

# As Reported by the House Insurance Committee

127th General Assembly

Regular Session

2007-2008

Am. H. B. No. 100

Representative Brinkman

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## A BILL

To amend sections 102.02, 102.06, 109.981, 111.15, 1  
119.01, 131.02, 1707.01, 3345.12, 4121.01, 2  
4121.03, 4121.12, 4121.121, 4121.122, 4121.125, 3  
4121.126, 4121.128, 4121.13, 4121.32, 4121.37, 4  
4121.40, 4121.441, 4121.48, 4121.61, 4121.67, 5  
4121.70, 4123.25, 4123.29, 4123.291, 4123.311, 6  
4123.32, 4123.34, 4123.341, 4123.342, 4123.35, 7  
4123.351, 4123.37, 4123.411, 4123.44, 4123.441, 8  
4123.47, 4123.50, 4123.511, 4123.512, 4123.66, 9  
4123.80, 4123.82, 4123.92, 4125.05, 4127.07, 10  
4127.08, 4131.04, 4131.06, 4131.13, 4131.14, 11  
4131.16, 4167.02, 4167.07, 4167.08, 4167.09, 12  
4167.11, and 4167.14; to enact new section 13  
4121.123 and sections 121.52 to 121.56, 4121.75 to 14  
4121.79, 4123.321, 4123.442, and 4123.592; to 15  
repeal sections 4121.06, 4121.123, and 4121.131 of 16  
the Revised Code; to amend Section 4 of Am. Sub. 17  
H.B. 516 of the 125th General Assembly, as 18  
subsequently amended; and to amend Section 3 of 19  
Am. H.B. 67 of the 126th General Assembly, as 20  
subsequently amended, to abolish the Workers' 21  
Compensation Oversight Commission, the Workers' 22  
Compensation Oversight Commission Nominating 23  
Committee, and the Services Committee of the 24

Workers' Compensation System; to create the 25  
Workers' Compensation Council, Bureau of Workers' 26  
Compensation Board of Directors, and specified 27  
working committees, to transfer the powers and 28  
duties of the Oversight Commission to the Board 29  
and the working committees, to make other changes 30  
in the Workers' Compensation Law, to make 31  
appropriations for the Bureau of Workers' 32  
Compensation and the Industrial Commission for the 33  
biennium beginning July 1, 2007, and ending June 34  
30, 2009, and to provide authorization and 35  
conditions for the operation of the Bureau's and 36  
the Commission's programs. 37

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

**Section 101.01.** That sections 102.02, 102.06, 109.981, 38  
111.15, 119.01, 131.02, 1707.01, 3345.12, 4121.01, 4121.03, 39  
4121.12, 4121.121, 4121.122, 4121.125, 4121.126, 4121.128, 40  
4121.13, 4121.32, 4121.37, 4121.40, 4121.441, 4121.48, 4121.61, 41  
4121.67, 4121.70, 4123.25, 4123.29, 4123.291, 4123.311, 4123.32, 42  
4123.34, 4123.341, 4123.342, 4123.35, 4123.351, 4123.37, 4123.411, 43  
4123.44, 4123.441, 4123.47, 4123.50, 4123.511, 4123.512, 4123.66, 44  
4123.80, 4123.82, 4123.92, 4125.05, 4127.07, 4127.08, 4131.04, 45  
4131.06, 4131.13, 4131.14, 4131.16, 4167.02, 4167.07, 4167.08, 46  
4167.09, 4167.11, and 4167.14 be amended; and new section 4121.123 47  
and sections 121.52, 121.53, 121.54, 121.55, 121.56, 4121.75, 48  
4121.76, 4121.77, 4121.78, 4121.79, 4123.321, 4123.442, and 49  
4123.592 of the Revised Code be enacted to read as follows: 50

**Sec. 102.02.** (A) Except as otherwise provided in division (H) 51  
of this section, all of the following shall file with the 52  
appropriate ethics commission the disclosure statement described 53

