage in any prohibited investment 2313  
activity specified by the ~~oversight commission~~ board pursuant to 2314  
division ~~(G)(6)(F)(9)~~ (9) of section 4121.12 of the Revised Code and 2315  
shall not invest in any type of investment specified in divisions 2316  
~~(G)(6)(a)(B)(1) to (j)(10)~~ of that section 4123.442 of the Revised 2317  
Code. All business shall be transacted, all funds invested, all 2318  
warrants for money drawn and payments made, and all cash and 2319  
securities and other property held, in the name of the bureau, or 2320

in the name of its nominee, provided that nominees are authorized 2321  
by the administrator solely for the purpose of facilitating the 2322  
transfer of securities, and restricted to the administrator and 2323  
designated employees. 2324

(8) Make contracts for and supervise the construction of any 2325  
project or improvement or the construction or repair of buildings 2326  
under the control of the bureau. 2327

(9) Purchase supplies, materials, equipment, and services; 2328  
make contracts for, operate, and superintend the telephone, other 2329  
telecommunication, and computer services for the use of the 2330  
bureau; and make contracts in connection with office reproduction, 2331  
forms management, printing, and other services. Notwithstanding 2332  
sections 125.12 to 125.14 of the Revised Code, the administrator 2333  
may transfer surplus computers and computer equipment directly to 2334  
an accredited public school within the state. The computers and 2335  
computer equipment may be repaired or refurbished prior to the 2336  
transfer. 2337

(10) Separately Prepare and submit to the board an annual 2338  
budget for internal operating purposes for the board's approval. 2339  
The administrator also shall, separately from the budget the 2340  
industrial commission submits, prepare and submit to the director 2341  
of budget and management a budget for each biennium. The ~~budget~~ 2342  
budgets submitted to the board and the director shall include 2343  
estimates of the costs and necessary expenditures of the bureau in 2344  
the discharge of any duty imposed by law. 2345

(11) As promptly as possible in the course of efficient 2346  
administration, decentralize and relocate such of the personnel 2347  
and activities of the bureau as is appropriate to the end that the 2348  
receipt, investigation, determination, and payment of claims may 2349  
be undertaken at or near the place of injury or the residence of 2350  
the claimant and for that purpose establish regional offices, in 2351  
such places as the administrator considers proper, capable of 2352

discharging as many of the functions of the bureau as is 2353  
practicable so as to promote prompt and efficient administration 2354  
in the processing of claims. All active and inactive lost-time 2355  
claims files shall be held at the service office responsible for 2356  
the claim. A claimant, at the claimant's request, shall be 2357  
provided with information by telephone as to the location of the 2358  
file pertaining to the claimant's claim. The administrator shall 2359  
ensure that all service office employees report directly to the 2360  
director for their service office. 2361

(12) Provide a written binder on new coverage where the 2362  
administrator considers it to be in the best interest of the risk. 2363  
The administrator, or any other person authorized by the 2364  
administrator, shall grant the binder upon submission of a request 2365  
for coverage by the employer. A binder is effective for a period 2366  
of thirty days from date of issuance and is nonrenewable. Payroll 2367  
reports and premium charges shall coincide with the effective date 2368  
of the binder. 2369

(13) Set standards for the reasonable and maximum handling 2370  
time of claims payment functions, ensure, by rules, the impartial 2371  
and prompt treatment of all claims and employer risk accounts, and 2372  
establish a secure, accurate method of time stamping all incoming 2373  
mail and documents hand delivered to bureau employees. 2374

(14) Ensure that all employees of the bureau follow the 2375  
orders and rules of the commission as such orders and rules relate 2376  
to the commission's overall adjudicatory policy-making and 2377  
management duties under this chapter and Chapters 4123., 4127., 2378  
and 4131. of the Revised Code. 2379

(15) Manage and operate a data processing system with a 2380  
common data base for the use of both the bureau and the commission 2381  
and, in consultation with the commission, using electronic data 2382  
processing equipment, shall develop a claims tracking system that 2383  
is sufficient to monitor the status of a claim at any time and 2384

that lists appeals that have been filed and orders or 2385  
determinations that have been issued pursuant to section 4123.511 2386  
or 4123.512 of the Revised Code, including the dates of such 2387  
filings and issuances. 2388

(16) Establish and maintain a medical section within the 2389  
bureau. The medical section shall do all of the following: 2390

(a) Assist the administrator in establishing standard medical 2391  
fees, approving medical procedures, and determining eligibility 2392  
and reasonableness of the compensation payments for medical, 2393  
hospital, and nursing services, and in establishing guidelines for 2394  
payment policies which recognize usual, customary, and reasonable 2395  
methods of payment for covered services; 2396

(b) Provide a resource to respond to questions from claims 2397  
examiners for employees of the bureau; 2398

(c) Audit fee bill payments; 2399

(d) Implement a program to utilize, to the maximum extent 2400  
possible, electronic data processing equipment for storage of 2401  
information to facilitate authorizations of compensation payments 2402  
for medical, hospital, drug, and nursing services; 2403

(e) Perform other duties assigned to it by the administrator. 2404

(17) Appoint, as the administrator determines necessary, 2405  
panels to review and advise the administrator on disputes arising 2406  
over a determination that a health care service or supply provided 2407  
to a claimant is not covered under this chapter or Chapter 4123. 4 2408  
4127., or 4131. of the Revised Code or is medically unnecessary. 2409  
If an individual health care provider is involved in the dispute, 2410  
the panel shall consist of individuals licensed pursuant to the 2411  
same section of the Revised Code as such health care provider. 2412

(18) Pursuant to section 4123.65 of the Revised Code, approve 2413  
applications for the final settlement of claims for compensation 2414

or benefits under this chapter and Chapters 4123., 4127., and 2415  
4131. of the Revised Code as the administrator determines 2416  
appropriate, except in regard to the applications of self-insuring 2417  
employers and their employees. 2418

(19) Comply with section 3517.13 of the Revised Code, and 2419  
except in regard to contracts entered into pursuant to the 2420  
authority contained in section 4121.44 of the Revised Code, comply 2421  
with the competitive bidding procedures set forth in the Revised 2422  
Code for all contracts into which the administrator enters 2423  
provided that those contracts fall within the type of contracts 2424  
and dollar amounts specified in the Revised Code for competitive 2425  
bidding and further provided that those contracts are not 2426  
otherwise specifically exempt from the competitive bidding 2427  
procedures contained in the Revised Code. 2428

(20) Adopt, with the advice and consent of the ~~oversight~~ 2429  
~~commission~~ board, rules for the operation of the bureau. 2430

(21) Prepare and submit to the ~~oversight-commission~~ board 2431  
information the administrator considers pertinent or the ~~oversight~~ 2432  
~~commission~~ board requires, together with the administrator's 2433  
recommendations, in the form of administrative rules, for the 2434  
advice and consent of the ~~oversight-commission~~ board, for the 2435  
health partnership program and the qualified health plan system, 2436  
as provided in sections 4121.44, 4121.441, and 4121.442 of the 2437  
Revised Code. 2438

(C) The administrator, with the advice and consent of the 2439  
senate, shall appoint a chief operating officer who has 2440  
significant experience in the field of workers' compensation 2441  
insurance or other similar insurance industry experience if the 2442  
administrator does not possess such experience. The chief 2443  
operating officer shall not commence the chief operating officer's 2444  
duties until after the senate consents to the chief operating 2445  
officer's appointment. The chief operating officer shall serve in 2446

the unclassified civil service of the state. 2447

**Sec. 4121.122.** (A) The administrator of workers' 2448  
compensation, for employees of the bureau of workers' 2449  
compensation, and the industrial commission, for employees of the 2450  
commission may discipline, suspend, demote or discharge any 2451  
employee for misfeasance, malfeasance, or nonfeasance. In the case 2452  
of any deputy administrator, or of any employee assigned to the 2453  
investigation or determination of claims, and finding of the 2454  
administrator or the commission that such person is not efficient, 2455  
impartial, or judicious, if supported by any evidence and not 2456  
promoted by personal, political, racial, or religious 2457  
discrimination shall be accepted as a fact justifying the action 2458  
taken by the administrator or commission. 2459

(B) The administrator and the commission shall jointly adopt, 2460  
in the form of a rule, a code of ethics for all employees of the 2461  
bureau and the commission and post copies of the rule in a 2462  
conspicuous place in every bureau and commission office. 2463

(C) The administrator and the commission shall jointly adopt 2464  
rules setting forth procedures designed to eliminate outside 2465  
influence on bureau and commission employees, produce an impartial 2466  
workers' compensation claims handling process, and avoid 2467  
favoritism in the claims handling process. Failure to adopt and 2468  
enforce these rules constitutes grounds for removal of the 2469  
administrator and the members of the commission. 2470

~~(D) The commission and the administrator shall appoint a 2471  
six member internal security committee composed of three bureau 2472  
employees appointed by the administrator and three commission 2473  
employees appointed by the commission. The administrator shall 2474  
supply to the committee the services of trained investigative 2475  
personnel and clerical assistance necessary to the committee's 2476  
duties. The committee shall investigate all claims or cases of 2477~~

~~eriminal violations, abuse of office, or misconduct on the part of~~ 2478  
~~bureau or commission employees and shall conduct a program of~~ 2479  
~~random review of the processing of workers' compensation claims.~~ 2480

~~The committee shall deliver to the administrator, the~~ 2481  
~~commission, or the governor any case for which remedial action is~~ 2482  
~~necessary. The committee shall maintain a public record of its~~ 2483  
~~activities, ensuring that the rights of innocent parties are~~ 2484  
~~protected, and, once every six months, shall report to the~~ 2485  
~~governor, the general assembly, the administrator, and commission,~~ 2486  
~~the committee's findings and the corrective actions subsequently~~ 2487  
~~taken in cases considered by the committee.~~ 2488

Sec. 4121.123. (A) There is hereby created the workers' 2489  
compensation audit committee consisting of at least three members. 2490  
One member shall be the member of the bureau of workers' 2491  
compensation board of directors who is a certified public 2492  
accountant. The board, by majority vote, shall appoint two 2493  
additional members of the board to serve on the audit committee 2494  
and may appoint additional members who are not board members, as 2495  
the board determines necessary. Members of the audit committee 2496  
serve at the pleasure of the board, and the board, by majority 2497  
vote, may remove any member except the member of the committee who 2498  
is the certified public accountant member of the board. The board, 2499  
by majority vote, shall determine how often the audit committee 2500  
shall meet and report to the board. The audit committee shall do 2501  
all of the following: 2502

(1) Recommend to the board an accounting firm to perform the 2503  
annual audits required under section 4123.47 of the Revised Code; 2504

(2) Recommend an auditing firm for the board to use when 2505  
conducting audits under section 4121.125 of the Revised Code; 2506

(3) Review the results of each annual audit and management 2507  
review and, if any problems exist, assess the appropriate course 2508

of action to correct those problems and develop an action plan to 2509  
correct those problems; 2510

(4) Monitor the implementation of any action plans created 2511  
pursuant to division (A)(3) of this section; 2512

(5) Review all internal audit reports on a regular basis. 2513

(B) There is hereby created the workers' compensation 2514  
actuarial committee consisting of at least three members. One 2515  
member shall be the member of the board who is an actuary. The 2516  
board, by majority vote, shall appoint two additional members of 2517  
the board to serve on the actuarial committee and may appoint 2518  
additional members who are not board members, as the board 2519  
determines necessary. Members of the actuarial committee serve at 2520  
the pleasure of the board and the board, by majority vote, may 2521  
remove any member except the member of the committee who is the 2522  
actuary member of the board. The board, by majority vote, shall 2523  
determine how often the actuarial committee shall meet and report 2524  
to the board. The actuarial committee shall do all of the 2525  
following: 2526

(1) Recommend actuarial consultants for the board to use for 2527  
the funds specified in this chapter and Chapters 4123., 4127., and 2528  
4131. of the Revised Code; 2529

(2) Review calculations on rate schedules and performance 2530  
prepared by the actuarial consultants with whom the board enters 2531  
into a contract; 2532

(3) Make recommendations to the board regarding 2533  
classifications of occupations or industries, premium rates and 2534  
contributions, the amount to be credited to the surplus fund, and 2535  
rules and systems of rating, rate revisions, and merit rating as 2536  
required under Chapters 4123., 4125., 4127., and 4131. of the 2537  
Revised Code. 2538

(C)(1) There is hereby created the workers' compensation 2539

investment committee consisting of at least four members. Two of 2540  
the members shall be the members of the board who serve as the 2541  
investment and securities experts on the board. The board, by 2542  
majority vote, shall appoint two additional members of the board 2543  
to serve on the investment committee and may appoint additional 2544  
members who are not board members. Each additional member the 2545  
board appoints shall have at least one of the following 2546  
qualifications: 2547

(a) Experience managing another state's pension funds or 2548  
workers' compensation funds; 2549

(b) Represents an employee organization; 2550

(c) Special expertise that the board determines is needed to 2551  
make investment decisions. 2552

Members of the investment committee serve at the pleasure of 2553  
the board and the board, by majority vote, may remove any member 2554  
except the members of the committee who are the investment and 2555  
securities expert members of the board. The board, by majority 2556  
vote, shall determine how often the investment committee shall 2557  
meet and report to the board. 2558

(2) The investment committee shall do all of the following: 2559

(a) Develop the investment policy for the administration of 2560  
the investment program for the funds specified in this chapter and 2561  
Chapters 4123., 4127., and 4131. of the Revised Code in accordance 2562  
with the requirements specified in section 4123.442 of the Revised 2563  
Code; 2564

(b) Submit the investment policy developed pursuant to 2565  
division (C)(2)(a) of this section to the board for approval; 2566

(c) Monitor implementation by the administrator of workers' 2567  
compensation and the bureau of workers' compensation chief 2568  
investment officer of the investment policy approved by the board; 2569

(d) Recommend outside investment counsel with whom the board 2570  
may contract to assist the investment committee in fulfilling its 2571  
duties; 2572

(e) Review the performance of the bureau of workers' 2573  
compensation chief investment officer and any investment 2574  
consultants retained by the administrator to assure that the 2575  
investments of the assets of the funds specified in this chapter 2576  
and Chapters 4123., 4127., and 4131. of the Revised Code are made 2577  
in accordance with the investment policy approved by the board and 2578  
that the best possible return on investment is achieved. 2579

**Sec. 4121.125.** (A) The bureau of workers' compensation 2580  
oversight commission board of directors, based upon 2581  
recommendations of the workers' compensation actuarial committee, 2582  
may contract with one or more outside actuarial firms and other 2583  
professional persons, as the oversight commission board determines 2584  
necessary, to assist the oversight commission board in measuring 2585  
the performance of Ohio's workers' compensation system and in 2586  
comparing Ohio's workers' compensation system to other state and 2587  
private workers' compensation systems. The oversight commission 2588  
board, actuarial firm or firms, and professional persons shall 2589  
make such measurements and comparisons using accepted insurance 2590  
industry standards, including, but not limited to, standards 2591  
promulgated by the National Council on Compensation Insurance. 2592

(B) The oversight commission board may contract with one or 2593  
more outside firms to conduct management and financial audits of 2594  
the workers' compensation system, including audits of the reserve 2595  
fund belonging to the state insurance fund, and to establish 2596  
objective quality management principles and methods by which to 2597  
review the performance of the workers' compensation system. 2598

(C) The administrator of workers' compensation and the 2599  
industrial commission shall compile information and provide access 2600

to records of the bureau and the industrial commission to the 2601  
~~oversight commission board~~ to the extent necessary for fulfillment 2602  
of both of the following requirements: 2603

(1) Conduct of the measurements and comparisons described in 2604  
division (A) of this section; 2605

(2) Conduct of the management and financial audits and 2606  
establishment of the principles and methods described in division 2607  
(B) of this section. 2608

(D) The ~~oversight commission board~~ shall have an independent 2609  
auditor, at least once every ten years, conduct a fiduciary 2610  
performance audit of the investment program of the bureau of 2611  
workers' compensation. That audit shall include an audit of the 2612  
investment policies ~~of~~ approved by the oversight commission board 2613  
and investment procedures of the bureau. The ~~oversight commission~~ 2614  
board shall submit a copy of that audit to the auditor of state. 2615

(E) The ~~bureau of workers' compensation administrator~~, with 2616  
the advice and consent of the ~~oversight commission board~~, shall 2617  
employ an internal auditor who shall report directly to the 2618  
~~oversight commission board~~ on investment matters. The ~~oversight~~ 2619  
~~commission board and the workers' compensation audit committee~~ may 2620  
request and review internal audits conducted by the internal 2621  
auditor. 2622

(F) The administrator shall pay the expenses incurred by the 2623  
~~oversight commission board~~ to effectively fulfill its duties and 2624  
exercise its powers under this section as the administrator pays 2625  
other operating expenses of the bureau. 2626

**Sec. 4121.126.** Except as provided in this chapter, no member 2627  
of the bureau of workers' compensation ~~oversight commission board~~ 2628  
of directors or employee of the bureau of workers' compensation 2629  
shall have any direct or indirect interest in the gains or profits 2630

of any investment made by the administrator of workers' 2631  
compensation or shall receive directly or indirectly any pay or 2632  
emolument for the member's or employee's services. No member or 2633  
person connected with the bureau directly or indirectly, for self 2634  
or as an agent or partner of others, shall borrow any of its funds 2635  
or deposits or in any manner use the funds or deposits except to 2636  
make current and necessary payments that are authorized by the 2637  
administrator. No member of the ~~oversight commission~~ board or 2638  
employee of the bureau shall become an indorser or surety or 2639  
become in any manner an obligor for moneys loaned by or borrowed 2640  
from the bureau. 2641

The administrator shall make no investments through or 2642  
purchases from, or otherwise do any business with, any individual 2643  
who is, or any partnership, association, or corporation that is 2644  
owned or controlled by, a person who within the preceding three 2645  
years was employed by the bureau, a board member of, or an officer 2646  
of the ~~oversight commission~~ board, or a person who within the 2647  
preceding three years was employed by or was an officer holding a 2648  
fiduciary, administrative, supervisory, or trust position, or any 2649  
other position in which such person would be involved, on behalf 2650  
of the person's employer, in decisions or recommendations 2651  
affecting the investment policy of the bureau, and in which such 2652  
person would benefit by any monetary gain. 2653

**Sec. 4121.128.** The attorney general shall be the legal 2654  
adviser of the bureau of workers' compensation ~~oversight~~ 2655  
~~commission~~ board of directors. 2656

**Sec. 4121.37.** The administrator of workers' compensation 2657  
having, by virtue of Section 35 of Article II, Ohio Constitution, 2658  
the expenditure of the fund therein created for the investigation 2659  
and prevention of industrial accidents and diseases, shall, with 2660

the advice and consent of the bureau of workers' compensation 2661  
~~oversight commission~~ board of directors, in the exercise of the 2662  
administrator's authority and in the performance of the 2663  
administrator's duty, employ a superintendent and the necessary 2664  
experts, engineers, investigators, clerks, and stenographers for 2665  
the efficient operation of a division of safety and hygiene of the 2666  
bureau of workers' compensation, which is hereby created. 2667

The administrator ~~of workers' compensation~~, with the advice 2668  
and consent of the ~~oversight commission~~ board, shall pay into the 2669  
safety and hygiene fund, which is hereby created in the state 2670  
treasury, the portion of the contributions paid by employers, 2671  
calculated as though all employers paid premiums based upon 2672  
payroll, not to exceed one per cent thereof in any year, as is 2673  
necessary for the payment of the salary of the superintendent of 2674  
the division of safety and hygiene and the compensation of the 2675  
other employees of the division of safety and hygiene, the 2676  
expenses of investigations and researches for the prevention of 2677  
industrial accidents and diseases, and for operating the long-term 2678  
care loan fund program established under section 4121.48 of the 2679  
Revised Code. All investment earnings of the fund shall be 2680  
credited to the fund. The administrator has the same powers to 2681  
invest any of the funds belonging to the fund as are delegated to 2682  
the administrator under section 4123.44 of the Revised Code with 2683  
respect to the state insurance fund. The superintendent, under the 2684  
direction of the administrator, with the advice and consent of the 2685  
~~oversight commission~~ board, shall conduct investigations and 2686  
researches for the prevention of industrial accidents and 2687  
diseases, conduct loss prevention programs and courses for 2688  
employers, establish and administrate cooperative programs with 2689  
employers for the purchase of individual safety equipment for 2690  
employees, and print and distribute information as may be of 2691  
benefit to employers and employees. The administrator shall pay 2692  
from the safety and hygiene fund the salary of the superintendent 2693

of the division of safety and hygiene, the compensation of the 2694  
other employees of the division of safety and hygiene, the 2695  
expenses necessary or incidental to investigations and researches 2696  
for the prevention of industrial accidents and diseases, and the 2697  
cost of printing and distributing such information. 2698

The superintendent, under the direction of the administrator, 2699  
shall prepare an annual report, addressed to the governor, on the 2700  
amount of the expenditures and the purposes for which they have 2701  
been made, and the results of the investigations and researches. 2702  
The administrator shall include the administrative costs, 2703  
salaries, and other expenses of the division of safety and hygiene 2704  
as a part of the budget of the bureau of workers' compensation 2705  
that is submitted to the director of budget and management and 2706  
shall identify those expenditures separately from other bureau 2707  
expenditures. 2708

The superintendent shall be a competent person with at least 2709  
five years' experience in industrial accident or disease 2710  
prevention work. The superintendent and up to six positions in the 2711  
division of safety and hygiene as the administrator, with the 2712  
advice and consent of the ~~oversight commission~~ board, designates 2713  
are in the unclassified civil service of the state as long as the 2714  
administrator, with the advice and consent of the ~~oversight~~ 2715  
~~commission~~ board, determines the positions subordinate to the 2716  
superintendent are primarily and distinctively administrative, 2717  
managerial, or professional in character. All other full-time 2718  
employees of the division of safety and hygiene are in the 2719  
classified civil service of the state. 2720

**Sec. 4121.441.** (A) The administrator of workers' 2721  
compensation, with the advice and consent of the bureau of 2722  
workers' compensation ~~oversight commission~~ board of directors, 2723  
shall adopt rules under Chapter 119. of the Revised Code for the 2724

health care partnership program administered by the bureau of 2725  
workers' compensation to provide medical, surgical, nursing, drug, 2726  
hospital, and rehabilitation services and supplies to an employee 2727  
for an injury or occupational disease that is compensable under 2728  
this chapter or Chapter 4123., 4127., or 4131. of the Revised 2729  
Code. 2730

The rules shall include, but are not limited to, the 2731  
following: 2732

(1) Procedures for the resolution of medical disputes between 2733  
an employer and an employee, an employee and a provider, or an 2734  
employer and a provider, prior to an appeal under section 4123.511 2735  
of the Revised Code. Rules the administrator adopts pursuant to 2736  
division (A)(1) of this section may specify that the resolution 2737  
procedures shall not be used to resolve disputes concerning 2738  
medical services rendered that have been approved through standard 2739  
treatment guidelines, pathways, or presumptive authorization 2740  
guidelines. 2741

(2) Prohibitions against discrimination against any category 2742  
of health care providers; 2743

(3) Procedures for reporting injuries to employers and the 2744  
bureau by providers; 2745

(4) Appropriate financial incentives to reduce service cost 2746  
and insure proper system utilization without sacrificing the 2747  
quality of service; 2748

(5) Adequate methods of peer review, utilization review, 2749  
quality assurance, and dispute resolution to prevent, and provide 2750  
sanctions for, inappropriate, excessive or not medically necessary 2751  
treatment; 2752

(6) A timely and accurate method of collection of necessary 2753  
information regarding medical and health care service and supply 2754  
costs, quality, and utilization to enable the administrator to 2755

determine the effectiveness of the program;	2756
(7) Provisions for necessary emergency medical treatment for an injury or occupational disease provided by a health care provider who is not part of the program;	2757 2758 2759
(8) Discounted pricing for all in-patient and out-patient medical services, all professional services, and all pharmaceutical services;	2760 2761 2762
(9) Provisions for provider referrals, pre-admission and post-admission approvals, second surgical opinions, and other cost management techniques;	2763 2764 2765
(10) Antifraud mechanisms;	2766
(11) Standards and criteria for the bureau to utilize in certifying or recertifying a health care provider or a vendor for participation in the health partnership program;	2767 2768 2769
(12) Standards and criteria for the bureau to utilize in penalizing or decertifying a health care provider or a vendor from participation in the health partnership program.	2770 2771 2772
(B) The administrator shall implement the health partnership program according to the rules the administrator adopts under this section for the provision and payment of medical, surgical, nursing, drug, hospital, and rehabilitation services and supplies to an employee for an injury or occupational disease that is compensable under this chapter or Chapter 4123., 4127., or 4131. of the Revised Code.	2773 2774 2775 2776 2777 2778 2779
<b>Sec. 4121.48.</b> (A) The bureau of workers' compensation shall operate a long-term care loan fund program. The administrator of workers' compensation may adopt rules, employ personnel, and do all things necessary for that purpose.	2780 2781 2782 2783
(B) The administrator shall use the long-term care loan fund program to make loans without interest to employers that are	2784 2785

nursing homes for the purpose of allowing those employers to 2786  
purchase, improve, install, or erect sit-to-stand floor lifts, 2787  
ceiling lifts, other lifts, and fast electric beds, and to pay for 2788  
the education and training of personnel, in order to implement a 2789  
facility policy of no manual lifting of residents by employees. 2790

The administrator, with the advice and consent of the bureau 2791  
of workers' compensation ~~oversight commission~~ board of directors, 2792  
may adopt rules establishing criteria for loan eligibility, 2793  
maximum loan amounts, loan periods, default penalties, and any 2794  
other terms the administrator considers necessary for a loan. 2795

(C) There is hereby created in the state treasury the 2796  
long-term care loan fund. The fund shall consist of money the 2797  
administrator, with the advice and consent of the ~~oversight~~ 2798  
~~commission~~ board, requests the director of budget and management 2799  
to transfer from the safety and hygiene fund created in section 2800  
4121.37 of the Revised Code. The fund shall be used solely for 2801  
purposes identified in this section. All investment earnings of 2802  
the fund shall be credited to the fund. All money the 2803  
administrator receives for payment of a default penalty assessed 2804  
or for repayment of any loan made pursuant to this section shall 2805  
be credited to the safety and hygiene fund created under section 2806  
4121.37 of the Revised Code. 2807

(D) As used in this section, "nursing home" has the same 2808  
meaning as in section 3721.01 of the Revised Code. 2809

**Sec. 4121.61.** The administrator of workers' compensation, 2810  
with the advice and consent of the bureau of workers' compensation 2811  
~~oversight commission~~ board of directors, shall adopt rules, take 2812  
measures, and make expenditures as it deems necessary to aid 2813  
claimants who have sustained compensable injuries or incurred 2814  
compensable occupational diseases pursuant to Chapter 4123., 2815  
4127., or 4131. of the Revised Code to return to work or to assist 2816

in lessening or removing any resulting handicap. 2817

**Sec. 4121.67.** The administrator of workers' compensation, 2818  
with the advice and consent of the bureau of workers' compensation 2819  
~~oversight commission~~ board of directors, shall adopt rules: 2820

(A) For the encouragement of reemployment of claimants who 2821  
have successfully completed prescribed rehabilitation programs by 2822  
payment from the surplus fund established by section 4123.34 of 2823  
the Revised Code to employers who employ or re\_employ the 2824  
claimants. The period or periods of payments shall not exceed six 2825  
months in the aggregate, unless the administrator or ~~his~~ the 2826  
administrator's designee determines that the claimant will be 2827  
benefited by an extension of payments. 2828

(B) Requiring payment, in the same manner as living 2829  
maintenance payments are made pursuant to section 4121.63 of the 2830  
Revised Code, to the claimant who completes a rehabilitation 2831  
training program and returns to employment, but who suffers a wage 2832  
loss compared to the wage the claimant was receiving at the time 2833  
of injury. Payments per week shall be sixty-six and two-thirds per 2834  
cent of the difference, if any, between the claimant's weekly wage 2835  
at the time of injury and the weekly wage received while employed, 2836  
up to a maximum payment per week equal to the statewide average 2837  
weekly wage. The payments may continue for up to a maximum of two 2838  
hundred weeks but shall be reduced by the corresponding number of 2839  
weeks in which the claimant receives payments pursuant to division 2840  
(B) of section 4123.56 of the Revised Code. 2841

**Sec. 4121.70.** (A) There is hereby created the 2842  
labor-management government advisory council consisting of twelve 2843  
members appointed as follows: 2844

(1) The governor, with the advice and consent of the senate, 2845  
shall appoint three members who, by training and vocation, are 2846

representative of labor and three members who, by training and vocation, are representative of employers.

(2) Ex officio, the chairpersons of the standing committees of the house of representatives and the senate to which legislation concerned with workers' compensation is customarily referred. A chairperson may designate the vice-chairperson of the committee to serve instead.

(3) One person who by training and vocation represents labor and one person who by training and vocation represents employers of differing political parties appointed by the speaker of the house of representatives.

(4) One person who by training and vocation represents labor and one person who by training and vocation represents employers of differing political parties appointed by the president of the senate.

(B) Members appointed by the governor shall serve for a term of six years with each term ending on the same day of the year in which the member was first appointed, except that each member shall serve for a period of sixty additional days at the end of the member's term or until the member's successor is appointed and qualifies, whichever date occurs first. Of the members first appointed to the council by the governor, one member each representing labor and management shall serve an initial term of two years, one member each representing labor and management shall serve a term of four years, and the remaining two members shall serve full six-year terms. The members initially appointed by the speaker of the house of representatives and the president of the senate shall serve a term of six years. Thereafter, members shall be appointed to and serve full six-year terms. Members are eligible for reappointment to any number of additional terms.

Legislative members shall serve a term that coincides with

the two-year legislative session in which they are first appointed 2878  
with each term ending on the thirty-first day of December of the 2879  
even-numbered year. Legislative members are eligible for 2880  
reappointment. 2881

Vacancies on the council shall be filled in the same manner 2882  
as the original appointment. All members of the council shall 2883  
serve without additional compensation but shall be reimbursed by 2884  
the bureau of workers' compensation for actual and necessary 2885  
expenses. 2886

The council shall advise the bureau of workers' compensation 2887  
~~oversight commission~~ board of directors and the administrator of 2888  
workers' compensation on the quality and effectiveness of 2889  
rehabilitation services and make recommendations pertaining to the 2890  
bureau's rehabilitation program, including the operation of that 2891  
program. 2892

The labor-management government advisory council shall 2893  
recommend to the administrator three candidates for the position 2894  
of director of rehabilitation. The candidates shall be chosen for 2895  
their ability and background in the field of rehabilitation. The 2896  
administrator shall select a director from the list of candidates. 2897

**Sec. 4123.01.** As used in this chapter: 2898

(A)(1) "Employee" means: 2899

(a) Every person in the service of the state, or of any 2900  
county, municipal corporation, township, or school district 2901  
therein, including regular members of lawfully constituted police 2902  
and fire departments of municipal corporations and townships, 2903  
whether paid or volunteer, and wherever serving within the state 2904  
or on temporary assignment outside thereof, and executive officers 2905  
of boards of education, under any appointment or contract of hire, 2906  
express or implied, oral or written, including any elected 2907

official of the state, or of any county, municipal corporation, or township, or members of boards of education.

As used in division (A)(1)(a) of this section, the term "employee" includes the following persons when responding to an inherently dangerous situation that calls for an immediate response on the part of the person, regardless of whether the person is within the limits of the jurisdiction of the person's regular employment or voluntary service when responding, on the condition that the person responds to the situation as the person otherwise would if the person were on duty in the person's jurisdiction:

(i) Off-duty peace officers. As used in division (A)(1)(a)(i) of this section, "peace officer" has the same meaning as in section 2935.01 of the Revised Code.

(ii) Off-duty firefighters, whether paid or volunteer, of a lawfully constituted fire department.

(iii) Off-duty first responders, emergency medical technicians-basic, emergency medical technicians-intermediate, or emergency medical technicians-paramedic, whether paid or volunteer, of an ambulance service organization or emergency medical service organization pursuant to Chapter 4765. of the Revised Code.

(b) Every person in the service of any person, firm, or private corporation, including any public service corporation, that (i) employs one or more persons regularly in the same business or in or about the same establishment under any contract of hire, express or implied, oral or written, including aliens and minors, household workers who earn one hundred sixty dollars or more in cash in any calendar quarter from a single household and casual workers who earn one hundred sixty dollars or more in cash in any calendar quarter from a single employer, or (ii) is bound

by any such contract of hire or by any other written contract, to	2939
pay into the state insurance fund the premiums provided by this	2940
chapter.	2941
(c) Every person who performs labor or provides services	2942
pursuant to a construction contract, as defined in section 4123.79	2943
of the Revised Code, if at least ten of the following criteria	2944
apply:	2945
(i) The person is required to comply with instructions from	2946
the other contracting party regarding the manner or method of	2947
performing services;	2948
(ii) The person is required by the other contracting party to	2949
have particular training;	2950
(iii) The person's services are integrated into the regular	2951
functioning of the other contracting party;	2952
(iv) The person is required to perform the work personally;	2953
(v) The person is hired, supervised, or paid by the other	2954
contracting party;	2955
(vi) A continuing relationship exists between the person and	2956
the other contracting party that contemplates continuing or	2957
recurring work even if the work is not full time;	2958
(vii) The person's hours of work are established by the other	2959
contracting party;	2960
(viii) The person is required to devote full time to the	2961
business of the other contracting party;	2962
(ix) The person is required to perform the work on the	2963
premises of the other contracting party;	2964
(x) The person is required to follow the order of work set by	2965
the other contracting party;	2966
(xi) The person is required to make oral or written reports	2967

of progress to the other contracting party;	2968
(xii) The person is paid for services on a regular basis such as hourly, weekly, or monthly;	2969 2970
(xiii) The person's expenses are paid for by the other contracting party;	2971 2972
(xiv) The person's tools and materials are furnished by the other contracting party;	2973 2974
(xv) The person is provided with the facilities used to perform services;	2975 2976
(xvi) The person does not realize a profit or suffer a loss as a result of the services provided;	2977 2978
(xvii) The person is not performing services for a number of employers at the same time;	2979 2980
(xviii) The person does not make the same services available to the general public;	2981 2982
(xix) The other contracting party has a right to discharge the person;	2983 2984
(xx) The person has the right to end the relationship with the other contracting party without incurring liability pursuant to an employment contract or agreement.	2985 2986 2987
Every person in the service of any independent contractor or subcontractor who has failed to pay into the state insurance fund the amount of premium <del>determined and fixed</del> <u>assessed</u> by the administrator of workers' compensation for the person's employment or occupation or if a self-insuring employer has failed to pay compensation and benefits directly to the employer's injured and to the dependents of the employer's killed employees as required by section 4123.35 of the Revised Code, shall be considered as the employee of the person who has entered into a contract, whether written or verbal, with such independent contractor unless such	2988 2989 2990 2991 2992 2993 2994 2995 2996 2997

employees or their legal representatives or beneficiaries elect, 2998  
after injury or death, to regard such independent contractor as 2999  
the employer. 3000

(2) "Employee" does not mean: 3001

(a) A duly ordained, commissioned, or licensed minister or 3002  
assistant or associate minister of a church in the exercise of 3003  
ministry; 3004

(b) Any officer of a family farm corporation; 3005

(c) An individual incorporated as a corporation; or 3006

(d) An individual who otherwise is an employee of an employer 3007  
but who signs the waiver and affidavit specified in section 3008  
4123.15 of the Revised Code on the condition that the 3009  
administrator has granted a waiver and exception to the 3010  
individual's employer under section 4123.15 of the Revised Code. 3011

Any employer may elect to include as an "employee" within 3012  
this chapter, any person excluded from the definition of 3013  
"employee" pursuant to division (A)(2) of this section. If an 3014  
employer is a partnership, sole proprietorship, individual 3015  
incorporated as a corporation, or family farm corporation, such 3016  
employer may elect to include as an "employee" within this 3017  
chapter, any member of such partnership, the owner of the sole 3018  
proprietorship, the individual incorporated as a corporation, or 3019  
the officers of the family farm corporation. In the event of an 3020  
election, the employer shall serve upon the bureau of workers' 3021  
compensation written notice naming the persons to be covered, 3022  
include such employee's remuneration for premium purposes in all 3023  
future payroll reports, and no person excluded from the definition 3024  
of "employee" pursuant to division (A)(2) of this section, 3025  
proprietor, individual incorporated as a corporation, or partner 3026  
shall be deemed an employee within this division until the 3027  
employer has served such notice. 3028

For informational purposes only, the bureau shall prescribe 3029  
such language as it considers appropriate, on such of its forms as 3030  
it considers appropriate, to advise employers of their right to 3031  
elect to include as an "employee" within this chapter a sole 3032  
proprietor, any member of a partnership, an individual 3033  
incorporated as a corporation, the officers of a family farm 3034  
corporation, or a person excluded from the definition of 3035  
"employee" under division (A)(2) of this section, that they should 3036  
check any health and disability insurance policy, or other form of 3037  
health and disability plan or contract, presently covering them, 3038  
or the purchase of which they may be considering, to determine 3039  
whether such policy, plan, or contract excludes benefits for 3040  
illness or injury that they might have elected to have covered by 3041  
workers' compensation. 3042

(B) "Employer" means: 3043

(1) The state, including state hospitals, each county, 3044  
municipal corporation, township, school district, and hospital 3045  
owned by a political subdivision or subdivisions other than the 3046  
state; 3047

(2) Every person, firm, professional employer organization as 3048  
defined in section 4125.01 of the Revised Code, and private 3049  
corporation, including any public service corporation, that (a) 3050  
has in service one or more employees or shared employees regularly 3051  
in the same business or in or about the same establishment under 3052  
any contract of hire, express or implied, oral or written, or (b) 3053  
is bound by any such contract of hire or by any other written 3054  
contract, to pay into the insurance fund the premiums provided by 3055  
this chapter. 3056

All such employers are subject to this chapter. Any member of 3057  
a firm or association, who regularly performs manual labor in or 3058  
about a mine, factory, or other establishment, including a 3059  
household establishment, shall be considered an employee in 3060

determining whether such person, firm, or private corporation, or public service corporation, has in its service, one or more employees and the employer shall report the income derived from such labor to the bureau as part of the payroll of such employer, and such member shall thereupon be entitled to all the benefits of an employee.

(C) "Injury" includes any injury, whether caused by external accidental means or accidental in character and result, received in the course of, and arising out of, the injured employee's employment. "Injury" does not include:

(1) Psychiatric conditions except where the claimant's psychiatric conditions have arisen from an injury or occupational disease sustained by that claimant or where the claimant's psychiatric conditions have arisen from sexual conduct in which the claimant was forced by threat of physical harm to engage or participate;

(2) Injury or disability caused primarily by the natural deterioration of tissue, an organ, or part of the body;

(3) Injury or disability incurred in voluntary participation in an employer-sponsored recreation or fitness activity if the employee signs a waiver of the employee's right to compensation or benefits under this chapter prior to engaging in the recreation or fitness activity;

(4) A condition that pre-existed an injury unless that pre-existing condition is substantially aggravated by the injury. Such a substantial aggravation must be documented by objective diagnostic findings, objective clinical findings, or objective test results. Subjective complaints may be evidence of such a substantial aggravation. However, subjective complaints without objective diagnostic findings, objective clinical findings, or objective test results are insufficient to substantiate a

substantial aggravation. 3092

(D) "Child" includes a posthumous child and a child legally 3093  
adopted prior to the injury. 3094

(E) "Family farm corporation" means a corporation founded for 3095  
the purpose of farming agricultural land in which the majority of 3096  
the voting stock is held by and the majority of the stockholders 3097  
are persons or the spouse of persons related to each other within 3098  
the fourth degree of kinship, according to the rules of the civil 3099  
law, and at least one of the related persons is residing on or 3100  
actively operating the farm, and none of whose stockholders are a 3101  
corporation. A family farm corporation does not cease to qualify 3102  
under this division where, by reason of any devise, bequest, or 3103  
the operation of the laws of descent or distribution, the 3104  
ownership of shares of voting stock is transferred to another 3105  
person, as long as that person is within the degree of kinship 3106  
stipulated in this division. 3107

(F) "Occupational disease" means a disease contracted in the 3108  
course of employment, which by its causes and the characteristics 3109  
of its manifestation or the condition of the employment results in 3110  
a hazard which distinguishes the employment in character from 3111  
employment generally, and the employment creates a risk of 3112  
contracting the disease in greater degree and in a different 3113  
manner from the public in general. 3114

(G) "Self-insuring employer" means an employer who is granted 3115  
the privilege of paying compensation and benefits directly under 3116  
section 4123.35 of the Revised Code, including a board of county 3117  
commissioners for the sole purpose of constructing a sports 3118  
facility as defined in section 307.696 of the Revised Code, 3119  
provided that the electors of the county in which the sports 3120  
facility is to be built have approved construction of a sports 3121  
facility by ballot election no later than November 6, 1997. 3122

(H) "Public employer" means an employer as defined in 3123  
division (B)(1) of this section. 3124

(I) "Sexual conduct" means vaginal intercourse between a male 3125  
and female; anal intercourse, fellatio, and cunnilingus between 3126  
persons regardless of gender; and, without privilege to do so, the 3127  
insertion, however slight, of any part of the body or any 3128  
instrument, apparatus, or other object into the vaginal or anal 3129  
cavity of another. Penetration, however slight, is sufficient to 3130  
complete vaginal or anal intercourse. 3131

**Sec. 4123.025.** Any person, other than those covered by 3132  
section 4123.03 of the Revised Code, who is injured, and the 3133  
dependents of a deceased employee who is killed as the direct 3134  
result of performing any act at the request or order of a duly 3135  
authorized public official of the state, or any institution or 3136  
agency thereof, or any political subdivision thereof, including a 3137  
county, township, or municipal corporation, in time of emergency 3138  
shall be entitled to all the benefits of Chapter 4123. of the 3139  
Revised Code. Any payments made from the state insurance fund 3140  
pursuant to this section shall be charged to the surplus fund as 3141  
created by division ~~(B)~~(A) of section 4123.34 of the Revised Code, 3142  
in order to encourage participation of all persons in times of 3143  
emergency. 3144

**Sec. 4123.21.** No injunction shall issue suspending or 3145  
restraining any order, classification, or rate adopted by the 3146  
industrial commission, the bureau of workers' compensation board 3147  
of directors, or the bureau of workers' compensation, or any 3148  
action of the auditor of state, treasurer of state, attorney 3149  
general, or the county auditor or county treasurer of any county, 3150  
required to be taken by them or any of them by this chapter. This 3151  
section does not effect any right or defense in any action brought 3152  
by the commission, the bureau, or the state in pursuance of 3153

authority contained in this chapter. 3154

**Sec. 4123.25.** (A) No employer shall knowingly misrepresent to 3155  
the bureau of workers' compensation the amount or classification 3156  
of payroll upon which the premium under this chapter is based. 3157  
Whoever violates this division shall be liable to the state in an 3158  
amount determined by the administrator of workers' compensation 3159  
for not more than ten times the amount of the difference between 3160  
the premium paid and the amount the employer should have paid. The 3161  
liability to the state under this division may be enforced in a 3162  
civil action in the name of the state, and all sums collected 3163  
under this division shall be paid into the state insurance fund. 3164  
3165

(B) No self-insuring employer shall knowingly misrepresent 3166  
the amount of paid compensation paid by such employer for purposes 3167  
of the assessments provided under this chapter and Chapter 4121. 3168  
of the Revised Code as required by section 4123.35 of the Revised 3169  
Code. Whoever violates this division is liable to the state in an 3170  
amount determined by the self-insuring employers evaluation board 3171  
pursuant to division (C) of section 4123.352 of the Revised Code 3172  
or for an amount the board determines that is not more than ten 3173  
times the amount of the difference between the assessment paid and 3174  
the amount of the assessment that should have been paid. The 3175  
liability to the state under this division may be enforced in a 3176  
civil action in the name of the state and all sums collected under 3177  
this division shall be paid into the self-insurance assessment 3178  
fund created pursuant to division (K) of section 4123.35 of the 3179  
Revised Code. 3180

(C) The administrator of workers' compensation, with the 3181  
advice and consent of the bureau of workers' compensation 3182  
~~oversight commission~~ board of directors, shall adopt rules 3183  
establishing criteria for determining both of the following: 3184

(1) The amount of the penalty assessed against an employer 3185  
for a violation of division (A) of this section; 3186

(2) Acts or omissions that do not constitute a violation of 3187  
division (A) or (B) of this section. 3188

**Sec. 4123.29.** (A) The ~~administrator~~ bureau of workers' 3189  
compensation board of directors, ~~subject to the approval based~~ 3190  
upon recommendations of the workers' compensation ~~oversight~~ 3191  
~~commission~~ actuarial committee, shall do all of the following: 3192

(1) Classify occupations or industries with respect to their 3193  
degree of hazard and determine the risks of the different classes 3194  
according to the categories the national council on compensation 3195  
insurance establishes that are applicable to employers in this 3196  
state; 3197

(2) Fix the rates of premium of the risks of the classes 3198  
based upon the total payroll in each of the classes of occupation 3199  
or industry sufficiently large to provide a fund for the 3200  
compensation provided for in this chapter and to maintain a state 3201  
insurance fund from year to year. The ~~administrator~~ board shall 3202  
set the rates at a level that assures the solvency of the fund. 3203  
Where the payroll cannot be obtained or, in the opinion of the 3204  
~~administrator~~ board, is not an adequate measure for determining 3205  
the premium to be paid for the degree of hazard, the ~~administrator~~ 3206  
board may determine the rates of premium upon such other basis, 3207  
consistent with insurance principles, as is equitable in view of 3208  
the degree of hazard, and whenever in this chapter reference is 3209  
made to payroll or expenditure of wages with reference to fixing 3210  
premiums, the reference shall be construed to have been made also 3211  
to such other basis for fixing the rates of premium as the 3212  
~~administrator~~ board may determine under this section. 3213

The ~~administrator~~ board in setting or revising rates shall 3214  
furnish to employers an adequate explanation of the basis for the 3215

rates set. 3216

(3) Develop and make available to employers who are paying 3217  
premiums to the state insurance fund alternative premium plans. 3218  
Alternative premium plans shall include retrospective rating 3219  
plans. The ~~administrator~~ board may make available plans under 3220  
which an advanced deposit may be applied against a specified 3221  
deductible amount per claim. 3222

(4) Offer to insure the obligations of employers under this 3223  
chapter under a plan that groups, for rating purposes, employers, 3224  
and pools the risk of the employers within the group provided that 3225  
the employers meet all of the following conditions: 3226

(a) All of the employers within the group are members of an 3227  
organization that has been in existence for at least two years 3228  
prior to the date of application for group coverage; 3229

(b) The organization was formed for purposes other than that 3230  
of obtaining group workers' compensation under this division; 3231

(c) The employers' business in the organization is 3232  
substantially similar such that the risks which are grouped are 3233  
substantially homogeneous; 3234

(d) The group of employers consists of at least one hundred 3235  
members or the aggregate workers' compensation premiums of the 3236  
members, as determined by the ~~administrator~~ board, are expected to 3237  
exceed one hundred fifty thousand dollars during the coverage 3238  
period; 3239

(e) The formation and operation of the group program in the 3240  
organization will substantially improve accident prevention and 3241  
claims handling for the employers in the group; 3242

(f) Each employer seeking to enroll in a group for workers' 3243  
compensation coverage has an industrial insurance account in good 3244  
standing with the bureau of workers' compensation such that at the 3245

time the agreement is processed no outstanding premiums, 3246  
penalties, or assessments are due from any of the employers. 3247

In providing employer group plans under division (A)(4) of 3248  
this section, the ~~administrator~~ board shall consider an employer 3249  
group as a single employing entity for purposes of retrospective 3250  
rating. No employer may be a member of more than one group for the 3251  
purpose of obtaining workers' compensation coverage under this 3252  
division. 3253

In providing employer group plans under division (A)(4) of 3254  
this section, the ~~administrator~~ board shall establish a program 3255  
designed to mitigate the impact of a significant claim that would 3256  
come into the experience of a private, state fund group-rated 3257  
employer for the first time and be a contributing factor in that 3258  
employer being excluded from a group-rated plan. The ~~administrator~~ 3259  
board shall establish eligibility criteria and requirements that 3260  
such employers must satisfy in order to participate in this 3261  
program. For purposes of this program, the ~~administrator~~ board 3262  
shall establish a discount on premium rates applicable to 3263  
employers who qualify for the program. 3264

In no event shall division (A)(4) of this section be 3265  
construed as granting to an employer status as a self-insuring 3266  
employer. 3267

The ~~administrator~~ board shall develop classifications of 3268  
occupations or industries that are sufficiently distinct so as not 3269  
to group employers in classifications that unfairly represent the 3270  
risks of employment with the employer. 3271

(5)(B) The board, based upon recommendations of the actuarial 3272  
committee, may adopt rules to grant an employer who makes the 3273  
employer's semiannual premium payments at least one month prior to 3274  
the last day on which the payment may be made without penalty a 3275  
discount that the board fixes from time to time. 3276

(C) The administrator of workers' compensation, with the 3277  
advice and consent of the board, shall do both of the following: 3278

(1) Generally promote employer participation in the state 3279  
insurance fund through the regular dissemination of information to 3280  
all classes of employers describing the advantages and benefits of 3281  
opting to make premium payments to the fund. To that end, the 3282  
administrator shall regularly make employers aware of the various 3283  
workers' compensation premium packages developed and offered 3284  
pursuant to this section. 3285

~~(6)~~(2) Make available to every employer who is paying 3286  
premiums to the state insurance fund a program whereby the 3287  
employer or the employer's agent pays to the claimant or on behalf 3288  
of the claimant the first five thousand dollars of a compensable 3289  
workers' compensation medical-only claim filed by that claimant 3290  
that is related to the same injury or occupational disease. If an 3291  
employer elects to enter the program, the administrator shall not 3292  
reimburse the employer for such amounts paid and shall not charge 3293  
the first five thousand dollars of any medical-only claim paid by 3294  
an employer to the employer's experience or otherwise use it in 3295  
merit rating or determining the risks of any employer for the 3296  
purpose of payment of premiums under this chapter. If an employer 3297  
elects to enter the program and the employer fails to pay a bill 3298  
for a medical-only claim included in the program, the employer 3299  
shall be liable for that bill and the employee for whom the 3300  
employer failed to pay the bill shall not be liable for that bill. 3301  
The administrator shall adopt rules to implement and administer 3302  
division ~~(A)~~~~(6)~~(C)(2) of this section. 3303

~~(B)~~(D) The administrator, with the advice and consent of the 3304  
~~oversight commission board~~, by rule, may ~~do both of the following:~~ 3305

~~(1)~~ Grant an employer who makes the employer's semiannual 3306  
premium payment at least one month prior to the last day on which 3307  
the payment may be made without penalty, a discount as the 3308

administrator fixes from time to time; 3309

(2) ~~Levy~~ levy a minimum annual administrative charge upon 3310  
risks where semiannual premium reports develop a charge less than 3311  
the administrator considers adequate to offset administrative 3312  
costs of processing. 3313

**Sec. 4123.291.** ~~(A) An~~ There is hereby created the workers' 3314  
compensation adjudicating committee ~~appointed by the~~ 3315  
~~administrator.~~ The bureau of workers' compensation to board of 3316  
directors, based upon recommendations of the workers' compensation 3317  
actuarial committee, shall appoint members to the adjudicating 3318  
committee. The adjudicating committee shall hear any matter 3319  
specified in divisions ~~(B)(1)(A)~~ to ~~(7)(G)~~ of this section and 3320  
shall hear the matter within sixty days of the date on which an 3321  
employer files the request, protest, or petition. An employer 3322  
desiring to file a request, protest, or petition regarding any 3323  
matter specified in divisions ~~(B)(1)(A)~~ to ~~(7)(G)~~ of this section 3324  
shall file the request, protest, or petition to the adjudicating 3325  
committee on or before twenty-four months after the administrator 3326  
of workers' compensation sends notice of the determination about 3327  
which the employer is filing the request, protest, or petition. 3328

~~(B) An employer who is adversely affected by a decision of an~~ 3329  
~~adjudicating committee appointed by the administrator may appeal~~ 3330  
~~the decision of the committee to the administrator or the~~ 3331  
~~administrator's designee. The employer shall file the appeal in~~ 3332  
~~writing within thirty days after the employer receives the~~ 3333  
~~decision of the adjudicating committee. The administrator or the~~ 3334  
~~designee shall hear the appeal and hold a hearing, provided that~~ 3335  
~~the decision of the adjudicating committee relates~~ shall hear 3336  
matters that relate to one of the following: 3337

~~(1)(A)~~ An employer request for a waiver of a default in the 3338  
payment of premiums pursuant to section 4123.37 of the Revised 3339

Code;	3340
<del>(2)</del> (B) An employer request for the settlement of liability as a noncomplying employer under section 4123.75 of the Revised Code;	3341 3342
<del>(3)</del> (C) An employer petition objecting to the assessment of a premium pursuant to section 4123.37 of the Revised Code and the rules adopted pursuant to that section;	3343 3344 3345
<del>(4)</del> (D) An employer request for the abatement of penalties assessed pursuant to section 4123.32 of the Revised Code and the rules adopted pursuant to that section;	3346 3347 3348
<del>(5)</del> (E) An employer protest relating to an audit finding or a determination of a manual classification, experience rating, or transfer or combination of risk experience;	3349 3350 3351
<del>(6)</del> (F) Any decision relating to any other risk premium matter under Chapters 4121., 4123., and 4131. of the Revised Code;	3352 3353
<del>(7)</del> (G) An employer petition objecting to the amount of security required under division (C) of section 4125.05 of the Revised Code and the rules adopted pursuant to that section.	3354 3355 3356
<u>The board, based upon recommendations of the actuarial committee, shall establish the policy for all adjudicating committee procedures, including, but not limited to, specific criteria for manual premium rate adjustment.</u>	3357 3358 3359 3360
<b>Sec. 4123.311.</b> (A) The administrator of workers' compensation may do all of the following:	3361 3362
(1) Utilize direct deposit of funds by electronic transfer for all disbursements the administrator is authorized to pay under this chapter and Chapters 4121., 4127., and 4131. of the Revised Code;	3363 3364 3365 3366
(2) Require any payee to provide a written authorization designating a financial institution and an account number to which	3367 3368

a payment made according to division (A)(1) of this section is to 3369  
be credited, notwithstanding division (B) of section 9.37 of the 3370  
Revised Code; 3371

(3) Contract with an agent to do both of the following: 3372

(a) Supply debit cards for claimants to access payments made 3373  
to them pursuant to this chapter and Chapters 4121., 4127., and 3374  
4131. of the Revised Code; 3375

(b) Credit the debit cards described in division (A)(3)(a) of 3376  
this section with the amounts specified by the administrator 3377  
pursuant to this chapter and Chapters 4121., 4127., and 4131. of 3378  
the Revised Code by utilizing direct deposit of funds by 3379  
electronic transfer. 3380

(4) Enter into agreements with financial institutions to 3381  
credit the debit cards described in division (A)(3)(a) of this 3382  
section with the amounts specified by the administrator pursuant 3383  
to this chapter and Chapters 4121., 4127., and 4131. of the 3384  
Revised Code by utilizing direct deposit of funds by electronic 3385  
transfer. 3386

(B) The administrator shall inform claimants about the 3387  
administrator's utilization of direct deposit of funds by 3388  
electronic transfer under this section and section 9.37 of the 3389  
Revised Code, furnish debit cards to claimants as appropriate, and 3390  
provide claimants with instructions regarding use of those debit 3391  
cards. 3392

(C) The administrator, with the advice and consent of the 3393  
bureau of workers' compensation oversight commission board of 3394  
directors, shall adopt rules in accordance with Chapter 119. of 3395  
the Revised Code regarding utilization of the direct deposit of 3396  
funds by electronic transfer under this section and section 9.37 3397  
of the Revised Code. 3398

Sec. 4123.32. The ~~administrator~~ bureau of workers' 3399  
compensation ~~board of directors, with the advice and consent based~~ 3400  
upon recommendations of the workers' compensation ~~oversight~~ 3401  
~~commission~~ actuarial committee, shall adopt rules with respect to 3402  
the ~~collection, maintenance, and disbursements~~ of the state 3403  
insurance fund including all of the following: 3404

(A) A rule providing that in the event there is developed as 3405  
of any given rate revision date a surplus of earned premium over 3406  
all losses which, in the judgment of the ~~administrator~~ board, is 3407  
larger than is necessary adequately to safeguard the solvency of 3408  
the fund, the ~~administrator~~ board may return such excess surplus 3409  
to the subscriber to the fund in either the form of cash refunds 3410  
or a reduction of premiums, regardless of when the premium 3411  
obligations have accrued; 3412

(B) ~~A rule providing that the premium security deposit~~ 3413  
~~collected from any employer entitles the employer to the benefits~~ 3414  
~~of this chapter for the remainder of the six months and also for~~ 3415  
~~an additional adjustment period of two months, and, thereafter, if~~ 3416  
~~the employer pays the premium due at the close of any six month~~ 3417  
~~period, coverage shall be extended for an additional eight month~~ 3418  
~~period beginning from the end of the six month period for which~~ 3419  
~~the employer pays the premium due;~~ 3420

(C) ~~A rule providing for ascertaining the correctness of any~~ 3421  
~~employer's report of estimated or actual expenditure of wages and~~ 3422  
~~the determination and adjustment of proper premiums and the~~ 3423  
~~payment of those premiums by the employer for or during any period~~ 3424  
~~less than eight months and notwithstanding any payment or~~ 3425  
~~determination of premium made when exceptional conditions or~~ 3426  
~~circumstances in the judgment of the administrator justify the~~ 3427  
~~action;~~ 3428

~~(D)~~(C) Such special rules as the ~~administrator~~ board 3429

considers necessary to safeguard the fund and that are just in the 3430  
circumstances, covering the rates to be applied where one employer 3431  
takes over the occupation or industry of another or where an 3432  
employer first makes application for state insurance, and the 3433  
~~administrator board~~ may require that if any employer transfers a 3434  
business in whole or in part or otherwise reorganizes the 3435  
business, the successor in interest shall assume, in proportion to 3436  
the extent of the transfer, as determined by the administrator of 3437  
workers' compensation, the employer's account and shall continue 3438  
the payment of all contributions due under this chapter; 3439

~~(E) A rule providing for all of the following:~~ 3440

~~(1) If, within two months immediately after the expiration of 3441  
the six month period, an employer fails to file a report of the 3442  
employer's actual payroll expenditures for the period, the premium 3443  
found to be due from the employer for the period shall be 3444  
increased in an amount equal to one per cent of the premium, but 3445  
the increase shall not be less than three nor more than fifteen 3446  
dollars;~~ 3447

~~(2) The premium determined by the administrator to be due 3448  
from an employer shall be payable on or before the end of the 3449  
coverage period established by the premium security deposit, or 3450  
within the time specified by the administrator if the period for 3451  
which the advance premium has been paid is less than eight months. 3452  
If an employer fails to pay the premium when due, the 3453  
administrator may add a late fee penalty of not more than thirty 3454  
dollars to the premium plus an additional penalty amount as 3455  
follows:~~ 3456

~~(a) For a premium from sixty one to ninety days past due, the 3457  
prime interest rate, multiplied by the premium due;~~ 3458

~~(b) For a premium from ninety one to one hundred twenty days 3459  
past due, the prime interest rate plus two per cent, multiplied by 3460~~

~~the premium due;~~ 3461

~~(c) For a premium from one hundred twenty one to one hundred fifty days past due, the prime interest rate plus four per cent, multiplied by the premium due;~~ 3462  
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~~(d) For a premium from one hundred fifty one to one hundred eighty days past due, the prime interest rate plus six per cent, multiplied by the premium due;~~ 3465  
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~~(e) For a premium from one hundred eighty one to two hundred ten days past due, the prime interest rate plus eight per cent, multiplied by the premium due;~~ 3468  
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~~(f) For each additional thirty day period or portion thereof that a premium remains past due after it has remained past due for more than two hundred ten days, the prime interest rate plus eight per cent, multiplied by the premium due.~~ 3471  
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~~(3) Notwithstanding the interest rates specified in division (E)(2) of this section, at no time shall the additional penalty amount assessed under division (E)(2) of this section exceed fifteen per cent of the premium due.~~ 3475  
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~~(4) An employer may appeal a late fee penalty or additional penalty to an adjudicating committee pursuant to section 4123.291 of the Revised Code.~~ 3479  
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~~For purposes of division (E) of this section, "prime interest rate" means the average bank prime rate, and the administrator shall determine the prime interest rate in the same manner as a county auditor determines the average bank prime rate under section 929.02 of the Revised Code.~~ 3482  
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~~(5) If the employer files an appropriate payroll report, within the time provided by law or within the time specified by the administrator if the period for which the employer paid an estimated premium is less than eight months, the employer shall~~ 3487  
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~~not be in default and division (E)(2) of this section shall not  
apply if the employer pays the premiums within fifteen days after  
being first notified by the administrator of the amount due.~~

~~(6) Any deficiencies in the amounts of the premium security  
deposit paid by an employer for any period shall be subject to an  
interest charge of six per cent per annum from the date the  
premium obligation is incurred. In determining the interest due on  
deficiencies in premium security deposit payments, a charge in  
each case shall be made against the employer in an amount equal to  
interest at the rate of six per cent per annum on the premium  
security deposit due but remaining unpaid sixty days after notice  
by the administrator.~~

~~(7) Any interest charges or penalties provided for in  
divisions (E)(2) and (6) of this section shall be credited to the  
employer's account for rating purposes in the same manner as  
premiums.~~

~~(F)(D) A rule providing that each employer, on the occasion  
of instituting coverage under this chapter, shall submit a premium  
security deposit. The deposit shall be calculated equivalent to  
thirty per cent of the semiannual premium obligation of the  
employer based upon the employer's estimated expenditure for wages  
for the ensuing six-month period plus thirty per cent of an  
additional adjustment period of two months but only up to a  
maximum of one thousand dollars and not less than ten dollars. The  
administrator shall review the security deposit of every employer  
who has submitted a deposit which is less than the  
one thousand dollar maximum. The administrator may require any  
such employer to submit additional money up to the maximum of one  
thousand dollars that, in the administrator's opinion, reflects  
the employer's current payroll expenditure for an eight month  
period.~~

Sec. 4123.321. The administrator of workers' compensation, 3522  
with the advice and consent of the bureau of workers' compensation 3523  
board of directors, shall adopt rules with respect to the 3524  
collection and disbursements of the state insurance fund including 3525  
rules that specify all of the following: 3526

(A) Methods and criteria for ascertaining the correctness of 3527  
any employer's report of estimated or actual expenditure of wages 3528  
and the determination and adjustment of proper premiums and the 3529  
payment of those premiums by the employer for or during any period 3530  
less than eight months and notwithstanding any payment or 3531  
determination of premium made when exceptional conditions or 3532  
circumstances in the judgment of the administrator justify the 3533  
action; 3534

(B) That if, within two months immediately after the 3535  
expiration of a six-month period, an employer fails to file a 3536  
report of the employer's actual payroll expenditures for the 3537  
period, the premium found to be due from the employer for the 3538  
period shall be increased in an amount equal to one per cent of 3539  
the premium, but the increase shall not be less than three nor 3540  
more than fifteen dollars; 3541

(C) That the premium determined by the administrator to be 3542  
due from an employer shall be payable on or before the end of the 3543  
coverage period established by the premium security deposit, or 3544  
within the time specified by the administrator if the period for 3545  
which the advance premium has been paid is less than eight months. 3546

(D) That if an employer fails to pay the premium when due, 3547  
the administrator may add a late fee penalty of not more than 3548  
thirty dollars to the premium plus an additional penalty amount as 3549  
follows: 3550

(1) For a premium from sixty-one to ninety days past due, the 3551  
prime interest rate, multiplied by the premium due; 3552

(2) For a premium from ninety-one to one hundred twenty days past due, the prime interest rate plus two per cent, multiplied by the premium due; 3553  
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(3) For a premium from one hundred twenty-one to one hundred fifty days past due, the prime interest rate plus four per cent, multiplied by the premium due; 3556  
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(4) For a premium from one hundred fifty-one to one hundred eighty days past due, the prime interest rate plus six per cent, multiplied by the premium due; 3559  
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(5) For a premium from one hundred eighty-one to two hundred ten days past due, the prime interest rate plus eight per cent, multiplied by the premium due; 3562  
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(6) For each additional thirty-day period or portion thereof that a premium remains past due after it has remained past due for more than two hundred ten days, the prime interest rate plus eight per cent, multiplied by the premium due. 3565  
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(7) Notwithstanding the interest rates specified in division (D) of this section, at no time shall the additional penalty amount assessed under division (D) of this section exceed fifteen per cent of the premium due. 3569  
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For purposes of division (D) of this section, "prime interest rate" means the average bank prime rate, and the administrator shall determine the prime interest rate in the same manner as a county auditor determines the average bank prime rate under section 929.02 of the Revised Code. 3573  
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(E) That an employer may appeal a late fee penalty or additional penalty to an adjudicating committee pursuant to section 4123.291 of the Revised Code. 3578  
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(F) That if the employer files an appropriate payroll report, within the time provided by law or within the time specified by 3581  
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the administrator if the period for which the employer paid an 3583  
estimated premium is less than eight months, the employer shall 3584  
not be in default and division (D) of this section shall not apply 3585  
if the employer pays the premiums within fifteen days after being 3586  
first notified by the administrator of the amount due. 3587

(G) That any deficiencies in the amounts of the premium 3588  
security deposit paid by an employer for any period shall be 3589  
subject to an interest charge of six per cent per annum from the 3590  
date the premium obligation is incurred. 3591

(H) That in determining the interest due on deficiencies in 3592  
premium security deposit payments, a charge in each case shall be 3593  
made against the employer in an amount equal to interest at the 3594  
rate of six per cent per annum on the premium security deposit due 3595  
but remaining unpaid sixty days after notice by the administrator. 3596

(I) That any interest charges or penalties provided for in 3597  
divisions (D), (G), and (H) of this section shall be credited to 3598  
the employer's account for rating purposes in the same manner as 3599  
premiums. 3600

(J) That the administrator shall review the security deposit 3601  
of every employer who has submitted a deposit that is less than 3602  
the one-thousand-dollar maximum specified in section 4123.32 of 3603  
the Revised Code, and that the administrator may require any such 3604  
employer to submit additional money up to the maximum of one 3605  
thousand dollars that, in the administrator's opinion, reflects 3606  
the employer's current payroll expenditure for an eight-month 3607  
period. 3608

(K) That each employer, on the occasion of instituting 3609  
coverage under this chapter, shall submit an application for 3610  
coverage that completely provides all of the information required 3611  
for the administrator to establish coverage for that employer, and 3612  
that the employer's failure to provide all of the information 3613

completely may be grounds for the administrator to deny coverage 3614  
for that employer. 3615

(L) That the premium security deposit collected from any 3616  
employer entitles the employer to the benefits of this chapter for 3617  
the remainder of the six months and also for an additional 3618  
adjustment period of two months, and, thereafter, if the employer 3619  
pays the premium due at the close of any six-month period, 3620  
coverage shall be extended for an additional eight-month period 3621  
beginning from the end of the six-month period for which the 3622  
employer pays the premium due; 3623

(M) That, in addition to any other remedies permitted in this 3624  
chapter, the administrator may discontinue an employer's coverage 3625  
if the employer fails to pay the premium due on or before the 3626  
premium's due date. 3627

(N) That if after a final adjudication it is determined that 3628  
an employer has failed to pay an obligation, billing, account, or 3629  
assessment that is greater than one thousand dollars on or before 3630  
its due date, the administrator may discontinue the employer's 3631  
coverage in addition to any other remedies permitted in this 3632  
chapter. 3633

(O) As used in divisions (M) and (N) of this section: 3634

(1) "Employer" has the same meaning as in division (B) of 3635  
section 4123.01 of the Revised Code except that "employer" does 3636  
not include the state, a state hospital, or a state university or 3637  
college. 3638

(2) "State university or college" has the same meaning as in 3639  
section 3345.12 of the Revised Code and also includes the Ohio 3640  
agricultural research and development center and the Ohio state 3641  
university cooperative extension service. 3642

(3) "State hospital" means the Ohio state university hospital 3643  
and its ancillary facilities and the medical university of Ohio at 3644

Toledo hospital. 3645

Sec. 4123.34. It shall be the duty of the bureau of workers' compensation board of directors to safeguard and maintain the solvency of the state insurance fund and all other funds specified in this chapter and Chapters 4121., 4127., and 4131. of the Revised Code. ~~The administrator of workers' compensation board,~~ in the exercise of the powers and discretion conferred upon the ~~administrator board~~ in section 4123.29 of the Revised Code, shall fix and maintain, ~~with the advice and consent of the workers' compensation oversight commission,~~ for each class of occupation or industry, the lowest possible rates of premium consistent with the maintenance of a solvent state insurance fund and the creation and maintenance of a reasonable surplus, after the payment of legitimate claims for injury, occupational disease, and death that the administrator of workers' compensation authorizes to be paid from the state insurance fund for the benefit of injured, diseased, and the dependents of killed employees. In establishing rates, the ~~administrator~~ actuarial board shall take into account the necessity of ensuring sufficient money is set aside in the premium payment security fund to cover any defaults in premium obligations. The ~~administrator~~ board shall observe all of the following requirements in fixing the rates of premium for the risks of occupations or industries:

(A) ~~The administrator shall keep an accurate account of the money paid in premiums by each of the several classes of occupations or industries, and the losses on account of injuries, occupational disease, and death of employees thereof, and also keep an account of the money received from each individual employer and the amount of losses incurred against the state insurance fund on account of injuries, occupational disease, and death of the employees of the employer.~~

(B) Ten per cent of the money paid into the state insurance fund shall be set aside for the creation of a surplus until the surplus amounts to the sum of one hundred thousand dollars, after which time, whenever necessary in the judgment of the ~~administrator~~ board, based upon recommendations of the actuarial committee, to guarantee a solvent state insurance fund, a sum not exceeding five per cent of all the money paid into the state insurance fund shall be credited to the surplus fund. A revision of basic rates shall be made annually on the first day of July.