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

educational service center that has a total student count of 87  
twelve thousand or more as most recently determined by the 88  
department of education pursuant to section 3317.03 of the Revised 89  
Code; every person who is appointed to the board of education of a 90  
municipal school district pursuant to division (B) or (F) of 91  
section 3311.71 of the Revised Code; all members of the board of 92  
directors of a sanitary district that is established under Chapter 93  
6115. of the Revised Code and organized wholly for the purpose of 94  
providing a water supply for domestic, municipal, and public use, 95  
and that includes two municipal corporations in two counties; 96  
every public official or employee who is paid a salary or wage in 97  
accordance with schedule C of section 124.15 or schedule E-2 of 98  
section 124.152 of the Revised Code; members of the board of 99  
trustees and the executive director of the tobacco use prevention 100  
and control foundation; members of the board of trustees and the 101  
executive director of the southern Ohio agricultural and community 102  
development foundation; and every other public official or 103  
employee who is designated by the appropriate ethics commission 104  
pursuant to division (B) of this section. 105

The disclosure statement shall include all of the following: 106

(1) The name of the person filing the statement and each 107  
member of the person's immediate family and all names under which 108  
the person or members of the person's immediate family do 109  
business; 110

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

received. If the person filing the statement is a member of the 119  
general assembly, the statement shall identify the amount of every 120  
source of income received in accordance with the following ranges 121  
of amounts: zero or more, but less than one thousand dollars; one 122  
thousand dollars or more, but less than ten thousand dollars; ten 123  
thousand dollars or more, but less than twenty-five thousand 124  
dollars; twenty-five thousand dollars or more, but less than fifty 125  
thousand dollars; fifty thousand dollars or more, but less than 126  
one hundred thousand dollars; and one hundred thousand dollars or 127  
more. Division (A)(2)(a) of this section shall not be construed to 128  
require a person filing the statement who derives income from a 129  
business or profession to disclose the individual items of income 130  
that constitute the gross income of that business or profession, 131  
except for those individual items of income that are attributable 132  
to the person's or, if the income is shared with the person, the 133  
partner's, solicitation of services or goods or performance, 134  
arrangement, or facilitation of services or provision of goods on 135  
behalf of the business or profession of clients, including 136  
corporate clients, who are legislative agents. A person who files 137  
the statement under this section shall disclose the identity of 138  
and the amount of income received from a person who the public 139  
official or employee knows or has reason to know is doing or 140  
seeking to do business of any kind with the public official's or 141  
employee's agency. 142

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

section 4732.12 of the Revised Code, or patients of persons 152  
certified under section 4731.14 of the Revised Code, if those 153  
clients or patients are legislative agents. Division (A)(2)(b) of 154  
this section requires a person filing the statement who derives 155  
income from a business or profession to disclose those individual 156  
items of income that constitute the gross income of that business 157  
or profession that are received from legislative agents. 158

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

professional services rendered for a client, patient, or other 185  
recipient of professional services that would reveal details of 186  
the subject matter for which legal, medical, or professional 187  
advice was sought or would reveal an otherwise privileged 188  
communication involving the client, patient, or other recipient of 189  
professional services. 190

(3) The name of every corporation on file with the secretary 191  
of state that is incorporated in this state or holds a certificate 192  
of compliance authorizing it to do business in this state, trust, 193  
business trust, partnership, or association that transacts 194  
business in this state in which the person filing the statement or 195  
any other person for the person's use and benefit had during the 196  
preceding calendar year an investment of over one thousand dollars 197  
at fair market value as of the thirty-first day of December of the 198  
preceding calendar year, or the date of disposition, whichever is 199  
earlier, or in which the person holds any office or has a 200  
fiduciary relationship, and a description of the nature of the 201  
investment, office, or relationship. Division (A)(3) of this 202  
section does not require disclosure of the name of any bank, 203  
savings and loan association, credit union, or building and loan 204  
association with which the person filing the statement has a 205  
deposit or a withdrawable share account. 206

(4) All fee simple and leasehold interests to which the 207  
person filing the statement holds legal title to or a beneficial 208  
interest in real property located within the state, excluding the 209  
person's residence and property used primarily for personal 210  
recreation; 211