(B) Notwithstanding any provision of the law to the contrary, one hundred eighty days after the effective date on which self-insuring employers first may elect under division (D) of section 4121.66 of the Revised Code to directly pay for rehabilitation expenses, the ~~administrator~~ board shall calculate the deficit, if any, in the portion of surplus fund that is used for reimbursement to self-insuring employers for all expenses other than handicapped reimbursement under section 4123.343 of the Revised Code. ~~Without regard to whether a self-insuring employer makes the election under division (D) of section 4121.66 of the Revised Code, the administrator shall assess all self-insuring employers the amount the administrator determines necessary to reduce the deficit over a period not to exceed five years from October 20, 1993. After the initial assessment, the administrator~~ The board, based upon recommendations of the actuarial committee, from time to time, may determine whether the surplus fund has such a deficit and may assess all self-insuring employers who participated in the portion of the surplus fund during the accrual of the deficit and who during that time period have not made the election under division (D) of section 4121.66 of the Revised Code the amount the ~~administrator~~ board, based upon recommendations of the actuarial committee, determines necessary to reduce the deficit.

Revisions of basic rates shall be in accordance with the 3708  
oldest four of the last five calendar years of the combined 3709  
accident and occupational disease experience of the administrator 3710  
in the administration of this chapter, as shown by the accounts 3711  
kept as provided in this section, excluding the experience of 3712  
employers that are no longer active if the ~~administrator board,~~ 3713  
based upon recommendations of the actuarial committee, determines 3714  
that the inclusion of those employers would have a significant 3715  
negative impact on the remainder of the employers in a particular 3716  
manual classification; and the ~~administrator board~~ shall adopt 3717  
rules, ~~with the advice and consent~~ based upon recommendations of 3718  
the ~~oversight commission~~ actuarial committee, governing rate 3719  
revisions, the object of which shall be to make an equitable 3720  
distribution of losses among the several classes of occupation or 3721  
industry, which rules shall be general in their application. 3722

(C) The ~~administrator board~~ may apply that form of rating 3723  
system ~~which that~~ the administrator board, based upon 3724  
recommendations of the actuarial committee, finds is best 3725  
calculated to merit rate or individually rate the risk more 3726  
equitably, predicated upon the basis of its individual industrial 3727  
accident and occupational disease experience, and may encourage 3728  
and stimulate accident prevention. The ~~administrator board, based~~ 3729  
upon recommendations of the actuarial committee, shall develop 3730  
fixed and equitable rules controlling the rating system, which 3731  
rules shall conserve to each risk the basic principles of workers' 3732  
compensation insurance. 3733

(D) The ~~administrator board,~~ from the money paid into the 3734  
state insurance fund, shall set aside into an account of the state 3735  
insurance fund titled a premium payment security fund sufficient 3736  
money to pay for any premiums due from an employer and uncollected 3737  
that are in excess of the employer's premium security deposit. 3738

The fund shall be in the custody of the treasurer of state. 3739

All investment earnings of the fund shall be deposited in the fund. Disbursements from the fund shall be made by the ~~bureau~~ administrator of workers' compensation upon order of the ~~administrator~~ board to the state insurance fund. The use of the moneys held by the premium payment security fund is restricted to reimbursement to the state insurance fund of premiums due and uncollected in excess of an employer's premium security deposit. The moneys constituting the premium payment security fund shall be maintained without regard to or reliance upon any other fund. This section does not prevent the deposit or investment of the premium payment security fund with any other fund created by this chapter, but the premium payment security fund is separate and distinct for every other purpose and a strict accounting thereof shall be maintained.

(E) The ~~administrator~~ board, based upon recommendations of the actuarial committee, may grant discounts on premium rates for employers who meet either of the following requirements:

(1) Have not incurred a compensable injury for one year or more and who maintain an employee safety committee or similar organization or make periodic safety inspections of the workplace.

(2) Successfully complete a loss prevention program prescribed by the superintendent of the division of safety and hygiene and conducted by the division or by any other person approved by the superintendent.

(F)(1) In determining the premium rates for the construction industry the ~~administrator~~ board shall ~~calculate the base the determination of~~ employers' ~~premiums based~~ premium rates upon the actual remuneration construction industry employees receive from construction industry employers, provided that the amount of remuneration the ~~administrator~~ board uses in calculating the ~~premiums~~ premium rates shall not exceed an average weekly wage equal to one hundred fifty per cent of the statewide average

weekly wage as defined in division (C) of section 4123.62 of the Revised Code. 3772  
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(2) Division (F)(1) of this section shall not be construed as affecting the manner in which benefits to a claimant are awarded under this chapter. 3774  
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(3) As used in division (F) of this section, "construction industry" includes any activity performed in connection with the erection, alteration, repair, replacement, renovation, installation, or demolition of any building, structure, highway, or bridge. 3777  
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**Sec. 4123.341.** The administrative costs of the industrial commission, the bureau of workers' compensation oversight commission board of directors, and the bureau of workers' compensation shall be those costs and expenses that are incident to the discharge of the duties and performance of the activities of the industrial commission, the ~~oversight commission board~~, and the bureau under this chapter and Chapters 4121. and 4123., 4125., 4127., 4131., and 4167. of the Revised Code, and all such costs shall be borne by the state and by other employers amenable to this chapter as follows: 3782  
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(A) In addition to the contribution required of the state under sections 4123.39 and 4123.40 of the Revised Code, the state shall contribute the sum determined to be necessary under section 4123.342 of the Revised Code. 3792  
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(B) The director of budget and management may allocate the state's share of contributions in the manner ~~he~~ the director finds most equitably apportions the costs. 3796  
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(C) The counties and taxing districts therein shall contribute such sum as may be required under section 4123.342 of the Revised Code. 3799  
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(D) The private employers shall contribute the sum required 3802  
under section 4123.342 of the Revised Code. 3803

**Sec. 4123.342.** (A) The ~~administrator~~ bureau of workers' 3804  
compensation board of directors, based upon recommendations of the 3805  
workers' compensation actuarial committee, shall allocate among 3806  
counties and taxing districts therein as a class, the state and 3807  
its instrumentalities as a class, private employers who are 3808  
insured under the private fund as a class, and self-insuring 3809  
employers as a class their fair shares of the administrative costs 3810  
which are to be borne by such employers under division (D) of 3811  
section 4123.341 of the Revised Code, separately allocating to 3812  
each class those costs solely attributable to the activities of 3813  
the industrial commission, and those costs solely attributable to 3814  
the activities of the ~~workers' compensation oversight commission~~ 3815  
board, and the bureau of workers' compensation in respect of the 3816  
class, allocating to any combination of classes those costs 3817  
attributable to the activities of the industrial commission, 3818  
~~oversight commission~~ board, or bureau in respect of the classes, 3819  
and allocating to all four classes those costs attributable to the 3820  
activities of the industrial commission, ~~oversight commission~~ 3821  
board, and bureau in respect of all classes. The administrator of 3822  
workers' compensation shall separately calculate each employer's 3823  
assessment in the class, except self-insuring employers, on the 3824  
basis of the following three factors: payroll, paid compensation, 3825  
and paid medical costs of the employer for those costs solely 3826  
attributable to the activities of the ~~oversight commission~~ board 3827  
and the bureau. The administrator shall separately calculate each 3828  
employer's assessment in the class, except self-insuring 3829  
employers, on the basis of the following three factors: payroll, 3830  
paid compensation, and paid medical costs of the employer for 3831  
those costs solely attributable to the activities of the 3832  
industrial commission. The administrator shall separately 3833

calculate each self-insuring employer's assessment in accordance 3834  
with section 4123.35 of the Revised Code for those costs solely 3835  
attributable to the activities of the ~~oversight commission~~ board 3836  
and the bureau. The administrator shall separately calculate each 3837  
self-insuring employer's assessment in accordance with section 3838  
4123.35 of the Revised Code for those costs solely attributable to 3839  
the activities of the industrial commission. In a timely manner, 3840  
the industrial commission shall provide to the ~~administrator~~ 3841  
board, the information necessary for the ~~administrator~~ board to 3842  
allocate and calculate, with the approval of the chairperson of 3843  
the industrial commission, for each class of employer as described 3844  
in this division, the costs solely attributable to the activities 3845  
of the industrial commission. 3846

(B) The administrator shall divide the administrative cost 3847  
assessments collected by the administrator into two administrative 3848  
assessment accounts within the state insurance fund. One of the 3849  
administrative assessment accounts shall consist of the 3850  
administrative cost assessment collected by the administrator for 3851  
the industrial commission. The other administrative assessment 3852  
account shall consist of the administrative cost assessments 3853  
collected by the administrator for the bureau and the ~~workers'~~ 3854  
~~compensation oversight commission~~ board. The administrator may 3855  
invest the administrative cost assessments in these accounts on 3856  
behalf of the bureau and the industrial commission as authorized 3857  
in section 4123.44 of the Revised Code. In a timely manner, the 3858  
administrator shall provide to the industrial commission the 3859  
information and reports the commission deems necessary for the 3860  
commission to monitor the receipts and the disbursements from the 3861  
administrative assessment account for the industrial commission. 3862

(C) The administrator or the administrator's designee shall 3863  
transfer moneys as necessary from the administrative assessment 3864  
account identified for the bureau and the ~~workers' compensation~~ 3865

~~oversight commission board~~ to the workers' compensation fund for 3866  
the use of the bureau and the ~~oversight commission board~~. As 3867  
necessary and upon the authorization of the industrial commission, 3868  
the administrator or the administrator's designee shall transfer 3869  
moneys from the administrative assessment account identified for 3870  
the industrial commission to the industrial commission operating 3871  
fund created under section 4121.021 of the Revised Code. To the 3872  
extent that the moneys collected by the administrator in any 3873  
fiscal biennium of the state equal the sum appropriated by the 3874  
general assembly for administrative costs of the industrial 3875  
commission, ~~oversight commission board~~, and bureau for the 3876  
biennium, the moneys shall be paid into the workers' compensation 3877  
fund and the industrial commission operating fund of the state and 3878  
any remainder shall be retained in the state insurance fund and 3879  
applied to reduce the amount collected during the next biennium. 3880  
Sections 4123.41, 4123.35, and 4123.37 of the Revised Code apply 3881  
to the collection of assessments from public and private employers 3882  
respectively, except that for boards of county hospital trustees 3883  
that are self-insuring employers, only those provisions applicable 3884  
to the collection of assessments for private employers apply. 3885

**Sec. 4123.35.** (A) Except as provided in this section, every 3886  
employer mentioned in division (B)(2) of section 4123.01 of the 3887  
Revised Code, and every publicly owned utility shall pay 3888  
semiannually in the months of January and July into the state 3889  
insurance fund the amount of annual premium the administrator of 3890  
workers' compensation fixes for the employment or occupation of 3891  
the employer, the amount of which premium to be paid by each 3892  
employer to be determined by the classifications, rules, and rates 3893  
made by the bureau of workers' compensation board of directors and 3894  
published by the administrator. The employer shall pay 3895  
semiannually a further sum of money into the state insurance fund 3896  
as may be ascertained to be due from the employer by applying the 3897

rules of the ~~administrator~~ board, and a receipt or certificate 3898  
certifying that payment has been made, along with a written notice 3899  
as is required in section 4123.54 of the Revised Code, shall be 3900  
mailed immediately to the employer by the bureau of workers' 3901  
compensation. The receipt or certificate is prima-facie evidence 3902  
of the payment of the premium, and the proper posting of the 3903  
notice constitutes the employer's compliance with the notice 3904  
requirement mandated in section 4123.54 of the Revised Code. 3905

The bureau of workers' compensation shall verify with the 3906  
secretary of state the existence of all corporations and 3907  
organizations making application for workers' compensation 3908  
coverage and shall require every such application to include the 3909  
employer's federal identification number. 3910

An employer as defined in division (B)(2) of section 4123.01 3911  
of the Revised Code who has contracted with a subcontractor is 3912  
liable for the unpaid premium due from any subcontractor with 3913  
respect to that part of the payroll of the subcontractor that is 3914  
for work performed pursuant to the contract with the employer. 3915

Division (A) of this section providing for the payment of 3916  
premiums semiannually does not apply to any employer who was a 3917  
subscriber to the state insurance fund prior to January 1, 1914, 3918  
or who may first become a subscriber to the fund in any month 3919  
other than January or July. Instead, the semiannual premiums shall 3920  
be paid by those employers from time to time upon the expiration 3921  
of the respective periods for which payments into the fund have 3922  
been made by them. 3923

The administrator shall adopt rules to permit employers to 3924  
make periodic payments of the semiannual premium due under this 3925  
division. The rules shall include provisions for the assessment of 3926  
interest charges, where appropriate, and for the assessment of 3927  
penalties when an employer fails to make timely premium payments. 3928  
An employer who timely pays the amounts due under this division is 3929

entitled to all of the benefits and protections of this chapter. 3930  
Upon receipt of payment, the bureau immediately shall mail a 3931  
receipt or certificate to the employer certifying that payment has 3932  
been made, which receipt is prima-facie evidence of payment. 3933  
Workers' compensation coverage under this chapter continues 3934  
uninterrupted upon timely receipt of payment under this division. 3935

Every public employer, except public employers that are 3936  
self-insuring employers under this section, shall comply with 3937  
sections 4123.38 to 4123.41, and 4123.48 of the Revised Code in 3938  
regard to the contribution of moneys to the public insurance fund. 3939

(B) Employers who will abide by the rules of the 3940  
administrator and who may be of sufficient financial ability to 3941  
render certain the payment of compensation to injured employees or 3942  
the dependents of killed employees, and the furnishing of medical, 3943  
surgical, nursing, and hospital attention and services and 3944  
medicines, and funeral expenses, equal to or greater than is 3945  
provided for in sections 4123.52, 4123.55 to 4123.62, and 4123.64 3946  
to 4123.67 of the Revised Code, and who do not desire to insure 3947  
the payment thereof or indemnify themselves against loss sustained 3948  
by the direct payment thereof, upon a finding of such facts by the 3949  
administrator, may be granted the privilege to pay individually 3950  
compensation, and furnish medical, surgical, nursing, and hospital 3951  
services and attention and funeral expenses directly to injured 3952  
employees or the dependents of killed employees, thereby being 3953  
granted status as a self-insuring employer. The administrator may 3954  
charge employers who apply for the status as a self-insuring 3955  
employer a reasonable application fee to cover the bureau's costs 3956  
in connection with processing and making a determination with 3957  
respect to an application. 3958

All employers granted status as self-insuring employers shall 3959  
demonstrate sufficient financial and administrative ability to 3960  
assure that all obligations under this section are promptly met. 3961

The administrator shall deny the privilege where the employer is 3962  
unable to demonstrate the employer's ability to promptly meet all 3963  
the obligations imposed on the employer by this section. 3964

(1) The administrator shall consider, but is not limited to, 3965  
the following factors, where applicable, in determining the 3966  
employer's ability to meet all of the obligations imposed on the 3967  
employer by this section: 3968

(a) The employer employs a minimum of five hundred employees 3969  
in this state; 3970

(b) The employer has operated in this state for a minimum of 3971  
two years, provided that an employer who has purchased, acquired, 3972  
or otherwise succeeded to the operation of a business, or any part 3973  
thereof, situated in this state that has operated for at least two 3974  
years in this state, also shall qualify; 3975

(c) Where the employer previously contributed to the state 3976  
insurance fund or is a successor employer as defined by bureau 3977  
rules, the amount of the buyout, as defined by bureau rules; 3978

(d) The sufficiency of the employer's assets located in this 3979  
state to insure the employer's solvency in paying compensation 3980  
directly; 3981

(e) The financial records, documents, and data, certified by 3982  
a certified public accountant, necessary to provide the employer's 3983  
full financial disclosure. The records, documents, and data 3984  
include, but are not limited to, balance sheets and profit and 3985  
loss history for the current year and previous four years. 3986

(f) The employer's organizational plan for the administration 3987  
of the workers' compensation law; 3988

(g) The employer's proposed plan to inform employees of the 3989  
change from a state fund insurer to a self-insuring employer, the 3990  
procedures the employer will follow as a self-insuring employer, 3991

and the employees' rights to compensation and benefits; and 3992

(h) The employer has either an account in a financial 3993  
institution in this state, or if the employer maintains an account 3994  
with a financial institution outside this state, ensures that 3995  
workers' compensation checks are drawn from the same account as 3996  
payroll checks or the employer clearly indicates that payment will 3997  
be honored by a financial institution in this state. 3998

The administrator may waive the requirements of divisions 3999  
(B)(1)(a) and (b) of this section and the requirement of division 4000  
(B)(1)(e) of this section that the financial records, documents, 4001  
and data be certified by a certified public accountant. The 4002  
administrator shall adopt rules establishing the criteria that an 4003  
employer shall meet in order for the administrator to waive the 4004  
requirement of division (B)(1)(e) of this section. Such rules may 4005  
require additional security of that employer pursuant to division 4006  
(E) of section 4123.351 of the Revised Code. 4007

The administrator shall not grant the status of self-insuring 4008  
employer to the state, except that the administrator may grant the 4009  
status of self-insuring employer to a state institution of higher 4010  
education, excluding its hospitals, that meets the requirements of 4011  
division (B)(2) of this section. 4012

(2) When considering the application of a public employer, 4013  
except for a board of county commissioners described in division 4014  
(G) of section 4123.01 of the Revised Code, a board of a county 4015  
hospital, or a publicly owned utility, the administrator shall 4016  
verify that the public employer satisfies all of the following 4017  
requirements as the requirements apply to that public employer: 4018

(a) For the two-year period preceding application under this 4019  
section, the public employer has maintained an unvoted debt 4020  
capacity equal to at least two times the amount of the current 4021  
annual premium established by the administrator under this chapter 4022

for that public employer for the year immediately preceding the 4023  
year in which the public employer makes application under this 4024  
section. 4025

(b) For each of the two fiscal years preceding application 4026  
under this section, the unreserved and undesignated year-end fund 4027  
balance in the public employer's general fund is equal to at least 4028  
five per cent of the public employer's general fund revenues for 4029  
the fiscal year computed in accordance with generally accepted 4030  
accounting principles. 4031

(c) For the five-year period preceding application under this 4032  
section, the public employer, to the extent applicable, has 4033  
complied fully with the continuing disclosure requirements 4034  
established in rules adopted by the United States securities and 4035  
exchange commission under 17 C.F.R. 240.15c 2-12. 4036

(d) For the five-year period preceding application under this 4037  
section, the public employer has not had its local government fund 4038  
distribution withheld on account of the public employer being 4039  
indebted or otherwise obligated to the state. 4040

(e) For the five-year period preceding application under this 4041  
section, the public employer has not been under a fiscal watch or 4042  
fiscal emergency pursuant to section 118.023, 118.04, or 3316.03 4043  
of the Revised Code. 4044

(f) For the public employer's fiscal year preceding 4045  
application under this section, the public employer has obtained 4046  
an annual financial audit as required under section 117.10 of the 4047  
Revised Code, which has been released by the auditor of state 4048  
within seven months after the end of the public employer's fiscal 4049  
year. 4050

(g) On the date of application, the public employer holds a 4051  
debt rating of Aa3 or higher according to Moody's investors 4052  
service, inc., or a comparable rating by an independent rating 4053

agency similar to Moody's investors service, inc. 4054

(h) The public employer agrees to generate an annual 4055  
accumulating book reserve in its financial statements reflecting 4056  
an actuarially generated reserve adequate to pay projected claims 4057  
under this chapter for the applicable period of time, as 4058  
determined by the administrator. 4059

(i) For a public employer that is a hospital, the public 4060  
employer shall submit audited financial statements showing the 4061  
hospital's overall liquidity characteristics, and the 4062  
administrator shall determine, on an individual basis, whether the 4063  
public employer satisfies liquidity standards equivalent to the 4064  
liquidity standards of other public employers. 4065

(j) Any additional criteria that the administrator adopts by 4066  
rule pursuant to division (E) of this section. 4067

The administrator shall not approve the application of a 4068  
public employer, except for a board of county commissioners 4069  
described in division (G) of section 4123.01 of the Revised Code, 4070  
a board of a county hospital, or publicly owned utility, who does 4071  
not satisfy all of the requirements listed in division (B)(2) of 4072  
this section. 4073

(C) A board of county commissioners described in division (G) 4074  
of section 4123.01 of the Revised Code, as an employer, that will 4075  
abide by the rules of the administrator and that may be of 4076  
sufficient financial ability to render certain the payment of 4077  
compensation to injured employees or the dependents of killed 4078  
employees, and the furnishing of medical, surgical, nursing, and 4079  
hospital attention and services and medicines, and funeral 4080  
expenses, equal to or greater than is provided for in sections 4081  
4123.52, 4123.55 to 4123.62, and 4123.64 to 4123.67 of the Revised 4082  
Code, and that does not desire to insure the payment thereof or 4083  
indemnify itself against loss sustained by the direct payment 4084

thereof, upon a finding of such facts by the administrator, may be 4085  
granted the privilege to pay individually compensation, and 4086  
furnish medical, surgical, nursing, and hospital services and 4087  
attention and funeral expenses directly to injured employees or 4088  
the dependents of killed employees, thereby being granted status 4089  
as a self-insuring employer. The administrator may charge a board 4090  
of county commissioners described in division (G) of section 4091  
4123.01 of the Revised Code that applies for the status as a 4092  
self-insuring employer a reasonable application fee to cover the 4093  
bureau's costs in connection with processing and making a 4094  
determination with respect to an application. All employers 4095  
granted such status shall demonstrate sufficient financial and 4096  
administrative ability to assure that all obligations under this 4097  
section are promptly met. The administrator shall deny the 4098  
privilege where the employer is unable to demonstrate the 4099  
employer's ability to promptly meet all the obligations imposed on 4100  
the employer by this section. The administrator shall consider, 4101  
but is not limited to, the following factors, where applicable, in 4102  
determining the employer's ability to meet all of the obligations 4103  
imposed on the board as an employer by this section: 4104

(1) The board as an employer employs a minimum of five 4105  
hundred employees in this state; 4106

(2) The board has operated in this state for a minimum of two 4107  
years; 4108

(3) Where the board previously contributed to the state 4109  
insurance fund or is a successor employer as defined by bureau 4110  
rules, the amount of the buyout, as defined by bureau rules; 4111

(4) The sufficiency of the board's assets located in this 4112  
state to insure the board's solvency in paying compensation 4113  
directly; 4114

(5) The financial records, documents, and data, certified by 4115

a certified public accountant, necessary to provide the board's 4116  
full financial disclosure. The records, documents, and data 4117  
include, but are not limited to, balance sheets and profit and 4118  
loss history for the current year and previous four years. 4119

(6) The board's organizational plan for the administration of 4120  
the workers' compensation law; 4121

(7) The board's proposed plan to inform employees of the 4122  
proposed self-insurance, the procedures the board will follow as a 4123  
self-insuring employer, and the employees' rights to compensation 4124  
and benefits; 4125

(8) The board has either an account in a financial 4126  
institution in this state, or if the board maintains an account 4127  
with a financial institution outside this state, ensures that 4128  
workers' compensation checks are drawn from the same account as 4129  
payroll checks or the board clearly indicates that payment will be 4130  
honored by a financial institution in this state; 4131

(9) The board shall provide the administrator a surety bond 4132  
in an amount equal to one hundred twenty-five per cent of the 4133  
projected losses as determined by the administrator. 4134

(D) The administrator shall require a surety bond from all 4135  
self-insuring employers, issued pursuant to section 4123.351 of 4136  
the Revised Code, that is sufficient to compel, or secure to 4137  
injured employees, or to the dependents of employees killed, the 4138  
payment of compensation and expenses, which shall in no event be 4139  
less than that paid or furnished out of the state insurance fund 4140  
in similar cases to injured employees or to dependents of killed 4141  
employees whose employers contribute to the fund, except when an 4142  
employee of the employer, who has suffered the loss of a hand, 4143  
arm, foot, leg, or eye prior to the injury for which compensation 4144  
is to be paid, and thereafter suffers the loss of any other of the 4145  
members as the result of any injury sustained in the course of and 4146

arising out of the employee's employment, the compensation to be 4147  
paid by the self-insuring employer is limited to the disability 4148  
suffered in the subsequent injury, additional compensation, if 4149  
any, to be paid by the bureau out of the surplus created by 4150  
section 4123.34 of the Revised Code. 4151

(E) In addition to the requirements of this section, the 4152  
administrator shall make and publish rules governing the manner of 4153  
making application and the nature and extent of the proof required 4154  
to justify a finding of fact by the administrator as to granting 4155  
the status of a self-insuring employer, which rules shall be 4156  
general in their application, one of which rules shall provide 4157  
that all self-insuring employers shall pay into the state 4158  
insurance fund such amounts as are required to be credited to the 4159  
surplus fund in division ~~(B)~~(A) of section 4123.34 of the Revised 4160  
Code. The administrator may adopt rules establishing requirements 4161  
in addition to the requirements described in division (B)(2) of 4162  
this section that a public employer shall meet in order to qualify 4163  
for self-insuring status. 4164

Employers shall secure directly from the bureau central 4165  
offices application forms upon which the bureau shall stamp a 4166  
designating number. Prior to submission of an application, an 4167  
employer shall make available to the bureau, and the bureau shall 4168  
review, the information described in division (B)(1) of this 4169  
section, and public employers shall make available, and the bureau 4170  
shall review, the information necessary to verify whether the 4171  
public employer meets the requirements listed in division (B)(2) 4172  
of this section. An employer shall file the completed application 4173  
forms with an application fee, which shall cover the costs of 4174  
processing the application, as established by the administrator, 4175  
by rule, with the bureau at least ninety days prior to the 4176  
effective date of the employer's new status as a self-insuring 4177  
employer. The application form is not deemed complete until all 4178

the required information is attached thereto. The bureau shall 4179  
only accept applications that contain the required information. 4180

(F) The bureau shall review completed applications within a 4181  
reasonable time. If the bureau determines to grant an employer the 4182  
status as a self-insuring employer, the bureau shall issue a 4183  
statement, containing its findings of fact, that is prepared by 4184  
the bureau and signed by the administrator. If the bureau 4185  
determines not to grant the status as a self-insuring employer, 4186  
the bureau shall notify the employer of the determination and 4187  
require the employer to continue to pay its full premium into the 4188  
state insurance fund. The administrator also shall adopt rules 4189  
establishing a minimum level of performance as a criterion for 4190  
granting and maintaining the status as a self-insuring employer 4191  
and fixing time limits beyond which failure of the self-insuring 4192  
employer to provide for the necessary medical examinations and 4193  
evaluations may not delay a decision on a claim. 4194

(G) The administrator shall adopt rules setting forth 4195  
procedures for auditing the program of self-insuring employers. 4196  
The bureau shall conduct the audit upon a random basis or whenever 4197  
the bureau has grounds for believing that a self-insuring employer 4198  
is not in full compliance with bureau rules or this chapter. 4199

The administrator shall monitor the programs conducted by 4200  
self-insuring employers, to ensure compliance with bureau 4201  
requirements and for that purpose, shall develop and issue to 4202  
self-insuring employers standardized forms for use by the 4203  
self-insuring employer in all aspects of the self-insuring 4204  
employers' direct compensation program and for reporting of 4205  
information to the bureau. 4206

The bureau shall receive and transmit to the self-insuring 4207  
employer all complaints concerning any self-insuring employer. In 4208  
the case of a complaint against a self-insuring employer, the 4209  
administrator shall handle the complaint through the 4210

self-insurance division of the bureau. The bureau shall maintain a 4211  
file by employer of all complaints received that relate to the 4212  
employer. The bureau shall evaluate each complaint and take 4213  
appropriate action. 4214

The administrator shall adopt as a rule a prohibition against 4215  
any self-insuring employer from harassing, dismissing, or 4216  
otherwise disciplining any employee making a complaint, which rule 4217  
shall provide for a financial penalty to be levied by the 4218  
administrator payable by the offending self-insuring employer. 4219

(H) For the purpose of making determinations as to whether to 4220  
grant status as a self-insuring employer, the administrator may 4221  
subscribe to and pay for a credit reporting service that offers 4222  
financial and other business information about individual 4223  
employers. The costs in connection with the bureau's subscription 4224  
or individual reports from the service about an applicant may be 4225  
included in the application fee charged employers under this 4226  
section. 4227

(I) The administrator, notwithstanding other provisions of 4228  
this chapter, may permit a self-insuring employer to resume 4229  
payment of premiums to the state insurance fund with appropriate 4230  
credit modifications to the employer's basic premium rate as such 4231  
rate is determined pursuant to section 4123.29 of the Revised 4232  
Code. 4233

(J) On the first day of July of each year, the administrator 4234  
shall calculate separately each self-insuring employer's 4235  
assessments for the safety and hygiene fund, administrative costs 4236  
pursuant to section 4123.342 of the Revised Code, and for the 4237  
portion of the surplus fund under division ~~(B)~~(A) of section 4238  
4123.34 of the Revised Code that is not used for handicapped 4239  
reimbursement, on the basis of the paid compensation attributable 4240  
to the individual self-insuring employer according to the 4241  
following calculation: 4242

(1) The total assessment against all self-insuring employers 4243  
as a class for each fund and for the administrative costs for the 4244  
year that the assessment is being made, as determined by the 4245  
~~administrator~~ board, divided by the total amount of paid 4246  
compensation for the previous calendar year attributable to all 4247  
amenable self-insuring employers; 4248

(2) Multiply the quotient in division (J)(1) of this section 4249  
by the total amount of paid compensation for the previous calendar 4250  
year that is attributable to the individual self-insuring employer 4251  
for whom the assessment is being determined. Each self-insuring 4252  
employer shall pay the assessment that results from this 4253  
calculation, unless the assessment resulting from this calculation 4254  
falls below a minimum assessment, which minimum assessment the 4255  
~~administrator~~ board shall determine on the first day of July of 4256  
each year ~~with the advice and consent based upon recommendations~~ 4257  
of the ~~workers' compensation oversight commission~~ actuarial 4258  
committee, in which event, the self-insuring employer shall pay 4259  
the minimum assessment. 4260

In determining the total amount due for the total assessment 4261  
against all self-insuring employers as a class for each fund and 4262  
the administrative assessment, the ~~administrator~~ board shall 4263  
reduce proportionately the total for each fund and assessment by 4264  
the amount of money in the self-insurance assessment fund as of 4265  
the date of the computation of the assessment. 4266

The ~~administrator~~ board shall calculate the assessment for 4267  
the portion of the surplus fund under division ~~(B)~~(A) of section 4268  
4123.34 of the Revised Code that is used for handicapped 4269  
reimbursement in the same manner as set forth in divisions (J)(1) 4270  
and (2) of this section except that the ~~administrator~~ board shall 4271  
calculate the total assessment for this portion of the surplus 4272  
fund only on the basis of those self-insuring employers that 4273  
retain participation in the handicapped reimbursement program and 4274

the individual self-insuring employer's proportion of paid 4275  
compensation shall be calculated only for those self-insuring 4276  
employers who retain participation in the handicapped 4277  
reimbursement program. The ~~administrator~~ board, as the 4278  
~~administrator~~ board determines appropriate and based upon 4279  
recommendations of the actuarial committee, may determine the 4280  
total assessment for the handicapped portion of the surplus fund 4281  
in accordance with sound actuarial principles. 4282

The ~~administrator~~ board shall calculate the assessment for 4283  
the portion of the surplus fund under division ~~(B)~~(A) of section 4284  
4123.34 of the Revised Code that under division (D) of section 4285  
4121.66 of the Revised Code is used for rehabilitation costs in 4286  
the same manner as set forth in divisions (J)(1) and (2) of this 4287  
section, except that the ~~administrator~~ board shall calculate the 4288  
total assessment for this portion of the surplus fund only on the 4289  
basis of those self-insuring employers who have not made the 4290  
election to make payments directly under division (D) of section 4291  
4121.66 of the Revised Code and an individual self-insuring 4292  
employer's proportion of paid compensation only for those 4293  
self-insuring employers who have not made that election. 4294

The ~~administrator~~ board shall calculate the assessment for 4295  
the portion of the surplus fund under division ~~(B)~~(A) of section 4296  
4123.34 of the Revised Code that is used for reimbursement to a 4297  
self-insuring employer under division (H) of section 4123.512 of 4298  
the Revised Code in the same manner as set forth in divisions 4299  
(J)(1) and (2) of this section except that the ~~administrator~~ board 4300  
shall calculate the total assessment for this portion of the 4301  
surplus fund only on the basis of those self-insuring employers 4302  
that retain participation in reimbursement to the self-insuring 4303  
employer under division (H) of section 4123.512 of the Revised 4304  
Code and the individual self-insuring employer's proportion of 4305  
paid compensation shall be calculated only for those self-insuring 4306

employers who retain participation in reimbursement to the 4307  
self-insuring employer under division (H) of section 4123.512 of 4308  
the Revised Code. 4309

An employer who no longer is a self-insuring employer in this 4310  
state or who no longer is operating in this state, shall continue 4311  
to pay assessments for administrative costs and for the portion of 4312  
the surplus fund under division ~~(B)~~(A) of section 4123.34 of the 4313  
Revised Code that is not used for handicapped reimbursement, based 4314  
upon paid compensation attributable to claims that occurred while 4315  
the employer was a self-insuring employer within this state. 4316

(K) There is hereby created in the state treasury the 4317  
self-insurance assessment fund. All investment earnings of the 4318  
fund shall be deposited in the fund. The administrator shall use 4319  
the money in the self-insurance assessment fund only for 4320  
administrative costs as specified in section 4123.341 of the 4321  
Revised Code. 4322

(L) Every self-insuring employer shall certify, in affidavit 4323  
form subject to the penalty for perjury, to the bureau the amount 4324  
of the self-insuring employer's paid compensation for the previous 4325  
calendar year. In reporting paid compensation paid for the 4326  
previous year, a self-insuring employer shall exclude from the 4327  
total amount of paid compensation any reimbursement the 4328  
self-insuring employer receives in the previous calendar year from 4329  
the surplus fund pursuant to section 4123.512 of the Revised Code 4330  
for any paid compensation. The self-insuring employer also shall 4331  
exclude from the paid compensation reported any amount recovered 4332  
under section 4123.931 of the Revised Code and any amount that is 4333  
determined not to have been payable to or on behalf of a claimant 4334  
in any final administrative or judicial proceeding. The 4335  
self-insuring employer shall exclude such amounts from the paid 4336  
compensation reported in the reporting period subsequent to the 4337  
date the determination is made. The administrator shall adopt 4338

rules, in accordance with Chapter 119. of the Revised Code, that 4339  
provide for all of the following: 4340

(1) Establishing the date by which self-insuring employers 4341  
must submit such information and the amount of the assessments 4342  
provided for in division (J) of this section for employers who 4343  
have been granted self-insuring status within the last calendar 4344  
year; 4345

(2) If an employer fails to pay the assessment when due, the 4346  
administrator may add a late fee penalty of not more than five 4347  
hundred dollars to the assessment plus an additional penalty 4348  
amount as follows: 4349

(a) For an assessment from sixty-one to ninety days past due, 4350  
the prime interest rate, multiplied by the assessment due; 4351

(b) For an assessment from ninety-one to one hundred twenty 4352  
days past due, the prime interest rate plus two per cent, 4353  
multiplied by the assessment due; 4354

(c) For an assessment from one hundred twenty-one to one 4355  
hundred fifty days past due, the prime interest rate plus four per 4356  
cent, multiplied by the assessment due; 4357

(d) For an assessment from one hundred fifty-one to one 4358  
hundred eighty days past due, the prime interest rate plus six per 4359  
cent, multiplied by the assessment due; 4360

(e) For an assessment from one hundred eighty-one to two 4361  
hundred ten days past due, the prime interest rate plus eight per 4362  
cent, multiplied by the assessment due; 4363

(f) For each additional thirty-day period or portion thereof 4364  
that an assessment remains past due after it has remained past due 4365  
for more than two hundred ten days, the prime interest rate plus 4366  
eight per cent, multiplied by the assessment due. 4367

(3) An employer may appeal a late fee penalty and penalty 4368

assessment to the administrator. 4369

For purposes of ~~this~~ division (L)(2) of this section, "prime 4370  
interest rate" means the average bank prime rate, and the 4371  
administrator shall determine the prime interest rate in the same 4372  
manner as a county auditor determines the average bank prime rate 4373  
under section 929.02 of the Revised Code. 4374

The administrator shall include any assessment and penalties 4375  
that remain unpaid for previous assessment periods in the 4376  
calculation and collection of any assessments due under this 4377  
division or division (J) of this section. 4378

(M) As used in this section, "paid compensation" means all 4379  
amounts paid by a self-insuring employer for living maintenance 4380  
benefits, all amounts for compensation paid pursuant to sections 4381  
4121.63, 4121.67, 4123.56, 4123.57, 4123.58, 4123.59, 4123.60, and 4382  
4123.64 of the Revised Code, all amounts paid as wages in lieu of 4383  
such compensation, all amounts paid in lieu of such compensation 4384  
under a nonoccupational accident and sickness program fully funded 4385  
by the self-insuring employer, and all amounts paid by a 4386  
self-insuring employer for a violation of a specific safety 4387  
standard pursuant to Section 35 of Article II, Ohio Constitution 4388  
and section 4121.47 of the Revised Code. 4389

(N) Should any section of this chapter or Chapter 4121. of 4390  
the Revised Code providing for self-insuring employers' 4391  
assessments based upon compensation paid be declared 4392  
unconstitutional by a final decision of any court, then that 4393  
section of the Revised Code declared unconstitutional shall revert 4394  
back to the section in existence prior to November 3, 1989, 4395  
providing for assessments based upon payroll. 4396

(O) The administrator may grant a self-insuring employer the 4397  
privilege to self-insure a construction project entered into by 4398  
the self-insuring employer that is scheduled for completion within 4399

six years after the date the project begins, and the total cost of 4400  
which is estimated to exceed one hundred million dollars or, for 4401  
employers described in division (R) of this section, if the 4402  
construction project is estimated to exceed twenty-five million 4403  
dollars. The administrator may waive such cost and time criteria 4404  
and grant a self-insuring employer the privilege to self-insure a 4405  
construction project regardless of the time needed to complete the 4406  
construction project and provided that the cost of the 4407  
construction project is estimated to exceed fifty million dollars. 4408  
A self-insuring employer who desires to self-insure a construction 4409  
project shall submit to the administrator an application listing 4410  
the dates the construction project is scheduled to begin and end, 4411  
the estimated cost of the construction project, the contractors 4412  
and subcontractors whose employees are to be self-insured by the 4413  
self-insuring employer, the provisions of a safety program that is 4414  
specifically designed for the construction project, and a 4415  
statement as to whether a collective bargaining agreement 4416  
governing the rights, duties, and obligations of each of the 4417  
parties to the agreement with respect to the construction project 4418  
exists between the self-insuring employer and a labor 4419  
organization. 4420

A self-insuring employer may apply to self-insure the 4421  
employees of either of the following: 4422

(1) All contractors and subcontractors who perform labor or 4423  
work or provide materials for the construction project; 4424

(2) All contractors and, at the administrator's discretion, a 4425  
substantial number of all the subcontractors who perform labor or 4426  
work or provide materials for the construction project. 4427

Upon approval of the application, the administrator shall 4428  
mail a certificate granting the privilege to self-insure the 4429  
construction project to the self-insuring employer. The 4430  
certificate shall contain the name of the self-insuring employer 4431

and the name, address, and telephone number of the self-insuring 4432  
employer's representatives who are responsible for administering 4433  
workers' compensation claims for the construction project. The 4434  
self-insuring employer shall post the certificate in a conspicuous 4435  
place at the site of the construction project. 4436

The administrator shall maintain a record of the contractors 4437  
and subcontractors whose employees are covered under the 4438  
certificate issued to the self-insured employer. A self-insuring 4439  
employer immediately shall notify the administrator when any 4440  
contractor or subcontractor is added or eliminated from inclusion 4441  
under the certificate. 4442

Upon approval of the application, the self-insuring employer 4443  
is responsible for the administration and payment of all claims 4444  
under this chapter and Chapter 4121. of the Revised Code for the 4445  
employees of the contractor and subcontractors covered under the 4446  
certificate who receive injuries or are killed in the course of 4447  
and arising out of employment on the construction project, or who 4448  
contract an occupational disease in the course of employment on 4449  
the construction project. For purposes of this chapter and Chapter 4450  
4121. of the Revised Code, a claim that is administered and paid 4451  
in accordance with this division is considered a claim against the 4452  
self-insuring employer listed in the certificate. A contractor or 4453  
subcontractor included under the certificate shall report to the 4454  
self-insuring employer listed in the certificate, all claims that 4455  
arise under this chapter and Chapter 4121. of the Revised Code in 4456  
connection with the construction project for which the certificate 4457  
is issued. 4458

A self-insuring employer who complies with this division is 4459  
entitled to the protections provided under this chapter and 4460  
Chapter 4121. of the Revised Code with respect to the employees of 4461  
the contractors and subcontractors covered under a certificate 4462  
issued under this division for death or injuries that arise out 4463

of, or death, injuries, or occupational diseases that arise in the 4464  
course of, those employees' employment on that construction 4465  
project, as if the employees were employees of the self-insuring 4466  
employer, provided that the self-insuring employer also complies 4467  
with this section. No employee of the contractors and 4468  
subcontractors covered under a certificate issued under this 4469  
division shall be considered the employee of the self-insuring 4470  
employer listed in that certificate for any purposes other than 4471  
this chapter and Chapter 4121. of the Revised Code. Nothing in 4472  
this division gives a self-insuring employer authority to control 4473  
the means, manner, or method of employment of the employees of the 4474  
contractors and subcontractors covered under a certificate issued 4475  
under this division. 4476

The contractors and subcontractors included under a 4477  
certificate issued under this division are entitled to the 4478  
protections provided under this chapter and Chapter 4121. of the 4479  
Revised Code with respect to the contractor's or subcontractor's 4480  
employees who are employed on the construction project which is 4481  
the subject of the certificate, for death or injuries that arise 4482  
out of, or death, injuries, or occupational diseases that arise in 4483  
the course of, those employees' employment on that construction 4484  
project. 4485

The contractors and subcontractors included under a 4486  
certificate issued under this division shall identify in their 4487  
payroll records the employees who are considered the employees of 4488  
the self-insuring employer listed in that certificate for purposes 4489  
of this chapter and Chapter 4121. of the Revised Code, and the 4490  
amount that those employees earned for employment on the 4491  
construction project that is the subject of that certificate. 4492  
Notwithstanding any provision to the contrary under this chapter 4493  
and Chapter 4121. of the Revised Code, the administrator shall 4494  
exclude the payroll that is reported for employees who are 4495

considered the employees of the self-insuring employer listed in 4496  
that certificate, and that the employees earned for employment on 4497  
the construction project that is the subject of that certificate, 4498  
when determining those contractors' or subcontractors' premiums or 4499  
assessments required under this chapter and Chapter 4121. of the 4500  
Revised Code. A self-insuring employer issued a certificate under 4501  
this division shall include in the amount of paid compensation it 4502  
reports pursuant to division (L) of this section, the amount of 4503  
paid compensation the self-insuring employer paid pursuant to this 4504  
division for the previous calendar year. 4505

Nothing in this division shall be construed as altering the 4506  
rights of employees under this chapter and Chapter 4121. of the 4507  
Revised Code as those rights existed prior to September 17, 1996. 4508  
Nothing in this division shall be construed as altering the rights 4509  
devolved under sections 2305.31 and 4123.82 of the Revised Code as 4510  
those rights existed prior to September 17, 1996. 4511

As used in this division, "privilege to self-insure a 4512  
construction project" means privilege to pay individually 4513  
compensation, and to furnish medical, surgical, nursing, and 4514  
hospital services and attention and funeral expenses directly to 4515  
injured employees or the dependents of killed employees. 4516

(P) A self-insuring employer whose application is granted 4517  
under division (O) of this section shall designate a safety 4518  
professional to be responsible for the administration and 4519  
enforcement of the safety program that is specifically designed 4520  
for the construction project that is the subject of the 4521  
application. 4522

A self-insuring employer whose application is granted under 4523  
division (O) of this section shall employ an ombudsperson for the 4524  
construction project that is the subject of the application. The 4525  
ombudsperson shall have experience in workers' compensation or the 4526  
construction industry, or both. The ombudsperson shall perform all 4527

of the following duties: 4528

(1) Communicate with and provide information to employees who 4529  
are injured in the course of, or whose injury arises out of 4530  
employment on the construction project, or who contract an 4531  
occupational disease in the course of employment on the 4532  
construction project; 4533

(2) Investigate the status of a claim upon the request of an 4534  
employee to do so; 4535

(3) Provide information to claimants, third party 4536  
administrators, employers, and other persons to assist those 4537  
persons in protecting their rights under this chapter and Chapter 4538  
4121. of the Revised Code. 4539

A self-insuring employer whose application is granted under 4540  
division (O) of this section shall post the name of the safety 4541  
professional and the ombudsperson and instructions for contacting 4542  
the safety professional and the ombudsperson in a conspicuous 4543  
place at the site of the construction project. 4544

(Q) The administrator may consider all of the following when 4545  
deciding whether to grant a self-insuring employer the privilege 4546  
to self-insure a construction project as provided under division 4547  
(O) of this section: 4548

(1) Whether the self-insuring employer has an organizational 4549  
plan for the administration of the workers' compensation law; 4550

(2) Whether the safety program that is specifically designed 4551  
for the construction project provides for the safety of employees 4552  
employed on the construction project, is applicable to all 4553  
contractors and subcontractors who perform labor or work or 4554  
provide materials for the construction project, and has as a 4555  
component, a safety training program that complies with standards 4556  
adopted pursuant to the "Occupational Safety and Health Act of 4557  
1970," 84 Stat. 1590, 29 U.S.C.A. 651, and provides for continuing 4558

management and employee involvement;	4559
(3) Whether granting the privilege to self-insure the	4560
construction project will reduce the costs of the construction	4561
project;	4562
(4) Whether the self-insuring employer has employed an	4563
ombudsperson as required under division (P) of this section;	4564
(5) Whether the self-insuring employer has sufficient surety	4565
to secure the payment of claims for which the self-insuring	4566
employer would be responsible pursuant to the granting of the	4567
privilege to self-insure a construction project under division (O)	4568
of this section.	4569
(R) As used in divisions (O), (P), and (Q), "self-insuring	4570
employer" includes the following employers, whether or not they	4571
have been granted the status of being a self-insuring employer	4572
under division (B) of this section:	4573
(1) A state institution of higher education;	4574
(2) A school district;	4575
(3) A county school financing district;	4576
(4) An educational service center;	4577
(5) A community school established under Chapter 3314. of the	4578
Revised Code.	4579
(S) As used in this section:	4580
(1) "Unvoted debt capacity" means the amount of money that a	4581
public employer may borrow without voter approval of a tax levy;	4582
(2) "State institution of higher education" means the state	4583
universities listed in section 3345.011 of the Revised Code,	4584
community colleges created pursuant to Chapter 3354. of the	4585
Revised Code, university branches created pursuant to Chapter	4586
3355. of the Revised Code, technical colleges created pursuant to	4587

Chapter 3357. of the Revised Code, and state community colleges 4588  
created pursuant to Chapter 3358. of the Revised Code. 4589

**Sec. 4123.351.** (A) The administrator of workers' compensation 4590  
shall require every self-insuring employer to pay a contribution, 4591  
calculated under this section, to the self-insuring employers' 4592  
guaranty fund established pursuant to this section. The fund shall 4593  
provide for payment of compensation and benefits to employees of 4594  
the self-insuring employer in order to cover any default in 4595  
payment by that employer. 4596

(B) The bureau of workers' compensation shall operate the 4597  
self-insuring employers' guaranty fund for self-insuring 4598  
employers. The ~~administrator~~ workers' compensation board of 4599  
directors, based upon recommendations of the workers' compensation 4600  
actuarial committee, annually shall establish the contributions 4601  
due from self-insuring employers for the fund at rates as low as 4602  
possible but such as will assure sufficient moneys to guarantee 4603  
the payment of any claims against the fund. The bureau's operation 4604  
of the fund is not subject to sections 3929.10 to 3929.18 of the 4605  
Revised Code or to regulation by the superintendent of insurance. 4606

(C) If a self-insuring employer defaults, the bureau shall 4607  
recover the amounts paid as a result of the default from the 4608  
self-insuring employers' guaranty fund. If a self-insuring 4609  
employer defaults and is in compliance with this section for the 4610  
payment of contributions to the fund, such self-insuring employer 4611  
is entitled to the immunity conferred by section 4123.74 of the 4612  
Revised Code for any claim arising during any period the employer 4613  
is in compliance with this section. 4614

(D)(1) There is hereby established a self-insuring employers' 4615  
guaranty fund, which shall be in the custody of the treasurer of 4616  
state and which shall be separate from the other funds established 4617  
and administered pursuant to this chapter. The fund shall consist 4618

of contributions and other payments made by self-insuring 4619  
employers under this section. All investment earnings of the fund 4620  
shall be credited to the fund. The bureau shall make disbursements 4621  
from the fund pursuant to this section. 4622

(2) The administrator ~~of workers' compensation~~ has the same 4623  
powers to invest any of the surplus or reserve belonging to the 4624  
fund as are delegated to ~~him~~ the administrator under section 4625  
4123.44 of the Revised Code with respect to the state insurance 4626  
fund. The ~~administrator board~~ shall apply interest earned solely 4627  
to the reduction of assessments for contributions from 4628  
self-insuring employers and to the payments required due to 4629  
defaults. 4630

(3) If the ~~administrator~~ board determines that reinsurance of 4631  
the risks of the fund is necessary to assure solvency of the fund, 4632  
~~he~~ the board may: 4633

(a) Enter into contracts for the purchase of reinsurance 4634  
coverage of the risks of the fund with any company or agency 4635  
authorized by law to issue contracts of reinsurance; 4636

(b) ~~Pay~~ Require the administrator to pay the cost of 4637  
reinsurance from the fund; 4638

(c) Include the costs of reinsurance as a liability and 4639  
estimated liability of the fund. 4640

(E) The administrator, with the advice and consent of the 4641  
~~workers' compensation oversight commission~~ board, may adopt rules 4642  
pursuant to Chapter 119. of the Revised Code for the 4643  
implementation of this section, including a rule, notwithstanding 4644  
division (C) of this section, requiring self-insuring employers to 4645  
provide security in addition to the contribution to the 4646  
self-insuring employers' guaranty fund required by this section. 4647  
The additional security required by the rule, as the administrator 4648  
determines appropriate, shall be sufficient and adequate to 4649

provide for financial assurance to meet the obligations of 4650  
self-insuring employers under this chapter and Chapter 4121. of 4651  
the Revised Code. 4652

(F) The purchase of coverage under this section by 4653  
self-insuring employers is valid notwithstanding the prohibitions 4654  
contained in division (A) of section 4123.82 of the Revised Code 4655  
and is in addition to the indemnity contracts that self-insuring 4656  
employers may purchase pursuant to division (B) of section 4123.82 4657  
of the Revised Code. 4658

(G) The administrator, on behalf of the self-insuring 4659  
employers' guaranty fund, has the rights of reimbursement and 4660  
subrogation and shall collect from a defaulting self-insuring 4661  
employer or other liable person all amounts ~~he~~ the administrator 4662  
has paid or reasonably expects to pay from the fund on account of 4663  
the defaulting self-insuring employer. 4664

(H) The assessments for contributions, the administration of 4665  
the self-insuring employers' guaranty fund, the investment of the 4666  
money in the fund, and the payment of liabilities incurred by the 4667  
fund do not create any liability upon the state. 4668

Except for a gross abuse of discretion, neither the ~~oversight~~ 4669  
~~commission~~ board nor the actuarial committee, nor the individual 4670  
members thereof, nor the administrator shall incur any obligation 4671  
or liability respecting the assessments for contributions, the 4672  
administration of the self-insuring employers' guaranty fund, the 4673  
investment of the fund, or the payment of liabilities therefrom. 4674

**Sec. 4123.37.** In this section "amenable employer" ~~means an~~ 4675  
~~employer subject to~~ has the same meaning as "employer" as defined 4676  
in division (B)(2)(O) of section ~~4123.01~~ 4123.32 of the Revised 4677  
Code. 4678

If the administrator of workers' compensation finds that any 4679

person, firm, or private corporation, including any public service 4680  
corporation, is, or has been at any time after January 1, 1923, an 4681  
amenable employer and has not complied with section 4123.35 of the 4682  
Revised Code the administrator shall determine the period during 4683  
which the person, firm, or corporation was an amenable employer 4684  
and shall forthwith give notice of the determination to the 4685  
employer. Within twenty days thereafter the employer shall furnish 4686  
the bureau with the payroll covering the period included in the 4687  
determination and, if the employer is an amenable employer at the 4688  
time of the determination, shall pay a premium security deposit 4689  
for the eight months next succeeding the date of the determination 4690  
and shall pay into the state insurance fund the amount of premium 4691  
applicable to such payroll. 4692

If the employer does not furnish the payroll and pay the 4693  
applicable premium and premium security deposit within the twenty 4694  
days, the administrator shall forthwith make an assessment of the 4695  
premium due from the employer for the period the administrator 4696  
determined the employer to be an amenable employer including the 4697  
premium security deposit according to section 4123.32 of the 4698  
Revised Code if the employer is an amenable employer at the time 4699  
of the determination, basing the assessment upon the information 4700  
in the possession of the administrator. 4701

The administrator shall give to the employer assessed written 4702  
notice of the assessment. The notice shall be mailed to the 4703  
employer at ~~his~~ the employer's residence or usual place of 4704  
business by certified mail. Unless the employer to whom the notice 4705  
of assessment is directed files with the bureau within twenty days 4706  
after receipt thereof, a petition in writing, verified under oath 4707  
by the employer, or ~~his~~ the employer's authorized agent having 4708  
knowledge of the facts, setting forth with particularity the items 4709  
of the assessment objected to, together with the reason for the 4710  
objections, the assessment shall become conclusive and the amount 4711

thereof shall be due and payable from the employer so assessed to 4712  
the state insurance fund. When a petition objecting to an 4713  
assessment is filed the bureau shall assign a time and place for 4714  
the hearing of the same and shall notify the petitioner thereof by 4715  
certified mail. When an employer files a petition the assessment 4716  
made by the administrator shall become due and payable ten days 4717  
after notice of the finding made at the hearing has been sent by 4718  
certified mail to the party assessed. An appeal may be taken from 4719  
any finding to the court of common pleas of Franklin county upon 4720  
the execution by the party assessed of a bond to the state in 4721  
double the amount found due and ordered paid by the bureau 4722  
conditioned that the party will pay any judgment and costs 4723  
rendered against it for the premium. 4724

When no petition objecting to an assessment is filed or when 4725  
a finding is made affirming or modifying an assessment after 4726  
hearing, a certified copy of the assessment as affirmed or 4727  
modified may be filed by the administrator in the office of the 4728  
clerk of the court of common pleas in any county in which the 4729  
employer has property or in which the employer has a place of 4730  
business. The clerk, immediately upon the filing of the 4731  
assessment, shall enter a judgment for the state against the 4732  
employer in the amount shown on the assessment. The judgment may 4733  
be filed by the clerk in a loose leaf book entitled "special 4734  
judgments for state insurance fund." The judgment shall bear the 4735  
same rate of interest, have the same effect as other judgments, 4736  
and be given the same preference allowed by law on other judgments 4737  
rendered for claims for taxes. An assessment or judgment under 4738  
this section shall not be a bar to the adjustment of the 4739  
employer's account upon the employer furnishing ~~his~~ the employer's 4740  
payroll records to the bureau. 4741

The administrator, for good cause shown, may waive a default 4742  
in the payment of premium where the default is of less than sixty 4743

days' duration, and upon payment by the employer of the premium 4744  
for the period, ~~he~~ the employer and ~~his~~ the employer's employees 4745  
are entitled to all of the benefits and immunities provided by 4746  
this chapter. 4747

**Sec. 4123.38.** Every employer mentioned in division (B)(1) of 4748  
section 4123.01 of the Revised Code, except for boards of county 4749  
hospital trustees that are self-insurers under section 4123.35 of 4750  
the Revised Code, shall contribute to the public insurance fund 4751  
the amount of money ~~determined~~ assessed by the administrator of 4752  
workers' compensation, ~~and the manner of determining contributions~~ 4753  
~~and the classifications of employers is as provided in pursuant to~~ 4754  
sections 4123.39 to 4123.41 and 4123.48 of the Revised Code. 4755

**Sec. 4123.39.** The bureau of workers' compensation board of 4756  
directors, based upon recommendations of the workers' compensation 4757  
actuarial committee, shall determine the total amount of money to 4758  
be contributed by the state and all the counties therein, 4759  
including the taxing districts located within the counties. The 4760  
administrator of workers' compensation shall determine the amount 4761  
of money to be contributed under section 4123.38 of the Revised 4762  
Code by the state itself and each county and each taxing district 4763  
within each county. In fixing the amount of contribution to be 4764  
made by ~~the a~~ a county, ~~for such county~~ and for the taxing districts 4765  
located therein, the administrator shall use the contribution 4766  
rates developed by the board, based upon recommendations of the 4767  
actuarial committee. The board, based upon recommendations of the 4768  
actuarial committee, in developing contribution rates, shall 4769  
classify counties and other taxing districts into such groups as 4770  
will equitably determine the contributions in accordance with the 4771  
relative degree of hazard, and also merit rate such individual 4772  
counties, taxing districts, or groups of taxing districts in 4773  
accordance with their individual accident experience so as 4774

ultimately to provide for each taxing subdivision contributing an 4775  
amount sufficient to meet its individual obligations and to 4776  
maintain a solvent public insurance fund. 4777

The ~~administrator~~ board shall classify hospitals owned by a 4778  
political subdivision or subdivisions as a group and merit rate 4779  
each individual hospital according to its individual accident 4780  
experience as provided in the rules ~~of the administrator~~ board 4781  
adopts based upon recommendations of the actuarial committee. 4782

A children's home or other such public institution, or any 4783  
other public activity maintained and operated by two or more 4784  
counties or parts of counties, shall be considered as a county for 4785  
the purpose of this chapter. 4786

The contribution to the state insurance fund of the state and 4787  
its departments, agencies, and instrumentalities shall be paid 4788  
from appropriations made by the general assembly for that purpose. 4789

The ~~administrator~~ board, based upon recommendations of the 4790  
actuarial committee, shall develop and make available to counties 4791  
and taxing districts and the district activities and institutions 4792  
mentioned in this section a plan that groups, for rating purposes, 4793  
counties, districts, and such activities and institutions of 4794  
similar size and risk, and pools the risks of those counties, 4795  
districts, activities, and institutions within the group. In no 4796  
event shall this be construed as granting to such counties, 4797  
districts, activities, or institutions status as self-insuring 4798  
employers. 4799

**Sec. 4123.40.** On or before the first day of July of every 4800  
year, the administrator of workers' compensation shall estimate 4801  
the gross payroll of all state employers for the succeeding 4802  
biennium or fiscal year. 4803

The bureau of workers' compensation board of directors, based 4804

upon recommendations of the workers' compensation actuarial 4805  
committee and based upon information provided by the 4806  
administrator, shall determine and certify for the office of 4807  
budget and management that rate or rates which when applied to the 4808  
gross payroll estimate will produce an amount equal to the 4809  
estimated cost of awards or payments to be made during the like 4810  
fiscal period, as determined by the ~~administrator~~ board. 4811

The rate certified shall be applied and made a part of the 4812  
gross payroll calculation for the period for which the foregoing 4813  
estimates have been made, in conformity with section 125.21 of the 4814  
Revised Code. The amounts collected shall be remitted to the 4815  
bureau as provided in section 125.21 of the Revised Code. 4816

If the amounts remitted to the bureau for a fiscal period are 4817  
greater or less than actual awards or payments for the like period 4818  
by reason of an error in the prior estimates of gross payroll or 4819  
awards or payments, the overage or shortage shall be included by 4820  
the ~~administrator~~ board in determining the rate for the next 4821  
succeeding fiscal period. 4822

In fixing the amount of contribution to be made by the state 4823  
and each of its departments, agencies, and instrumentalities, the 4824  
~~administrator~~ board, based upon recommendations of the actuarial 4825  
committee, shall classify departments, agencies, and 4826  
instrumentalities into such groups as will equitably determine the 4827  
contributions in accordance with their individual accident 4828  
experience so that the state and its departments, agencies, and 4829  
instrumentalities contribute an amount sufficient to meet 4830  
individual obligations and maintain a solvent public insurance 4831  
fund. 4832

Moneys collected from state employers shall not be used to 4833  
pay compensation or other benefits attributable to service of 4834  
persons as employees of counties or taxing districts therein, nor 4835  
shall moneys collected from counties and taxing districts therein 4836

be used to pay compensation or other benefits attributable to 4837  
service of persons as employees of the state. 4838

**Sec. 4123.41.** (A) By the first day of January of each year, 4839  
the bureau of workers' compensation shall furnish to the county 4840  
auditor of each county and the chief fiscal officer of each taxing 4841  
district in a county and of each district activity and institution 4842  
mentioned in section 4123.39 of the Revised Code forms containing 4843  
the premium rates applicable to the county, district, district 4844  
activity, or institution as an employer, on which to report the 4845  
amount of money expended by the county, district, district 4846  
activity, or institution during the previous twelve calendar 4847  
months for the services of employees under this chapter. 4848

(B) Each county auditor and each fiscal officer of a 4849  
district, district activity, and institution shall calculate on 4850  
the form it receives from the bureau under division (A) of this 4851  
section the premium due as its proper contribution to the public 4852  
insurance fund and issue a warrant in favor of the bureau for the 4853  
amount due from the county, district, district activity, or 4854  
institution to the public insurance fund according to the 4855  
following schedule: 4856

(1) On or before the fifteenth day of May of each year, no 4857  
less than forty-five per cent of the amount due; 4858

(2) On or before the first day of September of each year, no 4859  
less than the total amount due. 4860

The legislative body of any county, district, district 4861  
activity, or institution may reimburse the fund from which the 4862  
contribution is made by transferring to the fund from any other 4863  
fund of the county, district, district activity, or institution, 4864  
the proportionate amount of the contribution that should be 4865  
chargeable to the fund, whether the fund is derived from taxation 4866  
or otherwise. The proportionate amount of the contribution 4867

chargeable to the fund may be based on payroll, relative exposure, 4868  
relative loss experience, or any combination of these factors, as 4869  
determined by the legislative body. Within sixty days before a 4870  
legislative body changes the method used for calculating the 4871  
proportionate amount of the contribution chargeable to the fund, 4872  
it shall notify, consult with, and give information supporting the 4873  
change to any elected official affected by the change. A transfer 4874  
made pursuant to division (B)(2) of this section is not subject to 4875  
section 5705.16 of the Revised Code. 4876

(C) The bureau may investigate the correctness of the 4877  
information provided by the county auditor and chief fiscal 4878  
officer under division (B) of this section, and if the bureau 4879  
determines at any time that the county, district, district 4880  
activity, or institution has not reported the correct information, 4881  
the administrator of workers' compensation may make deductions or 4882  
additions as the facts warrant and take those facts into 4883  
consideration in determining the current or future contributions 4884  
to be made by the county, district, district activity, or 4885  
institution. If the county, district, district activity, or 4886  
institution does not furnish the report in the time required by 4887  
this section, the administrator may fix the amount of contribution 4888  
the county, district, district activity, or institution must make 4889  
and certify that amount for payment. 4890

(D) The administrator shall provide a discount to any county, 4891  
district, district activity, or institution that pays its total 4892  
amount due to the public insurance fund on or before the fifteenth 4893  
day of May of each year as its proper contribution for premiums. 4894  
The ~~administrator~~ bureau of workers' compensation board of 4895  
directors, based upon recommendations of the workers' compensation 4896  
actuarial committee, shall ~~base~~ determine the discount provided 4897  
under this division ~~on~~ based upon the savings generated by the 4898  
early payment to the public insurance fund. The administrator may 4899

provide the discount through a refund to the county, district, 4900  
district activity, or institution or an offset against the future 4901  
contributions due to the public insurance fund from the county, 4902  
district, district activity, or institution. 4903

(E) The administrator may impose an interest penalty for late 4904  
payment of any amount due from a county, district, district 4905  
activity, and institution at the interest rate established by the 4906  
state tax commissioner pursuant to section 5703.47 of the Revised 4907  
Code. 4908

**Sec. 4123.411.** (A) For the purpose of carrying out sections 4909  
4123.412 to 4123.418 of the Revised Code, the ~~administrator bureau~~ 4910  
of workers' compensation board of directors, ~~with the advice and~~ 4911  
~~consent based upon recommendations~~ of the workers' compensation 4912  
~~oversight commission~~ actuarial committee, shall levy an assessment 4913  
against all employers at a rate, of at least five but not to 4914  
exceed ten cents per one hundred dollars of payroll, such rate to 4915  
be determined annually for each employer group listed in divisions 4916  
(A)(1) to (3) of this section, which will produce an amount no 4917  
greater than the amount the ~~administrator board~~, based upon 4918  
recommendations of the actuarial committee, estimates to be 4919  
necessary to carry out such sections for the period for which the 4920  
assessment is levied. In the event the amount produced by the 4921  
assessment is not sufficient to carry out such sections the 4922  
additional amount necessary shall be provided from the income 4923  
produced as a result of investments made pursuant to section 4924  
4123.44 of the Revised Code. 4925

Assessments shall be levied according to the following 4926  
schedule: 4927

(1) Private fund employers, except self-insuring 4928  
employers--in January and July of each year upon gross payrolls of 4929  
the preceding six months; 4930

(2) Counties and taxing district employers therein, except 4931  
county hospitals that are self-insuring employers--in January of 4932  
each year upon gross payrolls of the preceding twelve months; 4933

(3) The state as an employer--in January, April, July, and 4934  
October of each year upon gross payrolls of the preceding three 4935  
months. 4936

Amounts assessed in accordance with this section shall be 4937  
collected from each employer as prescribed in rules the 4938  
administrator adopts. 4939

The moneys derived from the assessment provided for in this 4940  
section shall be credited to the disabled workers' relief fund 4941  
created by section 4123.412 of the Revised Code. The ~~administrator~~ 4942  
board, based upon recommendations of the actuarial committee, 4943  
shall establish by rule classifications of employers within 4944  
divisions (A)(1) to (3) of this section and shall determine rates 4945  
for each class so as to fairly apportion the costs of carrying out 4946  
sections 4123.412 to 4123.418 of the Revised Code. 4947

(B) For all injuries and disabilities occurring on or after 4948  
January 1, 1987, the ~~administrator~~ board, for the purposes of 4949  
carrying out sections 4123.412 to 4123.418 of the Revised Code, 4950  
shall levy an assessment against all employers at a rate per one 4951  
hundred dollars of payroll, such rate to be determined annually 4952  
for each classification of employer in each employer group listed 4953  
in divisions (A)(1) to (3) of this section, which will produce an 4954  
amount no greater than the amount the ~~administrator~~ board, based 4955  
upon recommendations of the actuarial committee, estimates to be 4956  
necessary to carry out such sections for the period for which the 4957  
assessment is levied. The board, based upon recommendations of the 4958  
actuarial committee, annually shall establish the contributions 4959  
due from employers for the disabled workers' relief fund at rates 4960  
as low as possible but that will assure sufficient moneys to 4961  
guarantee the payment of any claims against that fund. 4962

Amounts assessed in accordance with this division shall be 4963  
billed at the same time premiums are billed and credited to the 4964  
disabled workers' relief fund created by section 4123.412 of the 4965  
Revised Code. The ~~administrator~~ board, based upon recommendations 4966  
of the actuarial committee, shall determine the rates for each 4967  
class in the same manner as ~~he~~ the board fixes the rates for 4968  
premiums pursuant to section 4123.29 of the Revised Code. 4969

(C) For a self-insuring employer, the bureau of workers' 4970  
compensation shall pay to employees who are participants 4971  
regardless of the date of injury, any amounts due to the 4972  
participants under section 4123.414 of the Revised Code and shall 4973  
bill the self-insuring employer, semiannually, for all amounts 4974  
paid to a participant. 4975

**Sec. 4123.419.** The assessment rate established pursuant to 4976  
section 4123.411 of the Revised Code, subject to the limits set 4977  
forth in that section, shall be adequate to provide the amounts 4978  
estimated as necessary by the ~~administrator~~ bureau of workers' 4979  
compensation board of directors, based upon recommendations of the 4980  
workers' compensation actuarial committee, to carry out the 4981  
provisions of sections 4123.412 to 4123.418 of the Revised Code, 4982  
and in addition to provide moneys to reimburse the general revenue 4983  
fund for moneys appropriated by Section 2 of H.B. No. 1131 of the 4984  
103rd general assembly or by the 104th and succeeding general 4985  
assemblies for disabled workers' relief. When the additional 4986  
moneys are available in whole or part for the purpose of making 4987  
the reimbursement, the director of budget and management shall 4988  
certify the amount to the bureau of workers' compensation which 4989  
shall thereupon cause the moneys to be paid to the general revenue 4990  
fund from the disabled workers' relief fund except that any 4991  
amounts due because of the state's obligation as an employer 4992  
pursuant to section 4123.411 of the Revised Code and not paid to 4993  
the disabled workers' relief fund shall be deducted from any such 4994

reimbursement. 4995

**Sec. 4123.44.** The voting members of the bureau of workers' 4996  
compensation oversight commission board of directors, the 4997  
administrator of workers' compensation, and the bureau of workers' 4998  
compensation chief investment officer are the trustees of the 4999  
state insurance fund. The administrator ~~of workers' compensation~~, 5000  
in accordance with sections 4121.126 and 4121.127 of the Revised 5001  
Code and the investment ~~objectives, policies, and criteria~~ 5002  
established policy approved by the ~~workers' compensation oversight~~ 5003  
~~commission~~ board pursuant to section 4121.12 of the Revised Code, 5004  
and in consultation with the bureau of workers' compensation chief 5005  
investment officer, may invest any of the surplus or reserve 5006  
belonging to the state insurance fund. The administrator and the 5007  
bureau of workers' compensation chief investment officer shall not 5008  
deviate from the investment policy approved by the board without 5009  
the approval of the workers' compensation investment committee and 5010  
the board. 5011

The administrator shall not invest in any type of investment 5012  
specified in divisions ~~(G)(6)(a)(B)(1)~~ to ~~(j)(10)~~ of section 5013  
~~4121.12~~ 4123.442 of the Revised Code. 5014

The administrator and other fiduciaries shall discharge their 5015  
duties with respect to the funds with the care, skill, prudence, 5016  
and diligence under the circumstances then prevailing that a 5017  
prudent person acting in a like capacity and familiar with such 5018  
matters would use in the conduct of an enterprise of a like 5019  
character and with like aims, and by diversifying the investments 5020  
of the assets of the funds so as to minimize the risk of large 5021  
losses, unless under the circumstances it is clearly prudent not 5022  
to do so. 5023

To facilitate investment of the funds, the administrator may 5024  
establish a partnership, trust, limited liability company, 5025

corporation, including a corporation exempt from taxation under 5026  
the Internal Revenue Code, 100 Stat. 2085, 26 U.S.C. 1, as 5027  
amended, or any other legal entity authorized to transact business 5028  
in this state. 5029

When reporting on the performance of investments, the 5030  
administrator shall comply with the performance presentation 5031  
standards established by the association for investment management 5032  
and research. 5033

All investments shall be purchased at current market prices 5034  
and the evidences of title to the investments shall be placed in 5035  
the custody of the treasurer of state, who is hereby designated as 5036  
custodian, or in the custody of the treasurer of state's 5037  
authorized agent. Evidences of title of the investments so 5038  
purchased may be deposited by the treasurer of state for 5039  
safekeeping with an authorized agent selected by the treasurer of 5040  
state who is a qualified trustee under section 135.18 of the 5041  
Revised Code. The treasurer of state or the agent shall collect 5042  
the principal, dividends, distributions, and interest as they 5043  
become due and payable and place them when collected into the 5044  
state insurance fund. 5045

The treasurer of state shall pay for investments purchased by 5046  
the administrator on receipt of written or electronic instructions 5047  
from the administrator or the administrator's designated agent 5048  
authorizing the purchase, and pending receipt of the evidence of 5049  
title of the investment by the treasurer of state or the treasurer 5050  
of state's authorized agent. The administrator may sell 5051  
investments held by the administrator, and the treasurer of state 5052  
or the treasurer of state's authorized agent shall accept payment 5053  
from the purchaser and deliver evidence of title of the investment 5054  
to the purchaser, on receipt of written or electronic instructions 5055  
from the administrator or the administrator's designated agent 5056  
authorizing the sale, and pending receipt of the moneys for the 5057

investments. The amount received shall be placed in the state 5058  
insurance fund. The administrator and the treasurer of state may 5059  
enter into agreements to establish procedures for the purchase and 5060  
sale of investments under this division and the custody of the 5061  
investments. 5062

No purchase or sale of any investment shall be made under 5063  
this section, except as authorized by the administrator. 5064

Any statement of financial position distributed by the 5065  
administrator shall include the fair value, as of the statement 5066  
date, of all investments held by the administrator under this 5067  
section. 5068

When in the judgment of the administrator it is necessary to 5069  
provide available funds for the payment of compensation or 5070  
benefits under this chapter, the administrator may borrow money 5071  
from any available source and pledge as security a sufficient 5072  
amount of bonds or other securities in which the state insurance 5073  
fund is invested. The aggregate unpaid amount of loans existing at 5074  
any one time for money so borrowed shall not exceed ten million 5075  
dollars. The bonds or other securities so pledged as security for 5076  
such loans to the administrator shall be the sole security for the 5077  
payment of the principal and interest of any such loan. The 5078  
administrator shall not be personally liable for the payment of 5079  
the principal or the interest of any such loan. No such loan shall 5080  
be made for a longer period of time than one year. Such loans may 5081  
be renewed but no one renewal shall be for a period in excess of 5082  
one year. Such loans shall bear such rate of interest as the 5083  
administrator determines and in negotiating the loans, the 5084  
administrator shall endeavor to secure as favorable interest rates 5085  
and terms as circumstances will permit. 5086

The treasurer of state may deliver to the person or 5087  
governmental agency making such loan, the bonds or other 5088  
securities which are to be pledged by the administrator as 5089

security for such loan, upon receipt by the treasurer of state of 5090  
an order of the administrator authorizing such loan. Upon payment 5091  
of any such loan by the administrator, the bonds or other 5092  
securities pledged as security therefor shall be returned to the 5093  
treasurer of state as custodian of such bonds. 5094

The administrator may pledge with the treasurer of state such 5095  
amount of bonds or other securities in which the state insurance 5096  
fund is invested as is reasonably necessary as security for any 5097  
certificates issued, or paid out, by the treasurer of state upon 5098  
any warrants drawn by the administrator. 5099

The administrator may secure investment information services, 5100  
consulting services, and other like services to facilitate 5101  
investment of the surplus and reserve belonging to the state 5102  
insurance fund. The administrator shall pay the expense of 5103  
securing such services from the state insurance fund. 5104

**Sec. 4123.441.** (A) The ~~bureau~~ administrator of workers' 5105  
compensation, with the advice and consent of the bureau of 5106  
workers' compensation ~~oversight commission~~ board of directors 5107  
shall employ a person or designate an employee of the bureau of 5108  
workers' compensation who is designated as a chartered financial 5109  
analyst by the CFA institute and who is licensed by the division 5110  
of securities in the department of commerce as a bureau of 5111  
workers' compensation chief investment officer to be the chief 5112  
investment officer for the bureau of workers' compensation. After 5113  
ninety days after ~~the effective date of this section~~ September 29, 5114  
2005, the bureau of workers' compensation may not employ a bureau 5115  
of workers' compensation chief investment officer, as defined in 5116  
section 1707.01 of the Revised Code, who does not hold a valid 5117  
bureau of workers' compensation chief investment officer license 5118  
issued by the division of securities in the department of 5119  
commerce. The ~~oversight commission~~ board shall notify the division 5120

of securities of the department of commerce in writing of its 5121  
designation and of any change in its designation within ten 5122  
calendar days after the designation or change. 5123

(B) The bureau of workers' compensation chief investment 5124  
officer shall reasonably supervise employees of the bureau who 5125  
handle investment of assets of funds specified in this chapter and 5126  
Chapters 4121., 4127., and 4131. of the Revised Code with a view 5127  
toward preventing violations of Chapter 1707. of the Revised Code, 5128  
the "Commodity Exchange Act," 42 Stat. 998, 7 U.S.C. 1, the 5129  
"Securities Act of 1933," 48 Stat. 74, 15 U.S.C. 77a, the 5130  
"Securities Exchange Act of 1934," 48 Stat. 881, 15 U.S.C. 78a, 5131  
and the rules and regulations adopted under those statutes. This 5132  
duty of reasonable supervision shall include the adoption, 5133  
implementation, and enforcement of written policies and procedures 5134  
reasonably designed to prevent employees of the bureau who handle 5135  
investment of assets of the funds specified in this chapter and 5136  
Chapters 4121., 4127., and 4131. of the Revised Code, from 5137  
misusing material, nonpublic information in violation of those 5138  
laws, rules, and regulations. 5139

For purposes of this division, no bureau of workers' 5140  
compensation chief investment officer shall be considered to have 5141  
failed to satisfy the officer's duty of reasonable supervision if 5142  
the officer has done all of the following: 5143

(1) Adopted and implemented written procedures, and a system 5144  
for applying the procedures, that would reasonably be expected to 5145  
prevent and detect, insofar as practicable, any violation by 5146  
employees handling investments of assets of the funds specified in 5147  
this chapter and Chapters 4121., 4127., and 4131. of the Revised 5148  
Code; 5149

(2) Reasonably discharged the duties and obligations 5150  
incumbent on the bureau of workers' compensation chief investment 5151  
officer by reason of the established procedures and the system for 5152

applying the procedures when the officer had no reasonable cause 5153  
to believe that there was a failure to comply with the procedures 5154  
and systems; 5155

(3) Reviewed, at least annually, the adequacy of the policies 5156  
and procedures established pursuant to this section and the 5157  
effectiveness of their implementation. 5158

(C) The bureau of workers' compensation chief investment 5159  
officer shall establish and maintain a policy to monitor and 5160  
evaluate the effectiveness of securities transactions executed on 5161  
behalf of the bureau. 5162

Sec. 4123.442. When developing the investment policy for the 5163  
investment of the assets of the funds specified in this chapter 5164  
and Chapters 4121., 4127., and 4131. of the Revised Code, the 5165  
workers' compensation investment committee shall do all of the 5166  
following: 5167

(A) Specify the asset allocation targets and ranges, risk 5168  
factors, asset class benchmarks, time horizons, total return 5169  
objectives, and performance evaluation guidelines; 5170

(B) Prohibit investing the assets of those funds, directly or 5171  
indirectly, in vehicles that target any of the following: 5172

(1) Coins; 5173

(2) Artwork; 5174

(3) Horses; 5175

(4) Jewelry or gems; 5176

(5) Stamps; 5177

(6) Antiques; 5178

(7) Artifacts; 5179

(8) Collectibles; 5180

<u>(9) Memorabilia;</u>	5181
<u>(10) Similar unregulated investments that are not commonly part of an institutional portfolio, that lack liquidity, and that lack readily determinable valuation.</u>	5182 5183 5184
<u>(C) Specify that the administrator of workers' compensation may invest in an investment class only if the bureau of workers' compensation board of directors, by a majority vote, opens that class;</u>	5185 5186 5187 5188
<u>(D) Prohibit investing the assets of those funds in any class of investments the board, by majority vote, closed, or any specific investment in which the board prohibits the administrator from investing;</u>	5189 5190 5191 5192
<u>(E) Not specify in the investment policy that the administrator or employees of the bureau of workers' compensation are prohibited from conducting business with an investment management firm, any investment management professional associated with that firm, any third party solicitor associated with that firm, or any political action committee controlled by that firm or controlled by an investment management professional of that firm based on criteria that are more restrictive than the restrictions described in divisions (Y) and (Z) of section 3517.13 of the Revised Code.</u>	5193 5194 5195 5196 5197 5198 5199 5200 5201 5202
<b>Sec. 4123.47.</b> (A) The administrator of workers' compensation shall have actuarial audits of the state insurance fund and all other funds specified in this chapter and Chapters 4121., 4127., and 4131. of the Revised Code made at least once each year. The audits shall be made and certified by recognized insurance actuaries who shall be selected <del>as the administrator determines by</del> <u>the bureau of workers' compensation board of directors</u> . The audits shall cover the premium rates, classifications, and all other matters involving the administration of the state insurance fund	5203 5204 5205 5206 5207 5208 5209 5210 5211

and all other funds specified in this chapter and Chapters 4121., 5212  
4127., and 4131. of the Revised Code. The expense of the audits 5213  
shall be paid from the state insurance fund. The administrator 5214  
shall make copies of the audits available to the workers' 5215  
compensation audit committee at no charge and to the public at 5216  
cost. 5217

(B) The auditor of state annually shall conduct an audit of 5218  
the administration of this chapter by the industrial commission 5219  
and the bureau of workers' compensation and the safety and hygiene 5220  
fund. The cost of the audit shall be charged to the administrative 5221  
costs of the bureau as defined in section 4123.341 of the Revised 5222  
Code. The audit shall include audits of all fiscal activities, 5223  
claims processing and handling, and employer premium collections. 5224  
The auditor shall prepare a report of the audit together with 5225  
recommendations and transmit copies of the report to the 5226  
industrial commission, ~~the workers' compensation oversight~~ 5227  
~~commission~~ board, the administrator, the governor, and to the 5228  
general assembly. The auditor shall make copies of the report 5229  
available to the public at cost. 5230

~~(C) The administrator may retain the services of a recognized 5231  
actuary on a consulting basis for the purpose of evaluating the 5232  
actuarial soundness of premium rates and classifications and all 5233  
other matters involving the administration of the state insurance 5234  
fund. The expense of services provided by the actuary shall be 5235  
paid from the state insurance fund. 5236~~

**Sec. 4123.50.** (A) Each member of a firm, and the president, 5237  
secretary, general manager, or managing agent of each private 5238  
corporation, including any public service corporation mentioned in 5239  
section 4123.01 of the Revised Code or publicly owned utility, 5240  
shall cause the firm or corporation to comply with section 4123.35 5241  
of the Revised Code and, for self-insuring employers, to comply 5242

with the assessment based upon paid compensation provisions of 5243  
this chapter and Chapter 4121. of the Revised Code. No person 5244  
mentioned in section 4123.01 of the Revised Code and no member of 5245  
the firms and no officer of the corporations or publicly owned 5246  
utilities referred to in this section shall fail to comply with 5247  
section 4123.35 of the Revised Code and, for self-insuring 5248  
employers, to comply with the assessment based upon paid 5249  
compensation provisions of this chapter and Chapter 4121. of the 5250  
Revised Code. All fines collected for a violation of this section 5251  
shall be paid to the general fund of the political subdivision 5252  
where the case is prosecuted. 5253

(B) The administrator of workers' compensation, with the 5254  
advice and consent of the bureau of workers' compensation 5255  
~~oversight commission~~ board of directors, shall adopt rules 5256  
governing treatment of employers found in violation of division 5257  
(A) of this section. The rules shall cover enforcement and 5258  
prosecution procedures and methods and grounds for settlement of 5259  
liability of a noncomplying employer. 5260

**Sec. 4123.511.** (A) Within seven days after receipt of any 5261  
claim under this chapter, the bureau of workers' compensation 5262  
shall notify the claimant and the employer of the claimant of the 5263  
receipt of the claim and of the facts alleged therein. If the 5264  
bureau receives from a person other than the claimant written or 5265  
facsimile information or information communicated verbally over 5266  
the telephone indicating that an injury or occupational disease 5267  
has occurred or been contracted which may be compensable under 5268  
this chapter, the bureau shall notify the employee and the 5269  
employer of the information. If the information is provided 5270  
verbally over the telephone, the person providing the information 5271  
shall provide written verification of the information to the 5272  
bureau according to division (E) of section 4123.84 of the Revised 5273  
Code. The receipt of the information in writing or facsimile, or 5274

if initially by telephone, the subsequent written verification, 5275  
and the notice by the bureau shall be considered an application 5276  
for compensation under section 4123.84 or 4123.85 of the Revised 5277  
Code, provided that the conditions of division (E) of section 5278  
4123.84 of the Revised Code apply to information provided verbally 5279  
over the telephone. Upon receipt of a claim, the bureau shall 5280  
advise the claimant of the claim number assigned and the 5281  
claimant's right to representation in the processing of a claim or 5282  
to elect no representation. If the bureau determines that a claim 5283  
is determined to be a compensable lost-time claim, the bureau 5284  
shall notify the claimant and the employer of the availability of 5285  
rehabilitation services. No bureau or industrial commission 5286  
employee shall directly or indirectly convey any information in 5287  
derogation of this right. This section shall in no way abrogate 5288  
the bureau's responsibility to aid and assist a claimant in the 5289  
filing of a claim and to advise the claimant of the claimant's 5290  
rights under the law. 5291

The administrator of workers' compensation shall assign all 5292  
claims and investigations to the bureau service office from which 5293  
investigation and determination may be made most expeditiously. 5294

The bureau shall investigate the facts concerning an injury 5295  
or occupational disease and ascertain such facts in whatever 5296  
manner is most appropriate and may obtain statements of the 5297  
employee, employer, attending physician, and witnesses in whatever 5298  
manner is most appropriate. 5299

The administrator ~~of workers' compensation~~, with the advice 5300  
and consent of the bureau of workers' compensation oversight 5301  
~~commission~~ board of directors, may adopt rules that identify 5302  
specified medical conditions that have a historical record of 5303  
being allowed whenever included in a claim. The administrator may 5304  
grant immediate allowance of any medical condition identified in 5305  
those rules upon the filing of a claim involving that medical 5306

condition and may make immediate payment of medical bills for any 5307  
medical condition identified in those rules that is included in a 5308  
claim. If an employer contests the allowance of a claim involving 5309  
any medical condition identified in those rules, and the claim is 5310  
disallowed, payment for the medical condition included in that 5311  
claim shall be charged to and paid from the surplus fund created 5312  
under section 4123.34 of the Revised Code. 5313

(B)(1) Except as provided in division (B)(2) of this section, 5314  
in claims other than those in which the employer is a 5315  
self-insuring employer, if the administrator determines under 5316  
division (A) of this section that a claimant is or is not entitled 5317  
to an award of compensation or benefits, the administrator shall 5318  
issue an order no later than twenty-eight days after the sending 5319  
of the notice under division (A) of this section, granting or 5320  
denying the payment of the compensation or benefits, or both as is 5321  
appropriate to the claimant. Notwithstanding the time limitation 5322  
specified in this division for the issuance of an order, if a 5323  
medical examination of the claimant is required by statute, the 5324  
administrator promptly shall schedule the claimant for that 5325  
examination and shall issue an order no later than twenty-eight 5326  
days after receipt of the report of the examination. The 5327  
administrator shall notify the claimant and the employer of the 5328  
claimant and their respective representatives in writing of the 5329  
nature of the order and the amounts of compensation and benefit 5330  
payments involved. The employer or claimant may appeal the order 5331  
pursuant to division (C) of this section within fourteen days 5332  
after the date of the receipt of the order. The employer and 5333  
claimant may waive, in writing, their rights to an appeal under 5334  
this division. 5335

(2) Notwithstanding the time limitation specified in division 5336  
(B)(1) of this section for the issuance of an order, if the 5337  
employer certifies a claim for payment of compensation or 5338

benefits, or both, to a claimant, and the administrator has 5339  
completed the investigation of the claim, the payment of benefits 5340  
or compensation, or both, as is appropriate, shall commence upon 5341  
the later of the date of the certification or completion of the 5342  
investigation and issuance of the order by the administrator, 5343  
provided that the administrator shall issue the order no later 5344  
than the time limitation specified in division (B)(1) of this 5345  
section. 5346

(3) If an appeal is made under division (B)(1) or (2) of this 5347  
section, the administrator shall forward the claim file to the 5348  
appropriate district hearing officer within seven days of the 5349  
appeal. In contested claims other than state fund claims, the 5350  
administrator shall forward the claim within seven days of the 5351  
administrator's receipt of the claim to the industrial commission, 5352  
which shall refer the claim to an appropriate district hearing 5353  
officer for a hearing in accordance with division (C) of this 5354  
section. 5355

(C) If an employer or claimant timely appeals the order of 5356  
the administrator issued under division (B) of this section or in 5357  
the case of other contested claims other than state fund claims, 5358  
the commission shall refer the claim to an appropriate district 5359  
hearing officer according to rules the commission adopts under 5360  
section 4121.36 of the Revised Code. The district hearing officer 5361  
shall notify the parties and their respective representatives of 5362  
the time and place of the hearing. 5363

The district hearing officer shall hold a hearing on a 5364  
disputed issue or claim within forty-five days after the filing of 5365  
the appeal under this division and issue a decision within seven 5366  
days after holding the hearing. The district hearing officer shall 5367  
notify the parties and their respective representatives in writing 5368  
of the order. Any party may appeal an order issued under this 5369  
division pursuant to division (D) of this section within fourteen 5370

days after receipt of the order under this division. 5371

(D) Upon the timely filing of an appeal of the order of the 5372  
district hearing officer issued under division (C) of this 5373  
section, the commission shall refer the claim file to an 5374  
appropriate staff hearing officer according to its rules adopted 5375  
under section 4121.36 of the Revised Code. The staff hearing 5376  
officer shall hold a hearing within forty-five days after the 5377  
filing of an appeal under this division and issue a decision 5378  
within seven days after holding the hearing under this division. 5379  
The staff hearing officer shall notify the parties and their 5380  
respective representatives in writing of the staff hearing 5381  
officer's order. Any party may appeal an order issued under this 5382  
division pursuant to division (E) of this section within fourteen 5383  
days after receipt of the order under this division. 5384

(E) Upon the filing of a timely appeal of the order of the 5385  
staff hearing officer issued under division (D) of this section, 5386  
the commission or a designated staff hearing officer, on behalf of 5387  
the commission, shall determine whether the commission will hear 5388  
the appeal. If the commission or the designated staff hearing 5389  
officer decides to hear the appeal, the commission or the 5390  
designated staff hearing officer shall notify the parties and 5391  
their respective representatives in writing of the time and place 5392  
of the hearing. The commission shall hold the hearing within 5393  
forty-five days after the filing of the notice of appeal and, 5394  
within seven days after the conclusion of the hearing, the 5395  
commission shall issue its order affirming, modifying, or 5396  
reversing the order issued under division (D) of this section. The 5397  
commission shall notify the parties and their respective 5398  
representatives in writing of the order. If the commission or the 5399  
designated staff hearing officer determines not to hear the 5400  
appeal, within fourteen days after the filing of the notice of 5401  
appeal, the commission or the designated staff hearing officer 5402

shall issue an order to that effect and notify the parties and 5403  
their respective representatives in writing of that order. 5404

Except as otherwise provided in this chapter and Chapters 5405  
4121., 4127., and 4131. of the Revised Code, any party may appeal 5406  
an order issued under this division to the court pursuant to 5407  
section 4123.512 of the Revised Code within sixty days after 5408  
receipt of the order, subject to the limitations contained in that 5409  
section. 5410

(F) Every notice of an appeal from an order issued under 5411  
divisions (B), (C), (D), and (E) of this section shall state the 5412  
names of the claimant and employer, the number of the claim, the 5413  
date of the decision appealed from, and the fact that the 5414  
appellant appeals therefrom. 5415

(G) All of the following apply to the proceedings under 5416  
divisions (C), (D), and (E) of this section: 5417

(1) The parties shall proceed promptly and without 5418  
continuances except for good cause; 5419

(2) The parties, in good faith, shall engage in the free 5420  
exchange of information relevant to the claim prior to the conduct 5421  
of a hearing according to the rules the commission adopts under 5422  
section 4121.36 of the Revised Code; 5423

(3) The administrator is a party and may appear and 5424  
participate at all administrative proceedings on behalf of the 5425  
state insurance fund. However, in cases in which the employer is 5426  
represented, the administrator shall neither present arguments nor 5427  
introduce testimony that is cumulative to that presented or 5428  
introduced by the employer or the employer's representative. The 5429  
administrator may file an appeal under this section on behalf of 5430  
the state insurance fund; however, except in cases arising under 5431  
section 4123.343 of the Revised Code, the administrator only may 5432  
appeal questions of law or issues of fraud when the employer 5433

appears in person or by representative. 5434

(H) Except as provided in section 4121.63 of the Revised Code 5435  
and division (J) of this section, payments of compensation to a 5436  
claimant or on behalf of a claimant as a result of any order 5437  
issued under this chapter shall commence upon the earlier of the 5438  
following: 5439

(1) Fourteen days after the date the administrator issues an 5440  
order under division (B) of this section, unless that order is 5441  
appealed; 5442

(2) The date when the employer has waived the right to appeal 5443  
a decision issued under division (B) of this section; 5444

(3) If no appeal of an order has been filed under this 5445  
section or to a court under section 4123.512 of the Revised Code, 5446  
the expiration of the time limitations for the filing of an appeal 5447  
of an order; 5448

(4) The date of receipt by the employer of an order of a 5449  
district hearing officer, a staff hearing officer, or the 5450  
industrial commission issued under division (C), (D), or (E) of 5451  
this section. 5452

The administrator immediately shall charge the compensation 5453  
payments to an employer's experience upon payment of that 5454  
compensation, subject to the adjustment specified in division (H) 5455  
of section 4123.512 of the Revised Code. 5456

(I) ~~No~~ Payments of medical benefits payable under this 5457  
chapter or Chapter 4121., 4127., or 4131. of the Revised Code ~~are~~ 5458  
~~payable until~~ shall commence upon the earlier of the following: 5459

(1) The date of the issuance of the staff hearing officer's 5460  
order under division (D) of this section; 5461

(2) The date of the final administrative or judicial 5462  
determination. 5463

The administrator immediately shall charge the medical benefit payments to an employer's experience upon payment of those medical benefits, subject to the adjustment specified in division (H) of section 4123.512 of the Revised Code.

(J) Upon the final administrative or judicial determination under this section or section 4123.512 of the Revised Code of an appeal of an order to pay compensation, if a claimant is found to have received compensation pursuant to a prior order which is reversed upon subsequent appeal, the claimant's employer, if a self-insuring employer, or the bureau, shall withhold from any amount to which the claimant becomes entitled pursuant to any claim, past, present, or future, under Chapter 4121., 4123., 4127., or 4131. of the Revised Code, the amount of previously paid compensation to the claimant which, due to reversal upon appeal, the claimant is not entitled, pursuant to the following criteria:

(1) No withholding for the first twelve weeks of temporary total disability compensation pursuant to section 4123.56 of the Revised Code shall be made;

(2) Forty per cent of all awards of compensation paid pursuant to sections 4123.56 and 4123.57 of the Revised Code, until the amount overpaid is refunded;

(3) Twenty-five per cent of any compensation paid pursuant to section 4123.58 of the Revised Code until the amount overpaid is refunded;

(4) If, pursuant to an appeal under section 4123.512 of the Revised Code, the court of appeals or the supreme court reverses the allowance of the claim, then no amount of any compensation will be withheld.

The administrator and self-insuring employers, as appropriate, are subject to the repayment schedule of this division only with respect to an order to pay compensation that

was properly paid under a previous order, but which is 5495  
subsequently reversed upon an administrative or judicial appeal. 5496  
The administrator and self-insuring employers are not subject to, 5497  
but may utilize, the repayment schedule of this division, or any 5498  
other lawful means, to collect payment of compensation made to a 5499  
person who was not entitled to the compensation due to fraud as 5500  
determined by the administrator or the industrial commission. 5501

(K) If a staff hearing officer or the commission fails to 5502  
issue a decision or the commission fails to refuse to hear an 5503  
appeal within the time periods required by this section, payments 5504  
to a claimant shall cease until the staff hearing officer or 5505  
commission issues a decision or hears the appeal, unless the 5506  
failure was due to the fault or neglect of the employer or the 5507  
employer agrees that the payments should continue for a longer 5508  
period of time. 5509

(L) Except as otherwise provided in this section or section 5510  
4123.522 of the Revised Code, no appeal is timely filed under this 5511  
section unless the appeal is filed with the time limits set forth 5512  
in this section. 5513

(M) No person who is not an employee of the bureau or 5514  
commission or who is not by law given access to the contents of a 5515  
claims file shall have a file in the person's possession. 5516

(N) Upon application of a party who resides in an area in 5517  
which an emergency or disaster is declared, the industrial 5518  
commission and hearing officers of the commission may waive the 5519  
time frame within which claims and appeals of claims set forth in 5520  
this section must be filed upon a finding that the applicant was 5521  
unable to comply with a filing deadline due to an emergency or a 5522  
disaster. 5523

As used in this division: 5524

(1) "Emergency" means any occasion or instance for which the 5525

governor of Ohio or the president of the United States publicly 5526  
declares an emergency and orders state or federal assistance to 5527  
save lives and protect property, the public health and safety, or 5528  
to lessen or avert the threat of a catastrophe. 5529

(2) "Disaster" means any natural catastrophe or fire, flood, 5530  
or explosion, regardless of the cause, that causes damage of 5531  
sufficient magnitude that the governor of Ohio or the president of 5532  
the United States, through a public declaration, orders state or 5533  
federal assistance to alleviate damage, loss, hardship, or 5534  
suffering that results from the occurrence. 5535

**Sec. 4123.512.** (A) The claimant or the employer may appeal an 5536  
order of the industrial commission made under division (E) of 5537  
section 4123.511 of the Revised Code in any injury or occupational 5538  
disease case, other than a decision as to the extent of disability 5539  
to the court of common pleas of the county in which the injury was 5540  
inflicted or in which the contract of employment was made if the 5541  
injury occurred outside the state, or in which the contract of 5542  
employment was made if the exposure occurred outside the state. If 5543  
no common pleas court has jurisdiction for the purposes of an 5544  
appeal by the use of the jurisdictional requirements described in 5545  
this division, the appellant may use the venue provisions in the 5546  
Rules of Civil Procedure to vest jurisdiction in a court. If the 5547  
claim is for an occupational disease, the appeal shall be to the 5548  
court of common pleas of the county in which the exposure which 5549  
caused the disease occurred. Like appeal may be taken from an 5550  
order of a staff hearing officer made under division (D) of 5551  
section 4123.511 of the Revised Code from which the commission has 5552  
refused to hear an appeal. The appellant shall file the notice of 5553  
appeal with a court of common pleas within sixty days after the 5554  
date of the receipt of the order appealed from or the date of 5555  
receipt of the order of the commission refusing to hear an appeal 5556  
of a staff hearing officer's decision under division (D) of 5557

section 4123.511 of the Revised Code. The filing of the notice of 5558  
the appeal with the court is the only act required to perfect the 5559  
appeal. 5560

If an action has been commenced in a court of a county other 5561  
than a court of a county having jurisdiction over the action, the 5562  
court, upon notice by any party or upon its own motion, shall 5563  
transfer the action to a court of a county having jurisdiction. 5564

Notwithstanding anything to the contrary in this section, if 5565  
the commission determines under section 4123.522 of the Revised 5566  
Code that an employee, employer, or their respective 5567  
representatives have not received written notice of an order or 5568  
decision which is appealable to a court under this section and 5569  
which grants relief pursuant to section 4123.522 of the Revised 5570  
Code, the party granted the relief has sixty days from receipt of 5571  
the order under section 4123.522 of the Revised Code to file a 5572  
notice of appeal under this section. 5573

(B) The notice of appeal shall state the names of the 5574  
claimant and the employer, the number of the claim, the date of 5575  
the order appealed from, and the fact that the appellant appeals 5576  
therefrom. 5577

The administrator of workers' compensation, the claimant, and 5578  
the employer shall be parties to the appeal and the court, upon 5579  
the application of the commission, shall make the commission a 5580  
party. The party filing the appeal shall serve a copy of the 5581  
notice of appeal on the administrator at the central office of the 5582  
bureau of workers' compensation in Columbus. The administrator 5583  
shall notify the employer that if the employer fails to become an 5584  
active party to the appeal, then the administrator may act on 5585  
behalf of the employer and the results of the appeal could have an 5586  
adverse effect upon the employer's premium rates. 5587

(C) The attorney general or one or more of the attorney 5588

general's assistants or special counsel designated by the attorney 5589  
general shall represent the administrator and the commission. In 5590  
the event the attorney general or the attorney general's 5591  
designated assistants or special counsel are absent, the 5592  
administrator or the commission shall select one or more of the 5593  
attorneys in the employ of the administrator or the commission as 5594  
the administrator's attorney or the commission's attorney in the 5595  
appeal. Any attorney so employed shall continue the representation 5596  
during the entire period of the appeal and in all hearings thereof 5597  
except where the continued representation becomes impractical. 5598

(D) Upon receipt of notice of appeal, the clerk of courts 5599  
shall provide notice to all parties who are appellees and to the 5600  
commission. 5601

The claimant shall, within thirty days after the filing of 5602  
the notice of appeal, file a petition containing a statement of 5603  
facts in ordinary and concise language showing a cause of action 5604  
to participate or to continue to participate in the fund and 5605  
setting forth the basis for the jurisdiction of the court over the 5606  
action. Further pleadings shall be had in accordance with the 5607  
Rules of Civil Procedure, provided that service of summons on such 5608  
petition shall not be required and provided that the claimant may 5609  
not dismiss the complaint without the employer's consent if the 5610  
employer is the party that filed the notice of appeal to court 5611  
pursuant to this section. The clerk of the court shall, upon 5612  
receipt thereof, transmit by certified mail a copy thereof to each 5613  
party named in the notice of appeal other than the claimant. Any 5614  
party may file with the clerk prior to the trial of the action a 5615  
deposition of any physician taken in accordance with the 5616  
provisions of the Revised Code, which deposition may be read in 5617  
the trial of the action even though the physician is a resident of 5618  
or subject to service in the county in which the trial is had. The 5619  
bureau of workers' compensation shall pay the cost of the 5620

stenographic deposition filed in court and of copies of the 5621  
stenographic deposition for each party from the surplus fund and 5622  
charge the costs thereof against the unsuccessful party if the 5623  
claimant's right to participate or continue to participate is 5624  
finally sustained or established in the appeal. In the event the 5625  
deposition is taken and filed, the physician whose deposition is 5626  
taken is not required to respond to any subpoena issued in the 5627  
trial of the action. The court, or the jury under the instructions 5628  
of the court, if a jury is demanded, shall determine the right of 5629  
the claimant to participate or to continue to participate in the 5630  
fund upon the evidence adduced at the hearing of the action. 5631

(E) The court shall certify its decision to the commission 5632  
and the certificate shall be entered in the records of the court. 5633  
Appeals from the judgment are governed by the law applicable to 5634  
the appeal of civil actions. 5635

(F) The cost of any legal proceedings authorized by this 5636  
section, including an attorney's fee to the claimant's attorney to 5637  
be fixed by the trial judge, based upon the effort expended, in 5638  
the event the claimant's right to participate or to continue to 5639  
participate in the fund is established upon the final 5640  
determination of an appeal, shall be taxed against the employer or 5641  
the commission if the commission or the administrator rather than 5642  
the employer contested the right of the claimant to participate in 5643  
the fund. The attorney's fee shall not exceed forty-two hundred 5644  
dollars. 5645

(G) If the finding of the court or the verdict of the jury is 5646  
in favor of the claimant's right to participate in the fund, the 5647  
commission and the administrator shall thereafter proceed in the 5648  
matter of the claim as if the judgment were the decision of the 5649  
commission, subject to the power of modification provided by 5650  
section 4123.52 of the Revised Code. 5651

(H) An appeal from an order issued under division (E) of 5652

section 4123.511 of the Revised Code or any action filed in court 5653  
in a case in which an award of compensation or benefits has been 5654  
made shall not stay the payment of compensation or benefits under 5655  
the award or payment of compensation or benefits for subsequent 5656  
periods of total disability during the pendency of the appeal. If, 5657  
in a final administrative or judicial action, it is determined 5658  
that payments of compensation or benefits, or both, made to or on 5659  
behalf of a claimant should not have been made, the amount thereof 5660  
shall be charged to the surplus fund under division ~~(B)~~(A) of 5661  
section 4123.34 of the Revised Code. In the event the employer is 5662  
a state risk, the amount shall not be charged to the employer's 5663  
experience, and the administrator shall adjust the employer's 5664  
account accordingly. In the event the employer is a self-insuring 5665  
employer, the self-insuring employer shall deduct the amount from 5666  
the paid compensation the self-insuring employer reports to the 5667  
administrator under division (L) of section 4123.35 of the Revised 5668  
Code. 5669

A self-insuring employer may elect to pay compensation and 5670  
benefits under this section directly to an employee or an 5671  
employee's dependents by filing an application with the bureau of 5672  
workers' compensation not more than one hundred eighty days and 5673  
not less than ninety days before the first day of the employer's 5674  
next six-month coverage period. If the self-insuring employer 5675  
timely files the application, the application is effective on the 5676  
first day of the employer's next six-month coverage period, 5677  
provided that the administrator shall compute the employer's 5678  
assessment for the surplus fund due with respect to the period 5679  
during which that application was filed without regard to the 5680  
filing of the application. On and after the effective date of the 5681  
employer's election, the self-insuring employer shall pay directly 5682  
to an employee or to an employee's dependents compensation and 5683  
benefits under this section regardless of the date of the injury 5684  
or occupational disease, and the employer shall receive no money 5685

or credits from the surplus fund on account of those payments and 5686  
shall not be required to pay any amounts into the surplus fund on 5687  
account of this section. The election made under this division is 5688  
irrevocable. 5689

All actions and proceedings under this section which are the 5690  
subject of an appeal to the court of common pleas or the court of 5691  
appeals shall be preferred over all other civil actions except 5692  
election causes, irrespective of position on the calendar. 5693

This section applies to all decisions of the commission or 5694  
the administrator on November 2, 1959, and all claims filed 5695  
thereafter are governed by sections 4123.511 and 4123.512 of the 5696  
Revised Code. 5697

Any action pending in common pleas court or any other court 5698  
on January 1, 1986, under this section is governed by former 5699  
sections 4123.514, 4123.515, 4123.516, and 4123.519 and section 5700  
4123.522 of the Revised Code. 5701

**Sec. 4123.57.** Partial disability compensation shall be paid 5702  
as follows. 5703

Except as provided in this section, not earlier than 5704  
twenty-six weeks after the date of termination of the latest 5705  
period of payments under section 4123.56 of the Revised Code, or 5706  
not earlier than twenty-six weeks after the date of the injury or 5707  
contraction of an occupational disease in the absence of payments 5708  
under section 4123.56 of the Revised Code, the employee may file 5709  
an application with the bureau of workers' compensation for the 5710  
determination of the percentage of the employee's permanent 5711  
partial disability resulting from an injury or occupational 5712  
disease. 5713

Whenever the application is filed, the bureau shall send a 5714  
copy of the application to the employee's employer or the 5715

employer's representative and shall schedule the employee for a 5716  
medical examination by the bureau medical section. The bureau 5717  
shall send a copy of the report of the medical examination to the 5718  
employee, the employer, and their representatives. Thereafter, the 5719  
administrator of workers' compensation shall review the employee's 5720  
claim file and make a tentative order as the evidence before the 5721  
administrator at the time of the making of the order warrants. If 5722  
the administrator determines that there is a conflict of evidence, 5723  
the administrator shall send the application, along with the 5724  
claimant's file, to the district hearing officer who shall set the 5725  
application for a hearing. 5726

The administrator shall notify the employee, the employer, 5727  
and their representatives, in writing, of the tentative order and 5728  
of the parties' right to request a hearing. Unless the employee, 5729  
the employer, or their representative notifies the administrator, 5730  
in writing, of an objection to the tentative order within twenty 5731  
days after receipt of the notice thereof, the tentative order 5732  
shall go into effect and the employee shall receive the 5733  
compensation provided in the order. In no event shall there be a 5734  
reconsideration of a tentative order issued under this division. 5735

If the employee, the employer, or their representatives 5736  
timely notify the administrator of an objection to the tentative 5737  
order, the matter shall be referred to a district hearing officer 5738  
who shall set the application for hearing with written notices to 5739  
all interested persons. Upon referral to a district hearing 5740  
officer, the employer may obtain a medical examination of the 5741  
employee, pursuant to rules of the industrial commission. 5742

(A) The district hearing officer, upon the application, shall 5743  
determine the percentage of the employee's permanent disability, 5744  
except as is subject to division (B) of this section, based upon 5745  
that condition of the employee resulting from the injury or 5746  
occupational disease and causing permanent impairment evidenced by 5747

medical or clinical findings reasonably demonstrable. The employee 5748  
shall receive sixty-six and two-thirds per cent of the employee's 5749  
average weekly wage, but not more than a maximum of thirty-three 5750  
and one-third per cent of the statewide average weekly wage as 5751  
defined in division (C) of section 4123.62 of the Revised Code, 5752  
per week regardless of the average weekly wage, for the number of 5753  
weeks which equals the percentage of two hundred weeks. Except on 5754  
application for reconsideration, review, or modification, which is 5755  
filed within ten days after the date of receipt of the decision of 5756  
the district hearing officer, in no instance shall the former 5757  
award be modified unless it is found from medical or clinical 5758  
findings that the condition of the claimant resulting from the 5759  
injury has so progressed as to have increased the percentage of 5760  
permanent partial disability. A staff hearing officer shall hear 5761  
an application for reconsideration filed and the staff hearing 5762  
officer's decision is final. An employee may file an application 5763  
for a subsequent determination of the percentage of the employee's 5764  
permanent disability. If such an application is filed, the bureau 5765  
shall send a copy of the application to the employer or the 5766  
employer's representative. No sooner than sixty days from the date 5767  
of the mailing of the application to the employer or the 5768  
employer's representative, the administrator shall review the 5769  
application. The administrator may require a medical examination 5770  
or medical review of the employee. The administrator shall issue a 5771  
tentative order based upon the evidence before the administrator, 5772  
provided that if the administrator requires a medical examination 5773  
or medical review, the administrator shall not issue the tentative 5774  
order until the completion of the examination or review. 5775

The employer may obtain a medical examination of the employee 5776  
and may submit medical evidence at any stage of the process up to 5777  
a hearing before the district hearing officer, pursuant to rules 5778  
of the commission. The administrator shall notify the employee, 5779  
the employer, and their representatives, in writing, of the nature 5780

and amount of any tentative order issued on an application 5781  
requesting a subsequent determination of the percentage of an 5782  
employee's permanent disability. An employee, employer, or their 5783  
representatives may object to the tentative order within twenty 5784  
days after the receipt of the notice thereof. If no timely 5785  
objection is made, the tentative order shall go into effect. In no 5786  
event shall there be a reconsideration of a tentative order issued 5787  
under this division. If an objection is timely made, the 5788  
application for a subsequent determination shall be referred to a 5789  
district hearing officer who shall set the application for a 5790  
hearing with written notice to all interested persons. No 5791  
application for subsequent percentage determinations on the same 5792  
claim for injury or occupational disease shall be accepted for 5793  
review by the district hearing officer unless supported by 5794  
substantial evidence of new and changed circumstances developing 5795  
since the time of the hearing on the original or last 5796  
determination. 5797

No award shall be made under this division based upon a 5798  
percentage of disability which, when taken with all other 5799  
percentages of permanent disability, exceeds one hundred per cent. 5800  
If the percentage of the permanent disability of the employee 5801  
equals or exceeds ninety per cent, compensation for permanent 5802  
partial disability shall be paid for two hundred weeks. 5803

Compensation payable under this division accrues and is 5804  
payable to the employee from the date of last payment of 5805  
compensation, or, in cases where no previous compensation has been 5806  
paid, from the date of the injury or the date of the diagnosis of 5807  
the occupational disease. 5808

When an award under this division has been made prior to the 5809  
death of an employee, all unpaid installments accrued or to accrue 5810  
under the provisions of the award are payable to the surviving 5811  
spouse, or if there is no surviving spouse, to the dependent 5812

children of the employee, and if there are no children surviving, 5813  
then to other dependents as the administrator determines. 5814

(B) In cases included in the following schedule the 5815  
compensation payable per week to the employee is the statewide 5816  
average weekly wage as defined in division (C) of section 4123.62 5817  
of the Revised Code per week and shall continue during the periods 5818  
provided in the following schedule: 5819

For the loss of a first finger, commonly known as a thumb, 5820  
sixty weeks. 5821

For the loss of a second finger, commonly called index 5822  
finger, thirty-five weeks. 5823

For the loss of a third finger, thirty weeks. 5824

For the loss of a fourth finger, twenty weeks. 5825

For the loss of a fifth finger, commonly known as the little 5826  
finger, fifteen weeks. 5827

The loss of a second, or distal, phalange of the thumb is 5828  
considered equal to the loss of one half of such thumb; the loss 5829  
of more than one half of such thumb is considered equal to the 5830  
loss of the whole thumb. 5831

The loss of the third, or distal, phalange of any finger is 5832  
considered equal to the loss of one-third of the finger. 5833

The loss of the middle, or second, phalange of any finger is 5834  
considered equal to the loss of two-thirds of the finger. 5835

The loss of more than the middle and distal phalanges of any 5836  
finger is considered equal to the loss of the whole finger. In no 5837  
case shall the amount received for more than one finger exceed the 5838  
amount provided in this schedule for the loss of a hand. 5839

For the loss of the metacarpal bone (bones of the palm) for 5840  
the corresponding thumb, or fingers, add ten weeks to the number 5841  
of weeks under this division. 5842

For ankylosis (total stiffness of) or contractures (due to 5843  
scars or injuries) which makes any of the fingers, thumbs, or 5844  
parts of either useless, the same number of weeks apply to the 5845  
members or parts thereof as given for the loss thereof. 5846

If the claimant has suffered the loss of two or more fingers 5847  
by amputation or ankylosis and the nature of the claimant's 5848  
employment in the course of which the claimant was working at the 5849  
time of the injury or occupational disease is such that the 5850  
handicap or disability resulting from the loss of fingers, or loss 5851  
of use of fingers, exceeds the normal handicap or disability 5852  
resulting from the loss of fingers, or loss of use of fingers, the 5853  
administrator may take that fact into consideration and increase 5854  
the award of compensation accordingly, but the award made shall 5855  
not exceed the amount of compensation for loss of a hand. 5856

For the loss of a hand, one hundred seventy-five weeks. 5857

For the loss of an arm, two hundred twenty-five weeks. 5858

For the loss of a great toe, thirty weeks. 5859

For the loss of one of the toes other than the great toe, ten 5860  
weeks. 5861

The loss of more than two-thirds of any toe is considered 5862  
equal to the loss of the whole toe. 5863

The loss of less than two-thirds of any toe is considered no 5864  
loss, except as to the great toe; the loss of the great toe up to 5865  
the interphalangeal joint is co-equal to the loss of one-half of 5866  
the great toe; the loss of the great toe beyond the 5867  
interphalangeal joint is considered equal to the loss of the whole 5868  
great toe. 5869

For the loss of a foot, one hundred fifty weeks. 5870

For the loss of a leg, two hundred weeks. 5871

For the loss of the sight of an eye, one hundred twenty-five 5872

weeks. 5873

For the permanent partial loss of sight of an eye, the 5874  
portion of one hundred twenty-five weeks as the administrator in 5875  
each case determines, based upon the percentage of vision actually 5876  
lost as a result of the injury or occupational disease, but, in no 5877  
case shall an award of compensation be made for less than 5878  
twenty-five per cent loss of uncorrected vision. "Loss of 5879  
uncorrected vision" means the percentage of vision actually lost 5880  
as the result of the injury or occupational disease. 5881

For the permanent and total loss of hearing of one ear, 5882  
twenty-five weeks; but in no case shall an award of compensation 5883  
be made for less than permanent and total loss of hearing of one 5884  
ear. 5885

For the permanent and total loss of hearing, one hundred 5886  
twenty-five weeks; but, except pursuant to the next preceding 5887  
paragraph, in no case shall an award of compensation be made for 5888  
less than permanent and total loss of hearing. 5889

In case an injury or occupational disease results in serious 5890  
facial or head disfigurement which either impairs or may in the 5891  
future impair the opportunities to secure or retain employment, 5892  
the administrator shall make an award of compensation as it deems 5893  
proper and equitable, in view of the nature of the disfigurement, 5894  
and not to exceed the sum of ten thousand dollars. For the purpose 5895  
of making the award, it is not material whether the employee is 5896  
gainfully employed in any occupation or trade at the time of the 5897  
administrator's determination. 5898

When an award under this division has been made prior to the 5899  
death of an employee all unpaid installments accrued or to accrue 5900  
under the provisions of the award shall be payable to the 5901  
surviving spouse, or if there is no surviving spouse, to the 5902  
dependent children of the employee and if there are no such 5903

children, then to such dependents as the administrator determines. 5904

When an employee has sustained the loss of a member by 5905  
severance, but no award has been made on account thereof prior to 5906  
the employee's death, the administrator shall make an award in 5907  
accordance with this division for the loss which shall be payable 5908  
to the surviving spouse, or if there is no surviving spouse, to 5909  
the dependent children of the employee and if there are no such 5910  
children, then to such dependents as the administrator determines. 5911

(C) Compensation for partial impairment under divisions (A) 5912  
and (B) of this section is in addition to the compensation paid 5913  
the employee pursuant to section 4123.56 of the Revised Code. A 5914  
claimant may receive compensation under divisions (A) and (B) of 5915  
this section. 5916

In all cases arising under division (B) of this section, if 5917  
it is determined by any one of the following: (1) the amputee 5918  
clinic at University hospital, Ohio state university; (2) the 5919  
rehabilitation services commission; (3) an amputee clinic or 5920  
prescribing physician approved by the administrator or the 5921  
administrator's designee, that an injured or disabled employee is 5922  
in need of an artificial appliance, or in need of a repair 5923  
thereof, regardless of whether the appliance or its repair will be 5924  
serviceable in the vocational rehabilitation of the injured 5925  
employee, and regardless of whether the employee has returned to 5926  
or can ever again return to any gainful employment, the bureau 5927  
shall pay the cost of the artificial appliance or its repair out 5928  
of the surplus created by division ~~(B)~~(A) of section 4123.34 of 5929  
the Revised Code. 5930

In those cases where a rehabilitation services commission 5931  
recommendation that an injured or disabled employee is in need of 5932  
an artificial appliance would conflict with their state plan, 5933  
adopted pursuant to the "Rehabilitation Act of 1973," 87 Stat. 5934  
355, 29 U.S.C.A. 701, the administrator or the administrator's 5935

designee or the bureau may obtain a recommendation from an amputee 5936  
clinic or prescribing physician that they determine appropriate. 5937

(D) If an employee of a state fund employer makes application 5938  
for a finding and the administrator finds that the employee has 5939  
contracted silicosis as defined in division (X), or coal miners' 5940  
pneumoconiosis as defined in division (Y), or asbestosis as 5941  
defined in division (AA) of section 4123.68 of the Revised Code, 5942  
and that a change of such employee's occupation is medically 5943  
advisable in order to decrease substantially further exposure to 5944  
silica dust, asbestos, or coal dust and if the employee, after the 5945  
finding, has changed or shall change the employee's occupation to 5946  
an occupation in which the exposure to silica dust, asbestos, or 5947  
coal dust is substantially decreased, the administrator shall 5948  
allow to the employee an amount equal to fifty per cent of the 5949  
statewide average weekly wage per week for a period of thirty 5950  
weeks, commencing as of the date of the discontinuance or change, 5951  
and for a period of one hundred weeks immediately following the 5952  
expiration of the period of thirty weeks, the employee shall 5953  
receive sixty-six and two-thirds per cent of the loss of wages 5954  
resulting directly and solely from the change of occupation but 5955  
not to exceed a maximum of an amount equal to fifty per cent of 5956  
the statewide average weekly wage per week. No such employee is 5957  
entitled to receive more than one allowance on account of 5958  
discontinuance of employment or change of occupation and benefits 5959  
shall cease for any period during which the employee is employed 5960  
in an occupation in which the exposure to silica dust, asbestos, 5961  
or coal dust is not substantially less than the exposure in the 5962  
occupation in which the employee was formerly employed or for any 5963  
period during which the employee may be entitled to receive 5964  
compensation or benefits under section 4123.68 of the Revised Code 5965  
on account of disability from silicosis, asbestosis, or coal 5966  
miners' pneumoconiosis. An award for change of occupation for a 5967  
coal miner who has contracted coal miners' pneumoconiosis may be 5968

granted under this division even though the coal miner continues 5969  
employment with the same employer, so long as the coal miner's 5970  
employment subsequent to the change is such that the coal miner's 5971  
exposure to coal dust is substantially decreased and a change of 5972  
occupation is certified by the claimant as permanent. The 5973  
administrator may accord to the employee medical and other 5974  
benefits in accordance with section 4123.66 of the Revised Code. 5975

(E) If a firefighter or police officer makes application for 5976  
a finding and the administrator finds that the firefighter or 5977  
police officer has contracted a cardiovascular and pulmonary 5978  
disease as defined in division (W) of section 4123.68 of the 5979  
Revised Code, and that a change of the firefighter's or police 5980  
officer's occupation is medically advisable in order to decrease 5981  
substantially further exposure to smoke, toxic gases, chemical 5982  
fumes, and other toxic vapors, and if the firefighter, or police 5983  
officer, after the finding, has changed or changes occupation to 5984  
an occupation in which the exposure to smoke, toxic gases, 5985  
chemical fumes, and other toxic vapors is substantially decreased, 5986  
the administrator shall allow to the firefighter or police officer 5987  
an amount equal to fifty per cent of the statewide average weekly 5988  
wage per week for a period of thirty weeks, commencing as of the 5989  
date of the discontinuance or change, and for a period of 5990  
seventy-five weeks immediately following the expiration of the 5991  
period of thirty weeks the administrator shall allow the 5992  
firefighter or police officer sixty-six and two-thirds per cent of 5993  
the loss of wages resulting directly and solely from the change of 5994  
occupation but not to exceed a maximum of an amount equal to fifty 5995  
per cent of the statewide average weekly wage per week. No such 5996  
firefighter or police officer is entitled to receive more than one 5997  
allowance on account of discontinuance of employment or change of 5998  
occupation and benefits shall cease for any period during which 5999  
the firefighter or police officer is employed in an occupation in 6000  
which the exposure to smoke, toxic gases, chemical fumes, and 6001

other toxic vapors is not substantially less than the exposure in 6002  
the occupation in which the firefighter or police officer was 6003  
formerly employed or for any period during which the firefighter 6004  
or police officer may be entitled to receive compensation or 6005  
benefits under section 4123.68 of the Revised Code on account of 6006  
disability from a cardiovascular and pulmonary disease. The 6007  
administrator may accord to the firefighter or police officer 6008  
medical and other benefits in accordance with section 4123.66 of 6009  
the Revised Code. 6010

(F) An order issued under this section is appealable pursuant 6011  
to section 4123.511 of the Revised Code but is not appealable to 6012  
court under section 4123.512 of the Revised Code. 6013

**Sec. 4123.65.** (A) A state fund employer or the employee of 6014  
such an employer may file an application with the administrator of 6015  
workers' compensation for approval of a final settlement of a 6016  
claim under this chapter. The application shall include the 6017  
settlement agreement, and except as otherwise specified in this 6018  
division, be signed by the claimant and employer, and clearly set 6019  
forth the circumstances by reason of which the proposed settlement 6020  
is deemed desirable and that the parties agree to the terms of the 6021  
settlement agreement. A claimant may file an application without 6022  
an employer's signature in the following situations: 6023

(1) The employer is no longer doing business in Ohio; 6024

(2) The claim no longer is in the employer's industrial 6025  
accident or occupational disease experience as provided in 6026  
division ~~(B)~~(A) of section 4123.34 of the Revised Code and the 6027  
claimant no longer is employed with that employer; 6028

(3) The employer has failed to comply with section 4123.35 of 6029  
the Revised Code. 6030

If a claimant files an application without an employer's 6031

signature, and the employer still is doing business in this state, 6032  
the administrator shall send written notice of the application to 6033  
the employer immediately upon receipt of the application. If the 6034  
employer fails to respond to the notice within thirty days after 6035  
the notice is sent, the application need not contain the 6036  
employer's signature. 6037

If a state fund employer or an employee of such an employer 6038  
has not filed an application for a final settlement under this 6039  
division, the administrator may file an application on behalf of 6040  
the employer or the employee, provided that the administrator 6041  
gives notice of the filing to the employer and the employee and to 6042  
the representative of record of the employer and of the employee 6043  
immediately upon the filing. An application filed by the 6044  
administrator shall contain all of the information and signatures 6045  
required of an employer or an employee who files an application 6046  
under this division. Every self-insuring employer that enters into 6047  
a final settlement agreement with an employee shall mail, within 6048  
seven days of executing the agreement, a copy of the agreement to 6049  
the administrator and the employee's representative. The 6050  
administrator shall place the agreement into the claimant's file. 6051

(B) Except as provided in divisions (C) and (D) of this 6052  
section, a settlement agreed to under this section is binding upon 6053  
all parties thereto and as to items, injuries, and occupational 6054  
diseases to which the settlement applies. 6055

(C) No settlement agreed to under division (A) of this 6056  
section or agreed to by a self-insuring employer and the 6057  
self-insuring employer's employee shall take effect until thirty 6058  
days after the administrator approves the settlement for state 6059  
fund employees and employers, or after the self-insuring employer 6060  
and employee sign the final settlement agreement. During the 6061  
thirty-day period, the employer, employee, or administrator, for 6062  
state fund settlements, and the employer or employee, for 6063

self-insuring settlements, may withdraw consent to the settlement 6064  
by an employer providing written notice to the employer's employee 6065  
and the administrator or by an employee providing written notice 6066  
to the employee's employer and the administrator, or by the 6067  
administrator providing written notice to the state fund employer 6068  
and employee. If an employee dies during the thirty-day waiting 6069  
period following the approval of a settlement, the settlement can 6070  
be voided by any party for good cause shown. 6071

(D) At the time of agreement to any final settlement 6072  
agreement under division (A) of this section or agreement between 6073  
a self-insuring employer and the self-insuring employer's 6074  
employee, the administrator, for state fund settlements, and the 6075  
self-insuring employer, for self-insuring settlements, immediately 6076  
shall send a copy of the agreement to the industrial commission 6077  
who shall assign the matter to a staff hearing officer. The staff 6078  
hearing officer shall determine, within the time limitations 6079  
specified in division (C) of this section, whether the settlement 6080  
agreement is or is not a gross miscarriage of justice. If the 6081  
staff hearing officer determines within that time period that the 6082  
settlement agreement is clearly unfair, the staff hearing officer 6083  
shall issue an order disapproving the settlement agreement. If the 6084  
staff hearing officer determines that the settlement agreement is 6085  
not clearly unfair or fails to act within those time limits, the 6086  
settlement agreement is approved. 6087

(E) A settlement entered into under this section may pertain 6088  
to one or more claims of a claimant, or one or more parts of a 6089  
claim, or the compensation or benefits pertaining to either, or 6090  
any combination thereof, provided that nothing in this section 6091  
shall be interpreted to require a claimant to enter into a 6092  
settlement agreement for every claim that has been filed with the 6093  
bureau of workers' compensation by that claimant under Chapter 6094  
4121., 4123., 4127., or 4131. of the Revised Code. 6095

(F) A settlement entered into under this section is not 6096  
appealable under section 4123.511 or 4123.512 of the Revised Code. 6097

**Sec. 4123.66.** (A) In addition to the compensation provided 6098  
for in this chapter, the administrator of workers' compensation 6099  
shall disburse and pay from the state insurance fund the amounts 6100  
for medical, nurse, and hospital services and medicine as the 6101  
administrator deems proper and, in case death ensues from the 6102  
injury or occupational disease, the administrator shall disburse 6103  
and pay from the fund reasonable funeral expenses in an amount not 6104  
to exceed fifty-five hundred dollars. The bureau of workers' 6105  
compensation shall reimburse anyone, whether dependent, volunteer, 6106  
or otherwise, who pays the funeral expenses of any employee whose 6107  
death ensues from any injury or occupational disease as provided 6108  
in this section. The administrator may adopt rules, with the 6109  
advice and consent of the bureau of workers' compensation 6110  
~~oversight commission~~ board of directors, with respect to 6111  
furnishing medical, nurse, and hospital service and medicine to 6112  
injured or disabled employees entitled thereto, and for the 6113  
payment therefor. In case an injury or industrial accident that 6114  
injures an employee also causes damage to the employee's 6115  
eyeglasses, artificial teeth or other denture, or hearing aid, or 6116  
in the event an injury or occupational disease makes it necessary 6117  
or advisable to replace, repair, or adjust the same, the bureau 6118  
shall disburse and pay a reasonable amount to repair or replace 6119  
the same. 6120

(B)(1) If an employer or a welfare plan has provided to or on 6121  
behalf of an employee any benefits or compensation for an injury 6122  
or occupational disease and that injury or occupational disease is 6123  
determined compensable under this chapter, the employer or a 6124  
welfare plan may request that the administrator reimburse the 6125  
employer or welfare plan for the amount the employer or welfare 6126  
plan paid to or on behalf of the employee in compensation or 6127

benefits. The administrator shall reimburse the employer or 6128  
welfare plan for the compensation and benefits paid if, at the 6129  
time the employer or welfare plan provides the benefits or 6130  
compensation to or on behalf of employee, the injury or 6131  
occupational disease had not been determined to be compensable 6132  
under this chapter and if the employee was not receiving 6133  
compensation or benefits under this chapter for that injury or 6134  
occupational disease. The administrator shall reimburse the 6135  
employer or welfare plan in the amount that the administrator 6136  
would have paid to or on behalf of the employee under this chapter 6137  
if the injury or occupational disease originally would have been 6138  
determined compensable under this chapter. If the employer is a 6139  
merit-rated employer, the ~~administrator~~ board, based upon 6140  
recommendations of the workers' compensation actuarial committee, 6141  
shall adjust the amount of premium next due from the employer 6142  
according to the amount the administrator pays the employer. The 6143  
administrator shall adopt rules, in accordance with Chapter 119. 6144  
of the Revised Code, to implement this division. 6145

(2) As used in this division, "welfare plan" has the same 6146  
meaning as in division (1) of 29 U.S.C.A. 1002. 6147

**Sec. 4123.75.** Any employee whose employer has failed to 6148  
comply with section 4123.35 of the Revised Code, who has been 6149  
injured or has suffered an occupational disease in the course of 6150  
~~his~~ the employee's employment, which was not purposely 6151  
self-inflicted, or ~~his~~ the employee's dependents in case death has 6152  
ensued, may file ~~his~~ an application with the industrial commission 6153  
or the bureau of workers' compensation for compensation and the 6154  
administrator of workers' compensation shall determine the 6155  
application for compensation in like manner as in other claims and 6156  
shall make an award to the claimant as ~~he~~ the employee would be 6157  
entitled to receive if the employer had complied with section 6158  
4123.35 of the Revised Code. Payment of the claim shall be made 6159

promptly from the statutory surplus fund. Payment shall not bar 6160  
any action under section 4123.77 of the Revised Code. If a 6161  
recovery is made in an action under section 4123.77 of the Revised 6162  
Code any funds paid from the state insurance fund under this 6163  
section shall be repaid by the claimant. The administrator shall 6164  
institute proceedings to recover from the employer any moneys paid 6165  
from the surplus fund and to secure the employer's payment of the 6166  
award. The employer shall pay the award in the manner and amount 6167  
fixed thereby or shall furnish to the bureau a bond, in an amount 6168  
and with sureties as the bureau requires, to pay the employee the 6169  
award in the manner and amount fixed thereby. 6170

An order of the administrator issued under this section is 6171  
appealable pursuant to section 4123.511 and 4123.512 of the 6172  
Revised Code. In the event payments are made to a claimant which 6173  
should not have been made under the final decision in the appeal 6174  
of the claim, the amount of the payments shall be charged to the 6175  
surplus fund created under division ~~(B)~~(A) of section 4123.34 of 6176  
the Revised Code. In the event recovery is made from the 6177  
noncomplying employer, the sums that are recovered shall be paid 6178  
into the surplus fund. 6179

If the employer fails to pay the compensation to the person 6180  
entitled thereto, or fails to furnish the bond, within a period of 6181  
ten days after notification of the award, the award constitutes a 6182  
liquidated claim for damages against the employer in the amount 6183  
ascertained and fixed by the administrator or commission, and the 6184  
administrator shall certify the same to the attorney general who 6185  
shall forthwith institute a civil action against the employer in 6186  
the name of the state for the collection of the award. In the 6187  
action it is sufficient for the plaintiff to set forth a copy of 6188  
the record of proceedings of the commission or bureau relative to 6189  
the claims certified by the administrator to the attorney general 6190  
and to state that there is due to plaintiff on account of the 6191

finding and award of the commission or bureau a specified sum 6192  
which plaintiff claims with interest. A certified copy of the 6193  
record of proceedings in the claim shall be attached to the 6194  
complaint and constitutes prima-facie evidence of the truth of the 6195  
facts therein contained. Further proceedings shall be as provided 6196  
in the Rules of Civil Procedure. As soon as the issues are made up 6197  
in any such case, it shall be placed at the head of the trial 6198  
docket and shall be first in order for trial. The cause of action 6199  
provided in this section and the cause of action provided by 6200  
section 4123.37 of the Revised Code may be joined in one action 6201  
against an employer, and the amount of any premium paid or 6202  
recovered from the employer for the period not exceeding six 6203  
months during which the injury or disease, or injury or disease 6204  
resulting in death, occurred shall be credited against the amount 6205  
of any judgment for compensation recovered pursuant to this 6206  
section. The amount recovered in the action from the employer 6207  
shall be paid into the surplus fund created under division ~~(B)~~(A) 6208  
of section 4123.34 of the Revised Code up to the amount paid out 6209  
of the surplus fund and the balance into the state insurance fund. 6210  
Any employee of a self-insuring employer, in the event of the 6211  
failure of ~~his~~ the employer to pay the compensation or furnish the 6212  
medical, surgical, nursing, and hospital services and attention or 6213  
funeral expenses, may file ~~his~~ an application with the commission 6214  
or the bureau for the purpose of having the amount of the 6215  
compensation and the medical, surgical, nursing, and hospital 6216  
services and attention or funeral expenses determined; and 6217  
thereupon like proceedings shall be had before the bureau and with 6218  
like effect as provided in this section. 6219

The administrator shall adopt and publish rules governing the 6220  
procedure before the bureau and commission provided in this 6221  
section and shall prescribe the form of notices and the manner of 6222  
serving the same in all claims for compensation arising under this 6223  
section. Any suit, action, proceeding, or award brought or made 6224

against any employer under this section may be compromised by the 6225  
administrator, or the suit, action, or proceeding may be 6226  
prosecuted to final judgment as in the administrator's discretion 6227  
may best subserve the interests of the state insurance fund. 6228

A final judgment against the employer recovered in the manner 6229  
provided in this section entitles the claimant to the compensation 6230  
provided in this chapter for the injury, occupational disease, or 6231  
death and the compensation shall be paid from the surplus fund 6232  
created by section 4123.34 of the Revised Code, and any sum 6233  
recovered on account of the judgment shall be paid to the bureau 6234  
and credited to the fund the administrator designates. 6235

**Sec. 4123.80.** No agreement by an employee to waive an 6236  
employee's rights to compensation under this chapter is valid, 6237  
except that: 6238

(A) An employee who is blind may waive the compensation that 6239  
may become due to the employee for injury or disability in cases 6240  
where the injury or disability may be directly caused by or due to 6241  
the employee's blindness. The administrator of workers' 6242  
compensation, with the advice and consent of the bureau of 6243  
workers' compensation ~~oversight commission~~ board of directors, may 6244  
adopt and enforce rules governing the employment of such persons 6245  
and the inspection of their places of employment. 6246

(B) An employee may waive the employee's rights to 6247  
compensation or benefits as authorized pursuant to division (C)(3) 6248  
of section 4123.01 or section 4123.15 of the Revised Code. 6249

No agreement by an employee to pay any portion of the premium 6250  
paid by the employee's employer into the state insurance fund is 6251  
valid. 6252

**Sec. 4123.82.** (A) All contracts and agreements are void which 6253  
undertake to indemnify or insure an employer against loss or 6254

liability for the payment of compensation to workers or their dependents for death, injury, or occupational disease occasioned in the course of the workers' employment, or which provide that the insurer shall pay the compensation, or which indemnify the employer against damages when the injury, disease, or death arises from the failure to comply with any lawful requirement for the protection of the lives, health, and safety of employees, or when the same is occasioned by the willful act of the employer or any of ~~his~~ the employer's officers or agents, or by which it is agreed that the insurer shall pay any such damages. No license or authority to enter into any such agreements or issue any such policies of insurance shall be granted or issued by any public authority in this state. Any corporation organized or admitted under the laws of this state to transact liability insurance as defined in section 3929.01 of the Revised Code may by amendment of its articles of incorporation or by original articles of incorporation, provide therein for the authority and purpose to make insurance in states, territories, districts, and counties, other than the state of Ohio, and in the state of Ohio in respect of contracts permitted by division (B) of this section, indemnifying employers against loss or liability for payment of compensation to workers and employees and their dependents for death, injury, or occupational disease occasioned in the course of the employment and to insure and indemnify employers against loss, expense, and liability by risk of bodily injury or death by accident, disability, sickness, or disease suffered by workers and employees for which the employer may be liable or has assumed liability.

(B) Notwithstanding division (A) of this section:

(1) No contract because of that division is void which undertakes to indemnify a self-insuring employer against all or part of such employer's loss in excess of at least fifty thousand

dollars from any one disaster or event arising out of the 6287  
employer's liability under this chapter, but no insurance 6288  
corporation shall, directly or indirectly, represent an employer 6289  
in the settlement, adjudication, determination, allowance, or 6290  
payment of claims. The superintendent of insurance shall enforce 6291  
this prohibition by such disciplinary orders directed against the 6292  
offending insurance corporation as the superintendent of insurance 6293  
deems appropriate in the circumstances and the administrator of 6294  
workers' compensation shall enforce this prohibition by such 6295  
disciplinary orders directed against the offending employer as the 6296  
administrator deems appropriate in the circumstances, which orders 6297  
may include revocation of the insurance corporation's right to 6298  
enter into indemnity contracts and revocation of the employer's 6299  
status as a self-insuring employer. 6300

(2) The administrator may enter into a contract of indemnity 6301  
with any such employer upon such terms, payment of such premium, 6302  
and for such amount and form of indemnity as the administrator 6303  
determines and the ~~administrator~~ bureau of workers' compensation 6304  
board of directors may procure reinsurance of the liability of the 6305  
public and private funds under this chapter, or any part of the 6306  
liability in respect of either or both of the funds, upon such 6307  
terms and premiums or other payments from the fund or funds as the 6308  
administrator deems prudent in the maintenance of a solvent fund 6309  
or funds from year to year. When making the finding of fact which 6310  
the administrator is required by section 4123.35 of the Revised 6311  
Code to make with respect to the financial ability of an employer, 6312  
no contract of indemnity, or the ability of the employer to 6313  
procure such a contract, shall be considered as increasing the 6314  
financial ability of the employer. 6315

**Sec. 4123.92.** Upon the request of the industrial commission 6316  
or the administrator of workers' compensation, the attorney 6317  
general, or under ~~his~~ the attorney general's direction the 6318

prosecuting attorney of any county in cases arising within the 6319  
county, shall institute and prosecute the necessary actions or 6320  
proceedings for the enforcement of this chapter, or for the 6321  
recovery of any money due the state insurance fund, or any 6322  
penalty, and shall defend in like manner all suits, actions, or 6323  
proceedings brought against the administrator, the bureau of 6324  
workers' compensation ~~oversight commission~~ board of directors, 6325  
industrial commission, or the members of the ~~oversight commission~~ 6326  
board, or industrial commission in their official capacity. 6327

**Sec. 4125.05.** (A) Not later than thirty days after ~~the~~ 6328  
~~effective date of this section~~ November 5, 2004, or not later than 6329  
thirty days after the formation of a professional employer 6330  
organization, whichever date occurs later, a professional employer 6331  
organization operating in this state shall register with the 6332  
administrator of the bureau of workers' compensation on forms 6333  
provided by the administrator. Following initial registration, 6334  
each professional employer organization shall register with the 6335  
administrator annually on or before the thirty-first day of 6336  
December. 6337

(B) Initial registration and each annual registration renewal 6338  
shall include all of the following: 6339

(1) A list of each of the professional employer 6340  
organization's client employers current as of the date of 6341  
registration for purposes of initial registration or current as of 6342  
the date of annual registration renewal, or within fourteen days 6343  
of adding or releasing a client, that includes the client 6344  
employer's name, address, federal tax identification number, and 6345  
bureau of workers' compensation risk number; 6346

(2) A fee as determined by the administrator; 6347

(3) The name or names under which the professional employer 6348  
organization conducts business; 6349

(4) The address of the professional employer organization's principal place of business and the address of each office it maintains in this state;

(5) The professional employer organization's taxpayer or employer identification number;

(6) A list of each state in which the professional employer organization has operated in the preceding five years, and the name, corresponding with each state, under which the professional employer organization operated in each state, including any alternative names, names of predecessors, and if known, successor business entities.

(C)(1) The administrator, with the advice and consent of the bureau of workers' compensation oversight commission board of directors, shall adopt rules in accordance with Chapter 119. of the Revised Code to require, except as otherwise specified in division (C)(2) of this section, a professional employer organization to provide security in the form of a bond or letter of credit assignable to the Ohio bureau of workers' compensation not to exceed an amount equal to the premiums and assessments incurred for the two most recent payroll periods, prior to any discounts or dividends, to meet the financial obligations of the professional employer organization pursuant to this chapter and Chapters 4121. and 4123. of the Revised Code.

(2) As an alternative to providing security in the form of a bond or letter of credit, the administrator shall permit a professional employer organization to make periodic payments of prospective premiums and assessments to the bureau or to submit proof of being certified by either a nationally recognized organization that certifies professional employer organizations or by a government entity approved by the administrator.

(3) A professional employer organization may appeal the

amount of the security required pursuant to rules adopted under 6381  
division (C)(1) of this section in accordance with section 6382  
4123.291 of the Revised Code. 6383

(D) Notwithstanding division (C) of this section, a 6384  
professional employer organization that qualifies for 6385  
self-insurance or retrospective rating under section 4123.29 or 6386  
4123.35 of the Revised Code shall abide by the financial 6387  
disclosure and security requirements pursuant to those sections 6388  
and the rules adopted under those sections in place of the 6389  
requirements specified in division (C) of this section or 6390  
specified in rules adopted pursuant to that division. 6391

(E) Except to the extent necessary for the administrator to 6392  
administer the statutory duties of the administrator and for 6393  
employees of the state to perform their official duties, all 6394  
records, reports, client lists, and other information obtained 6395  
from a professional employer organization under divisions (A) and 6396  
(B) of this section are confidential and shall be considered trade 6397  
secrets and shall not be published or open to public inspection. 6398

(F) The list described in division (B)(1) of this section 6399  
shall be considered a trade secret. 6400

(G) The administrator shall establish the fee described in 6401  
division (B)(2) of this section in an amount that does not exceed 6402  
the cost of the administration of the initial and renewal 6403  
registration process. 6404

**Sec. 4127.07.** Every employer shall contribute to the public 6405  
work-relief employees' compensation fund the amount of money 6406  
determined by the ~~administrator~~ bureau of workers' compensation 6407  
board of directors, with the advice and consent based upon 6408  
recommendations of the workers' compensation ~~oversight commission~~ 6409  
actuarial committee. The contributions may be made in whole or in 6410  
part out of any relief funds or any other available public funds, 6411

regardless of the manner in which the funds were raised. The 6412  
officer of any employer having charge of the expenditures of funds 6413  
for relief purposes, shall set aside and maintain as a special 6414  
fund out of which contributions to the work-relief employees' 6415  
compensation fund may be made, an amount equal to the percentage 6416  
of the work-relief funds as the ~~administrator~~ board, based upon 6417  
recommendations of the actuarial committee, determines on an 6418  
actuarial basis as is reasonably necessary to cover the premium 6419  
obligations of the employer. The manner of determining the 6420  
contributions and classifications of employers, shall be the same 6421  
as is provided in sections 4123.39 to 4123.41 and 4123.48 of the 6422  
Revised Code, and such sections shall apply in so far as they are 6423  
applicable to the employers, but rates of premium shall be applied 6424  
to insure solvency of the public work-relief employees' 6425  
compensation fund at all times. 6426

The state relief commission or any other state agency having 6427  
supervision or control of work-relief employees, either directly 6428  
or through agencies, shall file reports and make payments of 6429  
premiums out of any fund under its control or supervision, in the 6430  
amount and manner, and at the time, as is determined by the 6431  
~~administrator~~ board, based upon recommendations of the actuarial 6432  
committee; and the furnishing of the reports and the payment of 6433  
the premiums by the state agency, for work-relief employees, shall 6434  
relieve the state of the obligations set forth in sections 6435  
4123.40, 4123.41, and 4123.48 of the Revised Code, with respect to 6436  
contributing to the public work-relief employees' compensation 6437  
fund for work-relief employees. 6438

**Sec. 4127.08.** The administrator of workers' compensation, 6439  
under special circumstances and with the advice and consent of the 6440  
bureau of workers' compensation ~~oversight commission~~ board of 6441  
directors, may adjust the rate of disbursements of compensation of 6442  
benefits, which shall not in any instance exceed the maximum 6443

reimbursable relief award established by the state which the 6444  
claimant would have been entitled to had ~~he~~ the claimant not been 6445  
injured. 6446

**Sec. 4131.04.** (A) For the purpose of sections 4131.01 to 6447  
4131.06 of the Revised Code, each subscriber shall pay premiums 6448  
upon the basis and at the intervals determined by the 6449  
administrator of workers' compensation, with the advice and 6450  
consent of the bureau of workers' compensation ~~oversight~~ 6451  
~~commission~~ board of directors. 6452

(B) The ~~administrator~~ board, based upon recommendations of 6453  
the workers' compensation actuarial committee, shall fix and 6454  
maintain for each class of occupation and type of mining the 6455  
lowest possible rates of premiums consistent with the maintenance 6456  
of a solvent fund and the creation and maintenance of a reasonable 6457  
surplus after providing for payment to maturity of all liabilities 6458  
insured pursuant to the federal act. 6459

(C) The ~~administrator~~ board, based upon recommendations of 6460  
the actuarial committee, may adjust the rates of premium at any 6461  
time. Each adjustment order shall become effective on the date 6462  
prescribed by ~~him~~ the board. 6463

(D) The administrator, by rule, may prescribe procedures for 6464  
subscription, payroll reporting, premium payment, termination of 6465  
subscription, reinstatement, and all other matters pertinent to 6466  
subscriber participation in the coal-workers pneumoconiosis fund. 6467

(E) In addition to premiums required to be paid into the 6468  
fund, the ~~administrator, with the advice and consent of the~~ 6469  
~~oversight commission,~~ board, based upon recommendations of the 6470  
actuarial committee, shall fix and may adjust at any time an 6471  
additional premium for the cost of administering the fund. The 6472  
additional premium shall be paid by each subscriber as a part of 6473  
the subscriber's total premium payment. 6474

**Sec. 4131.06.** (A) The collection of premiums, the 6475  
administration and investment of the coal-workers pneumoconiosis 6476  
fund, and the payment of benefits therefrom shall not create any 6477  
liability upon the state. 6478

(B) Except for a gross abuse of discretion, the industrial 6479  
commission and the individual members thereof, the bureau of 6480  
workers' compensation ~~oversight commission~~ board of directors and 6481  
the individual members thereof, the workers' compensation 6482  
actuarial committee and the individual members thereof, and the 6483  
administrator of workers' compensation shall not incur any 6484  
obligation or liability respecting the collection of premiums, the 6485  
administration or investment of the fund, or the payment of 6486  
benefits therefrom. 6487

**Sec. 4131.13.** (A) For the relief of persons who are entitled 6488  
to receive benefits by virtue of the federal act, there is hereby 6489  
established a marine industry fund, which shall be separate from 6490  
the funds established and administered pursuant to Chapter 4123. 6491  
of the Revised Code. The marine industry fund shall consist of 6492  
premiums and other payments thereto by marine industry employers 6493  
who apply to the bureau of workers' compensation for permission to 6494  
subscribe to the fund to insure the payment of benefits required 6495  
by the federal act. 6496

By rule, the administrator of workers' compensation shall 6497  
establish criteria for the acceptance or rejection of applications 6498  
by marine industry employers who apply to subscribe to the fund. 6499

(B) The marine industry fund shall be in the custody of the 6500  
treasurer of state. The bureau shall make disbursements from the 6501  
fund to those persons entitled to payment therefrom and in the 6502  
amounts required pursuant to the federal act. The auditor of state 6503  
annually shall complete a fiscal audit of the fund. All investment 6504

earnings of the fund shall be credited to the fund. 6505

(C) The administrator shall have the same powers to invest 6506  
any of the surplus or reserve belonging to the marine industry 6507  
fund as are delegated to him under section 4123.44 of the Revised 6508  
Code with respect to the state insurance fund. 6509

(D) If the ~~administrator~~ bureau of workers' compensation 6510  
board of directors determines that reinsurance of the risks of the 6511  
marine industry fund is necessary to assure solvency of the fund, 6512  
he the board may: 6513

(1) Enter into contracts for the purchase of reinsurance 6514  
coverage of the risks of the fund with any company or agency 6515  
authorized by law to issue contracts of reinsurance; 6516

(2) ~~Pay~~ Require the administrator to pay the cost of 6517  
reinsurance from the fund; 6518

(3) Include the costs of reinsurance as a liability and 6519  
estimated liability of the fund. 6520

(E) For the purpose of maintaining the solvency of the marine 6521  
industry fund, the administrator may borrow money from the state 6522  
insurance fund as is necessary. Money borrowed from the state 6523  
insurance fund shall be repaid from the marine industry fund 6524  
together with an appropriate interest rate not to exceed the 6525  
average yield of fixed income investments of the state insurance 6526  
fund for the six-month period ended on the last day of the month 6527  
preceding the month in which the money is borrowed. Loans made 6528  
pursuant to this division are a proper investment of the surplus 6529  
or reserve of the state insurance fund. 6530

(F) In no event shall any of the assets of any of the funds 6531  
created and administered pursuant to Chapter 4123. of the Revised 6532  
Code be disbursed in payment of any cost or obligation of or 6533  
insured by the marine industry fund. This division shall not be 6534  
construed to prohibit as a proper investment loans made from the 6535

state insurance fund to the marine industry fund pursuant to 6536  
division (E) of this section. 6537

**Sec. 4131.14.** (A) For the purpose of sections 4131.11 to 6538  
4131.16 of the Revised Code, each subscriber shall pay premiums 6539  
upon the basis and at the intervals determined by the 6540  
administrator of workers' compensation, with the advice and 6541  
consent of the bureau of workers' compensation ~~oversight~~ 6542  
~~commission~~ board of directors. 6543

(B) The ~~administrator~~ board, based upon recommendations of 6544  
the workers' compensation actuarial committee, shall fix and 6545  
maintain for each class of occupation and type of business the 6546  
lowest possible rates of premiums consistent with the maintenance 6547  
of a solvent fund and the creation and maintenance of a reasonable 6548  
surplus after providing for payment to maturity of all liabilities 6549  
insured pursuant to the federal act. The ~~administrator~~ board, 6550  
based upon recommendations of the actuarial committee, by rule, 6551  
may provide for merit rating of subscribers. 6552

(C) The ~~administrator~~ board, with the advice and consent 6553  
based upon recommendations of the ~~oversight commission~~ actuarial 6554  
committee, may adjust the rates of premium at any time. Each 6555  
adjustment order is effective on the date prescribed by the 6556  
~~administrator~~ board. 6557

(D) The administrator, by rule adopted pursuant to Chapter 6558  
119. of the Revised Code, may prescribe procedures for 6559  
subscription, payroll reporting, premium payment, payment of an 6560  
advance security deposit by subscribers to secure payments of 6561  
premiums when due, termination of subscription, reinstatement, and 6562  
all other matters pertinent to subscriber participation in the 6563  
marine industry fund. 6564

(E) In addition to premiums required to be paid into the 6565  
fund, the ~~administrator~~ board, with the advice and consent based 6566

upon recommendations of the oversight commission, actuarial 6567  
committee, shall fix and may adjust at any time an additional 6568  
premium for the cost of administering the fund. The additional 6569  
premium shall be paid by each subscriber as a part of the 6570  
subscriber's total premium payment. 6571

**Sec. 4131.16.** (A) The collection of premiums, the 6572  
administration and investment of the marine industry fund, and the 6573  
payment of benefits therefrom shall not create any liability upon 6574  
the state. 6575

(B) Except for a gross abuse of discretion, the industrial 6576  
commission and the individual members thereof, the bureau of 6577  
workers' compensation ~~oversight commission~~ board of directors and 6578  
the individual members thereof, the workers' compensation 6579  
actuarial committee and the individual members thereof, and the 6580  
administrator of workers' compensation shall not incur any 6581  
obligation or liability respecting the collection of premiums, the 6582  
administration or investment of the fund, or the payment of 6583  
benefits therefrom. 6584

**Sec. 4167.02.** (A) The administrator of worker's compensation 6585  
shall operate and enforce the public employment risk reduction 6586  
program created by this chapter. 6587

(B) The administrator shall do all of the following: 6588

(1) Adopt rules, with the advice and consent of the bureau of 6589  
workers' compensation ~~oversight commission~~ board of directors and 6590  
in accordance with Chapter 119. of the Revised Code, for the 6591  
administration and enforcement of this chapter, including rules 6592  
covering standards the administrator shall follow in issuing an 6593  
emergency temporary Ohio employment risk reduction standard under 6594  
section 4167.08 of the Revised Code and a temporary variance and a 6595  
variance from an Ohio employment risk reduction standard or part 6596

thereof under section 4167.09 of the Revised Code; 6597

(2) Do all things necessary and appropriate for the 6598  
administration and enforcement of this chapter. 6599

(C) In carrying out the responsibilities of this chapter, the 6600  
administrator may use, with the consent of any federal, state, or 6601  
local agency, the services, facilities, and personnel of such 6602  
agency, with or without reimbursement, and may retain or contract 6603  
with experts, consultants, and organizations for services or 6604  
personnel on such terms as the administrator determines 6605  
appropriate. 6606

**Sec. 4167.07.** (A) The administrator of workers' compensation, 6607  
with the advice and consent of the bureau of workers' compensation 6608  
~~oversight commission~~ board of directors, shall adopt rules that 6609  
establish employment risk reduction standards. Except as provided 6610  
in division (B) of this section, in adopting these rules, the 6611  
administrator shall do both of the following: 6612

(1) By no later than July 1, 1994, adopt as a rule and an 6614  
Ohio employment risk reduction standard every federal occupational 6615  
safety and health standard then adopted by the United States 6616  
secretary of labor pursuant to the "Occupational Safety and Health 6617  
Act of 1970," 84 Stat. 1590, 29 U.S.C.A. 651, as amended; 6618

(2) By no later than one hundred twenty days after the United 6619  
States secretary of labor adopts, modifies, or revokes any federal 6620  
occupational safety and health standard, by rule do one of the 6621  
following: 6622

(a) Adopt the federal occupational safety and health standard 6623  
as a rule and an Ohio employment risk reduction standard; 6624

(b) Amend the existing rule and Ohio employment risk 6625  
reduction standard to conform to the modification of the federal 6626

occupational safety and health standard; 6627

(c) Rescind the existing rule and Ohio employment risk 6628  
reduction standard that corresponds to the federal occupational 6629  
safety and health standard the United States secretary of labor 6630  
revoked. 6631

(B) The administrator, with the advice and consent of the 6632  
bureau of workers' compensation oversight commission board of 6633  
directors, may decline to adopt any federal occupational safety 6634  
and health standard as a rule and an Ohio employment risk 6635  
reduction standard or to modify or rescind any existing rule and 6636  
Ohio employment risk reduction standard to conform to any federal 6637  
occupational safety and health standard modified or revoked by the 6638  
United States secretary of labor or may adopt as a rule and an 6639  
Ohio employment risk reduction standard any occupational safety 6640  
and health standard that is not covered under the federal law or 6641  
that differs from one adopted or modified by the United States 6642  
secretary of labor, if the administrator determines that existing 6643  
rules and Ohio employment risk reduction standards provide 6644  
protection at least as effective as that which would be provided 6645  
by the existing, new, or modified federal occupational safety and 6646  
health standard or if the administrator determines that local 6647  
conditions warrant a different standard from that of the existing 6648  
federal occupational safety and health standard or from standards 6649  
the United States secretary of labor adopts, modifies, or revokes. 6650

(C) In adopting, modifying, or rescinding any rule or Ohio 6651  
employment risk reduction standard dealing with toxic materials or 6652  
harmful physical agents, the administrator, with the advice and 6653  
consent of the bureau of workers' compensation oversight 6654  
~~commission~~ board of directors, shall do all of the following: 6655

(1) Set the employment risk reduction standard to most 6656  
adequately assure, to the extent technologically feasible and on 6657  
the basis of the best available evidence, that no public employee 6658

will suffer material impairment of health or functional capacity 6659  
as a result of the hazards dealt with by the rule or Ohio 6660  
employment risk reduction standard for the period of the public 6661  
employee's working life; 6662

(2) Base the development of these rules and Ohio employment 6663  
risk reduction standards on research, demonstrations, experiments, 6664  
and other information as is appropriate and upon the technological 6665  
feasibility of the rule and standard, using the latest available 6666  
scientific data in the field and the experience gained in the 6667  
workplace under this chapter and other health and safety laws, to 6668  
establish the highest degree of safety and health for the public 6669  
employee; 6670

(3) Whenever practicable, express the rule and Ohio 6671  
employment risk reduction standard in terms of objective criteria 6672  
and of the performance desired; 6673

(4) Prescribe the use of labels or other appropriate forms of 6674  
warning as are necessary to ensure that public employees are 6675  
apprised of all hazards to which they are exposed, relevant 6676  
symptoms and appropriate emergency treatment, and proper 6677  
conditions and precautions of safe use or exposure where 6678  
appropriate; 6679

(5) Prescribe suitable protective equipment and control 6680  
procedures to be used in connection with the hazards; 6681

(6) Provide for measuring or monitoring public employee 6682  
exposure in a manner necessary for the protection of the public 6683  
employees; 6684

(7) Where appropriate, prescribe the type and frequency of 6685  
medical examinations or other tests the public employer shall make 6686  
available, at the cost of the public employer, to the public 6687  
employees exposed to the hazards in order to determine any adverse 6688  
effect from the exposure. 6689

(D) In determining the priority for adopting rules and Ohio employment risk reduction standards under this section, the administrator shall give due regard to the urgency of need and recommendations of the department of health regarding that need for mandatory employment risk reduction standards for particular trades, crafts, occupations, services, and workplaces.

(E)(1) Except for rules adopted under division (A) of this section, the administrator, with the advice and consent of the bureau of workers' compensation oversight commission board of directors, shall adopt all rules under this section in accordance with Chapter 119. of the Revised Code, provided that notwithstanding that chapter, the administrator may delay the effective date of any rule or Ohio employment risk reduction standard for the period the administrator determines necessary to ensure that affected public employers and public employees will be informed of the adoption, modification, or rescission of the rule and Ohio employment risk reduction standard and have the opportunity to familiarize themselves with the specific requirements of the rule and standard. In no case, however, shall the administrator delay the effective date of a rule adopted pursuant to Chapter 119. of the Revised Code in excess of ninety days beyond the otherwise required effective date.

(2) In regard to the rules for which the administrator does not have to comply with Chapter 119. of the Revised Code, the administrator shall file two certified copies of the rules and Ohio employment risk reduction standards adopted with the secretary of state and the director of the legislative service commission.

**Sec. 4167.08.** (A) In the event of an emergency or unusual situation, the administrator of workers' compensation shall issue an emergency temporary Ohio employment risk reduction standard to

take immediate effect upon publication in newspapers of general 6721  
circulation in Cleveland, Columbus, Cincinnati, and Toledo if the 6722  
administrator finds both of the following: 6723

(1) Public employees are exposed to grave danger from 6724  
exposure to substances or agents determined to be toxic or 6725  
physically harmful or from new hazards; 6726

(2) The emergency temporary Ohio employment risk reduction 6727  
standard is necessary to protect employees from the danger. 6728

(B)(1) Except as provided in division (B)(2) of this section 6729  
an emergency temporary Ohio employment risk reduction standard 6730  
issued by the administrator under division (A) of this section 6731  
shall be in effect no longer than fifteen days, unless the 6732  
~~commission~~ bureau of workers' compensation board of directors 6733  
approves the emergency temporary Ohio employment risk reduction 6734  
standard as issued by the administrator, in which case, the 6735  
emergency temporary Ohio employment risk reduction standard shall 6736  
be in effect no longer than one hundred twenty days after the date 6737  
the administrator issues it. 6738

(2) The administrator may renew an emergency temporary Ohio 6739  
employment risk reduction standard that has been approved by the 6740  
~~workers' compensation oversight commission~~ board for an additional 6741  
time period not to exceed one hundred days if the administrator 6742  
finds that the conditions identified in divisions (A)(1) and (2) 6743  
of this section continue to exist. 6744

On or before the expiration date of the emergency temporary 6745  
Ohio employment risk reduction standard or renewal thereof, if the 6746  
conditions identified in divisions (A)(1) and (2) of this section 6747  
continue to exist, the administrator, with the advice and consent 6748  
of the ~~oversight commission~~ board, shall adopt a permanent Ohio 6749  
employment risk reduction standard pursuant to section 4167.07 of 6750  
the Revised Code as a rule to replace the emergency temporary Ohio 6751

employment risk reduction standard. 6752

**Sec. 4167.09.** (A) Any public employer affected by a proposed 6753  
rule or Ohio employment risk reduction standard or any provision 6754  
of a standard proposed under section 4167.07 or 4167.08 of the 6755  
Revised Code may apply to the administrator of workers' 6756  
compensation for an order granting a temporary variance from the 6757  
standard or provision. The application for the order and any 6758  
extension of the order shall contain a reasonable application fee, 6759  
as determined by the bureau of workers' compensation oversight 6760  
~~commission~~ board of directors, and all of the following 6761  
information: 6762

(1) A specification of the Ohio public employment risk 6763  
reduction standard or provision of it from which the public 6764  
employer seeks the temporary variance; 6765

(2) A representation by the public employer, supported by 6766  
representations from qualified persons having firsthand knowledge 6767  
of the facts represented, that the public employer is unable to 6768  
comply with the Ohio employment risk reduction standard or 6769  
provision of it and a detailed statement of the reasons for the 6770  
inability to comply; 6771

(3) A statement of the steps that the public employer has 6772  
taken and will take, with dates specified, to protect employees 6773  
against the hazard covered by the standard; 6774

(4) A statement of when the public employer expects to be 6775  
able to comply fully with the Ohio employment risk reduction 6776  
standard and what steps the public employer has taken and will 6777  
take, with dates specified, to come into full compliance with the 6778  
standard; 6779

(5) A certification that the public employer has informed the 6780  
public employer's public employees of the application by giving a 6781

copy of the application to the public employee representative, if 6782  
any, and by posting a statement giving a summary of the 6783  
application and specifying where a copy of the application may be 6784  
examined at the place or places where notices to public employees 6785  
are normally posted, and by any other appropriate means of public 6786  
employee notification. The public employer also shall inform the 6787  
public employer's public employees of their rights to a hearing 6788  
under section 4167.15 of the Revised Code. The certification also 6789  
shall contain a description of how public employees have been 6790  
informed of the application and of their rights to a hearing. 6791

(B) The administrator shall issue an order providing for a 6792  
temporary variance if the public employer files an application 6793  
that meets the requirements of division (A) of this section and 6794  
establishes that all of the following pertaining to the public 6795  
employer are true: 6796

(1) The public employer is unable to comply with the Ohio 6797  
employment risk reduction standard or a provision of it by its 6798  
effective date because of the unavailability of professional or 6799  
technical personnel or of materials and equipment needed to come 6800  
into compliance with the Ohio employment risk reduction standard 6801  
or provision of it or because necessary construction or alteration 6802  
of facilities cannot be completed by the effective date of the 6803  
standard. 6804

(2) The public employer is taking all available steps to 6805  
safeguard the public employer's public employees against the 6806  
hazards covered by the Ohio employment risk reduction standard. 6807

(3) The public employer has an effective program for coming 6808  
into compliance with the Ohio employment risk reduction standard 6809  
as quickly as practicable. 6810

(4) The granting of the variance will not create an imminent 6811  
danger of death or serious physical harm to public employees. 6812

(C)(1) If the administrator issues an order providing for a temporary variance under division (B) of this section, the administrator shall prescribe the practices, means, methods, operations, and processes that the public employer must adopt and use while the order is in effect and state in detail the public employer's program for coming into compliance with the Ohio employment risk reduction standard. The administrator may issue the order only after providing notice to affected public employees and their public employee representative, if any, and an opportunity for a hearing pursuant to section 4167.15 of the Revised Code, provided that the administrator may issue one interim order granting a temporary order to be effective until a decision on a hearing is made. Except as provided in division (C)(2) of this section, no temporary variance may be in effect for longer than the period needed by the public employer to achieve compliance with the Ohio employment risk reduction standard or one year, whichever is shorter.

(2) The administrator may renew an order issued under division (C) of this section up to two times provided that the requirements of divisions (A), (B), and (C)(1) of this section and section 4167.15 of the Revised Code are met and the public employer files an application for renewal with the administrator at least ninety days prior to the expiration date of the order.

(D) Any public employer affected by an Ohio employment risk reduction standard or any provision of it proposed, adopted, or otherwise issued under section 4167.07 or 4167.08 of the Revised Code may apply to the administrator for an order granting a variance from the standard or provision. The administrator shall provide affected public employees and their public employee representative, if any, notice of the application and shall provide an opportunity for a hearing pursuant to section 4167.15 of the Revised Code. The administrator shall issue the order

granting the variance if the public employer files an application 6845  
that meets the requirements of division (B) of this section, and 6846  
after an opportunity for a hearing pursuant to section 4167.15 of 6847  
the Revised Code, and if the public employer establishes to the 6848  
satisfaction of the administrator that the conditions, practices, 6849  
means, methods, operations, or processes used or proposed to be 6850  
used by the public employer will provide employment and places of 6851  
employment to the public employer's public employees that are as 6852  
safe and healthful as those that would prevail if the public 6853  
employer complied with the Ohio employment risk reduction 6854  
standard. The administrator shall prescribe in the order granting 6855  
the variance the conditions the public employer must maintain, and 6856  
the practices, means, methods, operations, and processes the 6857  
public employer must adopt and utilize in lieu of the Ohio 6858  
employment risk reduction standard that would otherwise apply. The 6859  
administrator may modify or revoke the order upon application of 6860  
the public employer, public employee, or public employee 6861  
representative, or upon the administrator's own motion in the 6862  
manner prescribed for the issuance of an order under this division 6863  
at any time during six months after the date of issuance of the 6864  
order. 6865

**Sec. 4167.11.** (A) In order to further the purposes of this 6866  
chapter, the administrator of workers' compensation shall develop 6867  
and maintain, for public employers and public employees, an 6868  
effective program of collection, compilation, and analysis of 6869  
employment risk reduction statistics. 6870

(B) To implement and maintain division (A) of this section, 6871  
the administrator, with the advice and consent of the bureau of 6872  
workers' compensation ~~oversight commission~~ board of directors, 6873  
shall adopt rules in accordance with Chapter 119. of the Revised 6874  
Code that extend to all of the following: 6875

(1) Requiring each public employer to make, keep, and 6876  
preserve, and make available to the administrator, reports and 6877  
records regarding the public employer's activities, as determined 6878  
by the rule that are necessary or appropriate for the enforcement 6879  
of this chapter or for developing information regarding the causes 6880  
and prevention of occupational accidents and illnesses. The rule 6881  
shall prescribe which of these reports and records shall or may be 6882  
furnished to public employees and public employee representatives. 6883

(2) Requiring every public employer, through posting of 6884  
notices or other appropriate means, to keep their public employees 6885  
informed of public employees' rights and obligations under this 6886  
chapter, including the provisions of applicable Ohio employment 6887  
risk reduction standards; 6888

(3) Requiring public employers to maintain accurate records 6889  
of public employee exposure to potentially toxic materials, 6890  
carcinogenic materials, and harmful physical agents that are 6891  
required to be monitored or measured under rules adopted under the 6892  
guidelines of division (C) of section 4167.07 of the Revised Code. 6893  
The rule shall provide public employees or public employee 6894  
representatives an opportunity to observe the monitoring or 6895  
measuring, and to have access on request to the records thereof, 6896  
and may provide public employees or public employee 6897  
representatives an opportunity to participate in and to undertake 6898  
their own monitoring or measuring. The rules also shall permit 6899  
each current or former public employee to have access to the 6900  
records that indicate their own exposure to toxic materials, 6901  
carcinogenic materials, or harmful agents. 6902

(C) The administrator shall obtain any information under 6903  
division (B) of this section with a minimum burden upon the public 6904  
employer and shall, to the maximum extent feasible, reduce 6905  
unnecessary duplication of efforts in obtaining the information. 6906

**Sec. 4167.14.** (A) Any court of common pleas has jurisdiction, 6907  
upon petition of the administrator of workers' compensation, to 6908  
restrain any conditions or practices in any places of employment 6909  
that present a danger that could reasonably be expected to cause 6910  
death or serious harm or contribute significantly to 6911  
occupationally related illness immediately or before the imminence 6912  
of the danger can be eliminated through the enforcement procedures 6913  
provided in this chapter. Any order issued under this section may 6914  
require that steps be taken as necessary to avoid, correct, or 6915  
remove the imminent danger and prohibit the employment or presence 6916  
of any individual in locations or under conditions where the 6917  
imminent danger exists, except individuals whose presence is 6918  
necessary to avoid, correct, or remove the imminent danger. 6919

(B) Upon the filing of a petition under division (A) of this 6921  
section, the court of common pleas may grant injunctive relief or 6922  
a temporary restraining order pending the outcome of an 6923  
enforcement proceeding pursuant to this chapter, except that no 6924  
temporary restraining order issued without notice is effective for 6925  
a period longer than five calendar days. 6926

(C) If the administrator or the administrator's designee 6927  
responsible for inspections determines that the imminent danger as 6928  
described in division (A) of this section is such that immediate 6929  
action is necessary, and further determines that there is not 6930  
sufficient time in light of the nature, severity, and imminence of 6931  
the danger to seek and obtain a temporary restraining order or 6932  
injunction, the administrator or the administrator's designee 6933  
immediately shall file a petition with the court under division 6934  
(A) of this section and issue an order requiring action to be 6935  
taken as is necessary to avoid, correct, or remove the imminent 6936  
danger. 6937

The administrator, with the advice and consent of the bureau 6938  
of workers' compensation oversight commission board of directors, 6939  
shall adopt rules, in accordance with Chapter 119. of the Revised 6940  
Code, to permit a public employer expeditious informal 6941  
reconsideration of any order issued by the administrator under 6942  
this division. Unless the administrator reverses an order pursuant 6943  
to the informal reconsideration, the order remains in effect 6944  
pending the court's determination under this section. If the 6945  
administrator modifies an order pursuant to the informal 6946  
reconsideration, the administrator shall provide the court with 6947  
whom the administrator filed the petition under this section with 6948  
a copy of the modified order. The modified order remains in effect 6949  
pending the court's determination under this section. 6950

**Section 101.02.** That existing sections 102.02, 102.06, 6951  
109.981, 119.01, 1707.01, 3345.12, 4121.01, 4121.12, 4121.121, 6952  
4121.122, 4121.125, 4121.126, 4121.128, 4121.37, 4121.441, 6953  
4121.48, 4121.61, 4121.67, 4121.70, 4123.01, 4123.025, 4123.21, 6954  
4123.25, 4123.29, 4123.291, 4123.311, 4123.32, 4123.34, 4123.341, 6955  
4123.342, 4123.35, 4123.351, 4123.37, 4123.38, 4123.39, 4123.40, 6956  
4123.41, 4123.411, 4123.412, 4123.419, 4123.44, 4123.441, 4123.47, 6957  
4123.50, 4123.511, 4123.512, 4123.57, 4123.65, 4123.66, 4123.75, 6958  
4123.80, 4123.82, 4123.92, 4125.05, 4127.07, 4127.08, 4131.04, 6959  
4131.06, 4131.13, 4131.14, 4131.16, 4167.02, 4167.07, 4167.08, 6960  
4167.09, 4167.11, and 4167.14 of the Revised Code are hereby 6961  
repealed. 6962

**Section 105.01.** That sections 4121.06 and 4121.123 of the 6963  
Revised Code are hereby repealed. 6964

**Section 201.10.** All items in this section are hereby 6965  
appropriated out of any moneys in the state treasury to the credit 6966  
of the designated fund. For all appropriations made in this act, 6967

those in the first column are for fiscal year 2008, and those in 6968  
the second column are for fiscal year 2009. 6969

FND AI	AI TITLE	Appropriations		
	BWC BUREAU OF WORKERS' COMPENSATION			6970
	Workers' Compensation Fund Group			6971
023 855-401	William Green Lease	\$ 20,436,600	\$ 20,686,500	6972
	Payments to OBA			
023 855-407	Claims, Risk & Medical	\$ 140,367,719	\$ 140,367,719	6973
	Management			
023 855-408	Fraud Prevention	\$ 11,772,551	\$ 11,772,551	6974
023 855-409	Administrative	\$ 122,962,388	\$ 122,962,388	6975
	Services			
023 855-410	Attorney General	\$ 4,444,085	\$ 4,444,085	6976
	Payments			
822 855-606	Coal Workers' Fund	\$ 91,894	\$ 91,894	6977
823 855-608	Marine Industry	\$ 53,952	\$ 53,952	6978
825 855-605	Disabled Workers	\$ 488,282	\$ 492,500	6979
	Relief Fund			
826 855-609	Safety & Hygiene	\$ 20,734,750	\$ 20,734,750	6980
	Operating			
826 855-610	Safety Grants Program	\$ 4,000,000	\$ 4,000,000	6981
829 855-604	Long Term Care Loan	\$ 2,000,000	\$ 2,000,000	6982
	Program			
TOTAL WCF	Workers' Compensation			6983
Fund Group		\$ 327,352,221	\$ 327,606,339	6984
	Federal Special Revenue Fund Group			6985
349 855-601	OSHA Enforcement	\$ 1,604,140	\$ 1,604,140	6986
TOTAL FED	Federal Special Revenue	\$ 1,604,140	\$ 1,604,140	6987
Fund Group				
TOTAL ALL BUDGET FUND GROUPS		\$ 328,956,361	\$ 329,210,479	6988
	WILLIAM GREEN LEASE PAYMENTS			6989

The foregoing appropriation item 855-401, William Green Lease Payments to OBA, shall be used for lease payments to the Ohio Building Authority, and these appropriations shall be used to meet all payments at the times they are required to be made during the period from July 1, 2007, to June 30, 2009, by the Bureau of Workers' Compensation to the Ohio Building Authority pursuant to leases and agreements made under Chapter 152. of the Revised Code and Section 6 of Am. Sub. H.B. 743 of the 118th General Assembly. Of the amounts received in Fund 023, appropriation item 855-401, William Green Lease Payments to OBA, up to \$41,123,100 shall be restricted for lease rental payments to the Ohio Building Authority. If it is determined that additional appropriations are necessary for such purpose, such amounts are hereby appropriated.

Notwithstanding any other provision of law to the contrary, all tenants of the William Green Building not funded by the Workers' Compensation Fund (Fund 023) shall pay their fair share of the costs of lease payments to the Workers' Compensation Fund (Fund 023) by intrastate transfer voucher.

WORKERS' COMPENSATION FRAUD UNIT

The Workers' Compensation Section Fund (Fund 195) shall receive payments from the Bureau of Workers' Compensation at the beginning of each quarter of each fiscal year to fund expenses of the Workers' Compensation Fraud Unit of the Attorney General's Office. Of the foregoing appropriation item 855-410, Attorney General Payments, \$4,444,085 in fiscal year 2008 and \$4,444,085 in fiscal year 2009 shall be used to provide these payments.

SAFETY AND HYGIENE

Notwithstanding section 4121.37 of the Revised Code, the Administrator of Workers' Compensation shall transfer moneys from the State Insurance Fund so that appropriation item 855-609, Safety and Hygiene Operating, is provided \$20,734,750 in fiscal

year 2008 and \$20,734,750 in fiscal year 2009. 7022

OSHA ON-SITE CONSULTATION PROGRAM 7023

The Bureau of Workers' Compensation may designate a portion 7024  
of appropriation item 855-609, Safety and Hygiene Operating, to be 7025  
used to match federal funding for the federal Occupational Safety 7026  
and Health Administration's (OSHA) on-site consultation program. 7027

VOCATIONAL REHABILITATION 7028

The Bureau of Workers' Compensation and the Rehabilitation 7029  
Services Commission shall enter into an interagency agreement for 7030  
the provision of vocational rehabilitation services and staff to 7031  
mutually eligible clients. The bureau shall provide \$605,407 in 7032  
fiscal year 2008 and \$605,407 in fiscal year 2009 from the State 7033  
Insurance Fund to fund vocational rehabilitation services and 7034  
staff in accordance with the interagency agreement. 7035

FUND BALANCE 7036

Any unencumbered cash balance in excess of \$45,000,000 in the 7037  
Workers' Compensation Fund (Fund 023) on the thirtieth day of June 7038  
of each fiscal year shall be used to reduce the administrative 7039  
cost rate charged to employers to cover appropriations for Bureau 7040  
of Workers' Compensation operations. 7041

HOLDING ACCOUNT 7042

On July 1, 2007, or as soon as possible thereafter, the 7043  
Director of Budget and Management shall transfer the remaining 7044  
cash balance in the Camera Center Fund (Fund R46) to the 7045  
Administrative Fund (Fund 023). After the transfer, the Camera 7046  
Center Fund is abolished. 7047

REIMBURSEMENT RATE FOR MANAGED CARE ORGANIZATIONS 7048

The Administrator of Workers' Compensation shall perform an 7049  
assessment of the Health Partnership Program that shall include 7050  
all of the following: 7051

(A) The adequacy and appropriateness of the compensation arrangement between the Bureau of Workers' Compensation and the managed care organizations participating in the program;

(B) The scope and quality of the services provided by managed care organizations;

(C) The achieved claim cost avoidance;

(D) The increased return to work ratios.

The Administrator may enter into contracts with outside consultants to perform the assessment required under this section. The Administrator, as appropriate, may work with the committees created under section 4121.123 of the Revised Code, as enacted by this act, and shall provide a summary of the assessment and shall present recommendations based on the assessment to the Bureau of Workers' Compensation Board of Directors not later than ninety days after the last member of the board is appointed in accordance with section 4121.12 of the Revised Code, as amended by this act.

GROUP RATING AUDIT AND ASSESSMENT

The Administrator of Workers' Compensation shall perform an assessment of the group rating program that shall include all of the following:

(A) The actuarial soundness of the group rating program;

(B) The impact of the program on Ohio businesses, including both participating and nonparticipating businesses;

(C) The rating equity of the program;

(D) The impact of the group rating program on the State Insurance Fund as a whole;

(E) The impact of the program on base rates.

The Administrator may enter into contracts with outside consultants to perform the assessment required under this section.

The Administrator, as appropriate, may work with the committees 7081  
created under section 4121.123 of the Revised Code, as enacted by 7082  
this act, and shall provide a summary of the assessment and shall 7083  
present recommendations based on the assessment to the Bureau of 7084  
Workers' Compensation Board of Directors not later than ninety 7085  
days after the last member of the board is appointed in accordance 7086  
with section 4121.12 of the Revised Code, as amended by this act. 7087

**Section 303.10.** Law contained in the main operating 7088  
appropriations act of the 127th General Assembly that applies 7089  
generally to the appropriations made in that act also applies 7090  
generally to the appropriations made in this act. 7091

**Section 403.03.** That Section 4 of Am. Sub. H.B. 516 of the 7092  
125th General Assembly, as amended by Am. Sub. H.B. 66 and Sub. 7093  
S.B. 124 of the 126th General Assembly, be amended to read as 7094  
follows: 7095

**Sec. 4.** The following agencies shall be retained pursuant to 7096  
division (D) of section 101.83 of the Revised Code and shall 7097  
expire on December 31, 2010: 7098

	REVISED CODE	7099
	OR	
	UNCODIFIED	7100
AGENCY NAME	SECTION	7101
Administrator, Interstate Compact on Mental Health	5119.50	7102
Administrator, Interstate Compact on Placement of Children	5103.20	7103 7104
Advisory Board of Governor's Office of Faith-Based and Community Initiatives	107.12	7105
Advisory Boards to the EPA for Air Pollution	121.13	7106
Advisory Boards to the EPA for Water Pollution	121.13	7107
Advisory Committee of the State Veterinary Medical	4741.03(D)(3)	7108

Licensing Board		
Advisory Committee on Livestock Exhibitions	901.71	7109
Advisory Council on Amusement Ride Safety	1711.51	7110
Advisory Board of Directors for Prison Labor	5145.162	7111
Advisory Council for Each Wild, Scenic, or Recreational River Area	1517.18	7112
Advisory Councils or Boards for State Departments	107.18 or 121.13	7113
Advisory Group to the Ohio Water Resources Council	1521.19(C)	7114
Alzheimer's Disease Task Force	173.04(F)	7115
AMBER Alert Advisory Committee	5502.521	7116
Apprenticeship Council	4139.02	7117
Armory Board of Control	5911.09	7118
Automated Title Processing Board	4505.09(C)(1)	7119
Banking Commission	1123.01	7120
Board of Directors of the Ohio Health Reinsurance Program	3924.08	7121
Board of Voting Machine Examiners	3506.05(B)	7122
Brain Injury Advisory Committee	3304.231	7123
Capitol Square Review and Advisory Board	105.41	7124
Child Support Guideline Advisory Council	3119.024	7125
Children's Trust Fund Board	3109.15	7126
Citizens Advisory Committee (BMV)	4501.025	7127
Citizen's Advisory Councils (Dept. of Mental Retardation and Developmental Disabilities)	5123.092	7128
Clean Ohio Trail Advisory Board	1519.06	7129
Coastal Resources Advisory Council	1506.12	7130
Commission on African-American Males	4112.12	7131
Commission on Hispanic-Latino Affairs	121.31	7132
Commission on Minority Health	3701.78	7133
Committee on Prescriptive Governance	4723.49	7134
Commodity Advisory Commission	926.32	7135
Community Mental Retardation and Developmental	5123.353	7136

Disabilities Trust Fund Advisory Council		
Community Oversight Council	3311.77	7137
Compassionate Care Task Force	Section 3, H.B. 474, 124th GA	7138
Continuing Education Committee (for Sheriffs)	109.80	7139
Coordinating Committee, Agricultural Commodity Marketing Programs	924.14	7140
Council on Alcohol and Drug Addiction Services	3793.09	7141
Council on Unreclaimed Strip Mined Lands	1513.29	7142
Council to Advise on the Establishment and Implementation of the Birth Defects Information System	3705.34	7143
County Sheriffs' Standard Car-Marking and Uniform Commission	311.25	7144
Credit Union Council	1733.329	7145
Criminal Sentencing Advisory Committee	181.22	7146
Day-Care Advisory Council	5104.08	7147
Dentist Loan Repayment Advisory Board	3702.92	7148
Development Financing Advisory Council	122.40	7149
Education Commission of the States (Interstate Compact for Education)	3301.48	7150
Electrical Safety Inspector Advisory Committee	3783.08	7151
Emergency Response Commission	3750.02	7152
Engineering Experiment Station Advisory Committee	3335.27	7153
Environmental Education Council	3745.21	7154
EPA Advisory Boards or Councils	121.13	7155
Farmland Preservation Advisory Board	901.23	7156
Financial Planning & Supervision Commission for Municipal Corporation, County, or Township	118.05	7157
Financial Planning & Supervision Commission for School District	3316.05	7158
Forestry Advisory Council	1503.40	7159

Governance Authority for a State University or College	3345.75	7160
Governor's Advisory Council on Physical Fitness, Wellness, & Sports	3701.77	7161
Governor's Council on People with Disabilities	3303.41	7162
Governor's Residence Advisory Commission	107.40	7163
Great Lakes Commission (Great Lakes Basin Compact)	6161.01	7164
Gubernatorial Transition Committee	107.29	7165
Head Start Partnership Study Council	Section 41.35, H.B. 95, 125th GA	7166
Hemophilia Advisory Subcommittee	3701.0210	7167
Housing Trust Fund Advisory Committee	175.25	7168
Industrial Commission Nominating Council	4121.04	7169
Industrial Technology and Enterprise Advisory Council	122.29	7170
Infant Hearing Screening Subcommittee	3701.507	7171
Insurance Agent Education Advisory Council	3905.483	7172
Interagency Council on Hispanic/Latino Affairs	121.32(J)	7173
Interstate Mining Commission (Interstate Mining Compact)	1514.30	7174
Interstate Rail Passenger Advisory Council (Interstate High Speed Intercity Rail Passenger Network Compact)	4981.35	7175
Joint Council on MR/DD	101.37	7176
Joint Select Committee on Volume Cap	133.021	7177
Labor-Management Government Advisory Council	4121.70	7178
Legal Rights Service Commission	5123.60	7179
Legislative Task Force on Redistricting, Reapportionment, and Demographic Research	103.51	7180
Maternal and Child Health Council	3701.025	7181
Medically Handicapped Children's Medical Advisory Council	3701.025	7182

Midwest Interstate Passenger Rail Compact Commission (Ohio members)	4981.361	7183
Military Activation Task Force	5902.15	7184
Milk Sanitation Board	917.03	7185
Mine Subsidence Insurance Governing Board	3929.51	7186
Minority Development Financing Board	122.72	7187
Multi-Agency Radio Communications Systems Steering Committee	Sec. 21, H.B. 790, 120th GA	7188
Multidisciplinary Council	3746.03	7189
Muskingum River Advisory Council	1501.25	7190
National Museum of Afro-American History and Culture Planning Committee	149.303	7191
Ohio Advisory Council for the Aging	173.03	7192
Ohio Aerospace & Defense Advisory Council	122.98	7193
Ohio Arts Council	3379.02	7194
Ohio Business Gateway Steering Committee	5703.57	7195
Ohio Cemetery Dispute Resolution Commission	4767.05	7196
Ohio Civil Rights Commission Advisory Agencies and Conciliation Councils	4112.04(B)	7197
Ohio Commercial Insurance Joint Underwriting Association Board Of Governors	3930.03	7198
Ohio Commercial Market Assistance Plan Executive Committee	3930.02	7199
Ohio Commission on Dispute Resolution and Conflict Management	179.02	7200
Ohio Commission to Reform Medicaid	Section 59.29, H.B. 95, 125th GA	7201
Ohio Community Service Council	121.40	7202
Ohio Council for Interstate Adult Offender Supervision	5149.22	7203
Ohio Cultural Facilities Commission	3383.02	7204
Ohio Developmental Disabilities Council	5123.35	7205

Ohio Expositions Commission	991.02	7206
Ohio Family and Children First Cabinet Council	121.37	7207
Ohio Geology Advisory Council	1505.11	7208
Ohio Grape Industries Committee	924.51	7209
Ohio Hepatitis C Advisory Commission	3701.92	7210
Ohio Historic Site Preservation Advisory Board	149.301	7211
Ohio Historical Society Board of Trustees	149.30	7212
Ohio Judicial Conference	105.91	7213
Ohio Lake Erie Commission	1506.21	7214
Ohio Medical Malpractice Commission	Section 4, S.B. 281, 124th GA and Section 3, S.B. 86, 125th GA	7215
Ohio Medical Quality Foundation	3701.89	7216
Ohio Parks and Recreation Council	1541.40	7217
Ohio Peace Officer Training Commission	109.71	7218
Ohio Public Defender Commission	120.01	7219
Ohio Public Library Information Network Board	Sec. 69, H.B. 117, 121st GA, as amended by H.B. 284, 121st GA	7220
Ohio Quarter Horse Development Commission	3769.086	7221
Ohio Small Government Capital Improvements Commission	164.02	7222
Ohio Soil and Water Conservation Commission	1515.02	7223
Ohio Standardbred Development Commission	3769.085	7224
Ohio Steel Industry Advisory Council	122.97	7225
Ohio Teacher Education and Licensure Advisory Council	3319.28(D)	7226
Ohio Thoroughbred Racing Advisory Committee	3769.084	7227

Ohio Tuition Trust Authority	3334.03	7228
Ohio University College of Osteopathic Medicine Advisory Committee	3337.10	7229
Ohio Vendors Representative Committee	3304.34	7230
Ohio War Orphans Scholarship Board	5910.02	7231
Ohio Water Advisory Council	1521.031	7232
Ohio Water Resources Council	1521.19	7233
Ohioana Library Association, Martha Kinney Cooper Memorial	3375.62	7234
Oil and Gas Commission	1509.35	7235
Operating Committee, Agricultural Commodity Marketing Programs	924.07	7236
Organized Crime Investigations Commission	177.01	7237
Pharmacy and Therapeutics Committee of the Dept. of Job and Family Services	5111.81	7238
Physician Loan Repayment Advisory Board	3702.81	7239
Power Siting Board	4906.02	7240
Prequalification Review Board	5525.07	7241
Private Water Systems Advisory Council	3701.346	7242
Public Employment Risk Reduction Advisory Commission	4167.02	7243
Public Health Council	3701.33	7244
Public Utilities Commission Nominating Council	4901.021	7245
Public Utility Property Tax Study Committee	5727.85	7246
Radiation Advisory Council	3748.20	7247
Reclamation Commission	1513.05	7248
Recreation and Resources Commission	1501.04	7249
Recycling and Litter Prevention Advisory Council	1502.04	7250
Rehabilitation Services Commission Consumer Advisory Committee	3304.24	7251
Savings & Loans Associations & Savings Banks Board	1181.16	7252
Schools and Ministerial Lands Divestiture Committee	501.041	7253

Second Chance Trust Fund Advisory Committee	2108.17	7254
<del>Services Committee of the Workers' Compensation System</del>	<del>4121.06</del>	7255
Small Business Stationary Source Technical and Environmental Compliance Assistance Council	3704.19	7256
Solid Waste Management Advisory Council	3734.51	7257
State Agency Coordinating Group	1521.19	7258
State Board of Emergency Medical Services Subcommittees	4765.04	7259
State Council of Uniform State Laws	105.21	7260
State Committee for the Purchase of Products and Services Provided by Persons with Severe Disabilities	4115.32	7261
State Criminal Sentencing Commission	181.21	7262
State Fire Commission	3737.81	7263
State Racing Commission	3769.02	7264
State Victims Assistance Advisory Committee	109.91	7265
Student Tuition Recovery Authority	3332.081	7266
Tax Credit Authority	122.17	7267
Technical Advisory Committee to Assist the Director of the Ohio Coal Development Office	1551.35	7268
Technical Advisory Council on Oil and Gas	1509.38	7269
Transportation Review Advisory Council	5512.07	7270
Unemployment Compensation Review Commission	4141.06	7271
Unemployment Compensation Advisory Council	4141.08	7272
Utility Radiological Safety Board	4937.02	7273
Vehicle Management Commission	125.833	7274
Veterans Advisory Committee	5902.02(K)	7275
Volunteer Fire Fighters' Dependents Fund Boards (Private and Public)	146.02	7276
Water and Sewer Commission	1525.11(C)	7277
Waterways Safety Council	1547.73	7278
Wildlife Council	1531.03	7279

<del>Workers' Compensation System Oversight Commission</del>	<del>4121.12</del>	7280
<del>Workers' Compensation Oversight Commission</del>	<del>4121.123</del>	7281
<del>Nominating Committee</del>		

<b>Section 403.04.</b> That existing Section 4 of Am. Sub. H.B. 516	7282
of the 125th General Assembly, as amended by Am. Sub. H.B. 66 and	7283
Sub. S.B. 124 of the 126th General Assembly, is hereby repealed.	7284

<b>Section 403.10.</b> That Section 3 of Am. H.B. 67 of the 126th	7285
General Assembly, as amended by Am. Sub. H.B. 66 of the 126th	7286
General Assembly, be amended to read as follows:	7287

<b>Sec. 3.</b> All items in this section are hereby appropriated out	7288
of any moneys in the state treasury to the credit of the	7289
designated fund. For all appropriations made in this act, those in	7290
the first column are for fiscal year 2006, and those in the second	7291
column are for fiscal year 2007.	7292

FND AI	AI TITLE	Appropriations		
	BWC BUREAU OF WORKERS' COMPENSATION			7294
	Workers' Compensation Fund Group			7295
023 855-401	William Green Lease	\$ 19,736,600	\$ 20,125,900	7296
	Payments to OBA			
023 855-407	Claims, Risk & Medical	\$ 140,052,037	\$ 140,052,037	7297
	Management			
023 855-408	Fraud Prevention	\$ 11,713,797	\$ 11,713,797	7298
023 855-409	Administrative	\$ 119,246,553	\$ 119,246,553	7299
	Services			
023 855-410	Attorney General	\$ 4,314,644	\$ 4,314,644	7300
	Payments			
822 855-606	Coal Workers' Fund	\$ 91,894	\$ 91,894	7301
823 855-608	Marine Industry	\$ 53,952	\$ 53,952	7302
825 855-605	Disabled Workers	\$ 693,764	\$ 693,764	7303
	Relief Fund			

826	855-609	Safety & Hygiene	\$	20,130,820	\$	20,130,820	7304
		Operating					
826	855-610	Safety Grants Program	\$	4,000,000	\$	4,000,000	7305
TOTAL WCF Workers' Compensation							7306
Fund Group			\$	320,034,061	\$	320,423,361	7307
Federal Special Revenue Fund Group							7308
349	855-601	OSHA Enforcement	\$	1,527,750	\$	1,604,140	7309
TOTAL FED Federal Special Revenue							7310
Fund Group			\$	1,527,750	\$	1,604,140	
TOTAL ALL BUDGET FUND GROUPS			\$	321,561,811	\$	322,027,501	7311

WILLIAM GREEN LEASE PAYMENTS 7312

The foregoing appropriation item 855-401, William Green Lease 7313  
 Payments to OBA, shall be used for lease payments to the Ohio 7314  
 Building Authority, and these appropriations shall be used to meet 7315  
 all payments at the times they are required to be made during the 7316  
 period from July 1, 2005, to June 30, 2007, by the Bureau of 7317  
 Workers' Compensation to the Ohio Building Authority pursuant to 7318  
 leases and agreements made under Chapter 152. of the Revised Code 7319  
 and Section 6 of Am. Sub. H.B. 743 of the 118th General Assembly. 7320  
 Of the amounts received in Fund 023, appropriation item 855-401, 7321  
 William Green Lease Payments to OBA, up to \$39,862,500 shall be 7322  
 restricted for lease rental payments to the Ohio Building 7323  
 Authority. If it is determined that additional appropriations are 7324  
 necessary for such purpose, such amounts are hereby appropriated. 7325

Notwithstanding any other provision of law to the contrary, 7326  
 all tenants of the William Green Building not funded by the 7327  
 Workers' Compensation Fund (Fund 023) shall pay their fair share 7328  
 of the costs of lease payments to the Workers' Compensation Fund 7329  
 (Fund 023) by intrastate transfer voucher. 7330

~~WORKERS' COMPENSATION OVERSIGHT COMMISSION~~ 7331

~~Of the foregoing appropriation item 855-409, Administrative~~ 7332

~~Services, up to \$18,000 per calendar year shall be used to pay the 7333  
annual compensation of each investment expert member of the 7334  
Workers' Compensation Oversight Commission, as provided in 7335  
divisions (D) and (F) of section 4121.12 of the Revised Code. Each 7336  
investment expert member shall also receive reasonable and 7337  
necessary expenses while engaged in the performance of his or her 7338  
duties, as provided in division (F) of section 4121.12 of the 7339  
Revised Code. 7340~~

WORKERS' COMPENSATION FRAUD UNIT 7341

The Workers' Compensation Section Fund (Fund 195) shall 7342  
receive payments from the Bureau of Workers' Compensation at the 7343  
beginning of each quarter of each fiscal year to fund expenses of 7344  
the Workers' Compensation Fraud Unit of the Attorney General's 7345  
Office. Of the foregoing appropriation item 855-410, Attorney 7346  
General Payments, \$773,151 in fiscal year 2006 and \$773,151 in 7347  
fiscal year 2007 shall be used to provide these payments. 7348

SAFETY AND HYGIENE 7349

Notwithstanding section 4121.37 of the Revised Code, the 7350  
Administrator of Workers' Compensation shall transfer moneys from 7351  
the State Insurance Fund so that appropriation item 855-609, 7352  
Safety and Hygiene Operating, is provided \$20,130,820 in fiscal 7353  
year 2006 and \$20,130,820 in fiscal year 2007. 7354

LONG-TERM CARE LOAN FUND 7355

Upon the request of the Administrator of the Bureau of 7356  
Workers' Compensation and with the advice and consent of the 7357  
Bureau of Workers' Compensation Oversight Commission, the Director 7358  
of Budget and Management shall transfer cash in the amounts 7359  
requested from the Safety and Hygiene Operating Fund (Fund 826) to 7360  
the Long-Term Care Loan Fund (Fund 829) created in section 4121.48 7361  
of the Revised Code. The amounts transferred are hereby 7362  
appropriated. 7363

OSHA ON-SITE CONSULTATION PROGRAM 7364

The Bureau of Workers' Compensation may designate a portion 7365  
of appropriation item 855-609, Safety and Hygiene Operating, to be 7366  
used to match federal funding for the federal Occupational Safety 7367  
and Health Administration's (OSHA) on-site consultation program. 7368

VOCATIONAL REHABILITATION 7369

The Bureau of Workers' Compensation and the Rehabilitation 7370  
Services Commission shall enter into an interagency agreement for 7371  
the provision of vocational rehabilitation services and staff to 7372  
mutually eligible clients. The bureau shall provide \$587,774 in 7373  
fiscal year 2006 and \$605,407 in fiscal year 2007 from the State 7374  
Insurance Fund to fund vocational rehabilitation services and 7375  
staff in accordance with the interagency agreement. 7376

FUND BALANCE 7377

Any unencumbered cash balance in excess of \$45,000,000 in the 7378  
Workers' Compensation Fund (Fund 023) on the thirtieth day of June 7379  
of each fiscal year shall be used to reduce the administrative 7380  
cost rate charged to employers to cover appropriations for Bureau 7381  
of Workers' Compensation operations. 7382

OSHA ENFORCEMENT FUND TRANSFER 7383

On July 1, 2005, or as soon thereafter as possible, the 7384  
Director of Budget and Management shall transfer the OSHA 7385  
Enforcement Fund (Fund 349) from the Department of Commerce to the 7386  
Bureau of Workers' Compensation. At the request of the Director of 7387  
the Department of Commerce, the Director of Budget and Management 7388  
may cancel encumbrances in this fund from appropriation item 7389  
800-626, OSHA Enforcement, within the budget of the Department of 7390  
Commerce, and reestablish those encumbrances or parts of those 7391  
encumbrances in fiscal year 2006 for the same purpose and to the 7392  
same vendor to appropriation item 855-601, OSHA Enforcement, 7393  
within the budget of the Bureau of Workers' Compensation. As 7394

determined by the Director of Budget and Management, the 7395  
appropriation authority necessary to reestablish encumbrances or 7396  
parts of encumbrances in fiscal year 2006 for the Bureau of 7397  
Workers' Compensation is hereby granted. 7398

**Section 403.11.** That existing Section 3 of Am. H.B. 67 of the 7399  
126th General Assembly, as amended by Am. Sub. H.B. 66 of the 7400  
126th General Assembly, is hereby repealed. 7401

**Section 512.10.** The governor shall not appoint any individual 7402  
who is a member of the Workers' Compensation Oversight Commission 7403  
on the effective date of this section to serve as a member of the 7404  
Bureau of Workers' Compensation Board of Directors. The Oversight 7405  
Commission is hereby abolished on the date the Governor appoints 7406  
the last member to the Board in accordance with this section. The 7407  
Board shall supersede the Oversight Commission and its members and 7408  
succeed to and have and perform all the duties, powers, and 7409  
obligations pertaining to the duties, powers, and obligations of 7410  
the Oversight Commission and its members. For the purpose of the 7411  
institution, conduct, and completion of matters relating to its 7412  
succession, the Board is deemed to be the continuation of and 7413  
successor under law to the Oversight Commission and its members. 7414  
All rules, actions, determinations, commitments, resolutions, 7415  
decisions, and agreements pertaining to those duties, powers, 7416  
obligations, functions, and rights in force or in effect on the 7417  
effective date of this section shall continue in force and effect 7418  
subject to any further lawful action thereon by the Board. 7419  
Wherever the Oversight Commission or its members are referred to 7420  
in any provision of law, or in any agreement or document that 7421  
pertains to those duties, powers, obligations, functions, and 7422  
rights, the reference is to the Board. 7423

All authorized obligations and supplements thereto of the 7424  
Oversight Commission and its members pertaining to the duties, 7425

powers, and obligations transferred are binding on the Board, and 7426  
nothing in this act impairs the obligations or rights thereunder 7427  
or under any contract. The abolition of the Oversight Commission 7428  
and the transfer of the Oversight Commission's duties, powers, and 7429  
obligations do not affect the validity of agreements or 7430  
obligations made by the Oversight Commission or its members 7431  
pursuant to Chapters 4121., 4123., 4125., 4127., 4131., and 4167. 7432  
of the Revised Code or any other provisions of law. 7433

In connection with the transfer of duties, powers, 7434  
obligations, functions, and rights and abolition of the Oversight 7435  
Commission, all real property and interest therein, documents, 7436  
books, money, papers, records, machinery, furnishings, office 7437  
equipment, furniture, and all other property over which the 7438  
Oversight Commission has control pertaining to the duties, powers, 7439  
and obligations transferred and the rights of the Oversight 7440  
Commission to enforce or receive any of the aforesaid is 7441  
automatically transferred to the Board without necessity for 7442  
further action on the part of the Board. Additionally, all 7443  
appropriations or reappropriations made to the Oversight 7444  
Commission for the purposes of the performance of its duties, 7445  
powers, and obligations, are transferred to the Board to the 7446  
extent of the remaining unexpended or unencumbered balance 7447  
thereof, whether allocated or unallocated, and whether obligated 7448  
or unobligated. 7449

**Section 512.20.** The Bureau of Workers' Compensation Board of 7450  
Directors shall appoint the members of the Workers' Compensation 7451  
Audit Committee, Workers' Compensation Actuarial Committee, and 7452  
the Workers' Compensation Investment Committee in accordance with 7453  
section 4121.123 of the Revised Code, as enacted by this act, not 7454  
later than ninety days after the effective date of this section. 7455

**Section 512.30.** On the effective date of this section, the 7456

Workers' Compensation Oversight Commission Nominating Committee 7457  
and the Services Committee are hereby abolished. 7458

**Section 512.40.** On the effective date of section 4121.122 of 7459  
the Revised Code, as amended by this act, the Internal Security 7460  
Committee is hereby abolished and the employees of the Bureau of 7461  
Workers' Compensation who provided assistance to the Committee are 7462  
hereby transferred to the Office of the Deputy Inspector General 7463  
of the Bureau of Workers' Compensation and Industrial Commission 7464  
beginning the first pay period after the effective date of section 7465  
121.51 of the Revised Code, as enacted by this act. 7466

**Section 603.10.** The items of law contained in this act, and 7467  
their applications, are severable. If any item of law contained in 7468  
this act, or if any application of any item of law contained in 7469  
this act, is held invalid, the invalidity does not affect other 7470  
items of law contained in this act and their applications that can 7471  
be given effect without the invalid item of law or application. 7472

**Section 606.10.** An item that composes the whole or part of an 7473  
uncodified section contained in this act has no effect after June 7474  
30, 2009, unless the context clearly indicates otherwise. 7475

**Section 609.03.** Except as otherwise specifically provided in 7476  
this act, the codified sections of law amended or enacted in this 7477  
act, and the items of law of which the codified sections of law 7478  
amended or enacted in this act are composed, are subject to the 7479  
referendum. Therefore, under Ohio Constitution, Article II, 7480  
Section 1c and section 1.471 of the Revised Code, the codified 7481  
sections of law amended or enacted by this act, and the items of 7482  
law of which the codified sections of law as amended or enacted by 7483  
this act are composed, take effect on the ninety-first day after 7484  
this act is filed with the Secretary of State. If, however, a 7485

referendum petition is filed against any such codified section of 7486  
law as amended or enacted by this act, or against any item of law 7487  
of which any such codified section of law as amended or enacted by 7488  
this act is composed, the codified section of law as amended or 7489  
enacted, or item of law, unless rejected at the referendum, takes 7490  
effect at the earliest time permitted by law. 7491

**Section 612.03.** The codified section of law amended or 7492  
enacted by this act that is listed in this section, and the items 7493  
of law of which such section as amended or enacted by this act are 7494  
composed, are not subject to the referendum. Therefore, under Ohio 7495  
Constitution, Article II, Section 1d and section 1.471 of the 7496  
Revised Code, such section as amended or enacted by this act, and 7497  
the items of law of which such section as amended or enacted by 7498  
this act are composed, go into immediate effect when this act 7499  
becomes law. 7500

Section 4121.12 of the Revised Code. 7501

**Section 612.09.** The repeal and reenactment of section 7502  
4123.123 of the Revised Code is not subject to the referendum. 7503  
Therefore, under Ohio Constitution, Article II, Section 1d and 7504  
section 1.471 of the Revised Code, section 4123.123 of the Revised 7505  
Code takes effect sixty days after the effective date of this 7506  
section. 7507

**Section 615.03.** The uncodified sections of law contained in 7508  
this act, and the items of law of which the uncodified sections of 7509  
law contained in this act are composed, are not subject to the 7510  
referendum. Therefore, under Ohio Constitution, Article II, 7511  
Section 1d and section 1.471 of the Revised Code, the uncodified 7512  
sections of law contained in this act, and the items of law of 7513  
which the uncodified sections of law contained in this act are 7514

composed, go into immediate effect when this act becomes law. 7515

**Section 618.03.** Section 4 of Am. Sub. H.B. 516 of the 125th 7516  
General Assembly is presented in this act as a composite of the 7517  
section as amended by both Am. Sub. H.B. 66 and Sub. S.B. 124 of 7518  
the 126th General Assembly. The General Assembly, applying the 7519  
principle stated in division (B) of section 1.52 of the Revised 7520  
Code that amendments are to be harmonized if reasonably capable of 7521  
simultaneous operation, finds that the composite is the resulting 7522  
version of the section in effect prior to the effective date of 7523  
the section as presented in this act. 7524