(5) The names of all persons residing or transacting business 212  
in the state to whom the person filing the statement owes, in the 213  
person's own name or in the name of any other person, more than 214  
one thousand dollars. Division (A)(5) of this section shall not be 215  
construed to require the disclosure of debts owed by the person 216

resulting from the ordinary conduct of a business or profession or 217  
debts on the person's residence or real property used primarily 218  
for personal recreation, except that the superintendent of 219  
financial institutions shall disclose the names of all 220  
state-chartered savings and loan associations and of all service 221  
corporations subject to regulation under division (E)(2) of 222  
section 1151.34 of the Revised Code to whom the superintendent in 223  
the superintendent's own name or in the name of any other person 224  
owes any money, and that the superintendent and any deputy 225  
superintendent of banks shall disclose the names of all 226  
state-chartered banks and all bank subsidiary corporations subject 227  
to regulation under section 1109.44 of the Revised Code to whom 228  
the superintendent or deputy superintendent owes any money. 229

(6) The names of all persons residing or transacting business 230  
in the state, other than a depository excluded under division 231  
(A)(3) of this section, who owe more than one thousand dollars to 232  
the person filing the statement, either in the person's own name 233  
or to any person for the person's use or benefit. Division (A)(6) 234  
of this section shall not be construed to require the disclosure 235  
of clients of attorneys or persons licensed under section 4732.12 236  
or 4732.15 of the Revised Code, or patients of persons certified 237  
under section 4731.14 of the Revised Code, nor the disclosure of 238  
debts owed to the person resulting from the ordinary conduct of a 239  
business or profession. 240

(7) Except as otherwise provided in section 102.022 of the 241  
Revised Code, the source of each gift of over seventy-five 242  
dollars, or of each gift of over twenty-five dollars received by a 243  
member of the general assembly from a legislative agent, received 244  
by the person in the person's own name or by any other person for 245  
the person's use or benefit during the preceding calendar year, 246  
except gifts received by will or by virtue of section 2105.06 of 247  
the Revised Code, or received from spouses, parents, grandparents, 248

children, grandchildren, siblings, nephews, nieces, uncles, aunts, 249  
brothers-in-law, sisters-in-law, sons-in-law, daughters-in-law, 250  
fathers-in-law, mothers-in-law, or any person to whom the person 251  
filing the statement stands in loco parentis, or received by way 252  
of distribution from any inter vivos or testamentary trust 253  
established by a spouse or by an ancestor; 254

(8) Except as otherwise provided in section 102.022 of the 255  
Revised Code, identification of the source and amount of every 256  
payment of expenses incurred for travel to destinations inside or 257  
outside this state that is received by the person in the person's 258  
own name or by any other person for the person's use or benefit 259  
and that is incurred in connection with the person's official 260  
duties, except for expenses for travel to meetings or conventions 261  
of a national or state organization to which any state agency, 262  
including, but not limited to, any legislative agency or state 263  
institution of higher education as defined in section 3345.011 of 264  
the Revised Code, pays membership dues, or any political 265  
subdivision or any office or agency of a political subdivision 266  
pays membership dues; 267

(9) Except as otherwise provided in section 102.022 of the 268  
Revised Code, identification of the source of payment of expenses 269  
for meals and other food and beverages, other than for meals and 270  
other food and beverages provided at a meeting at which the person 271  
participated in a panel, seminar, or speaking engagement or at a 272  
meeting or convention of a national or state organization to which 273  
any state agency, including, but not limited to, any legislative 274  
agency or state institution of higher education as defined in 275  
section 3345.011 of the Revised Code, pays membership dues, or any 276  
political subdivision or any office or agency of a political 277  
subdivision pays membership dues, that are incurred in connection 278  
with the person's official duties and that exceed one hundred 279  
dollars aggregated per calendar year; 280

(10) If the disclosure statement is filed by a public 281  
official or employee described in division (B)(2) of section 282  
101.73 of the Revised Code or division (B)(2) of section 121.63 of 283  
the Revised Code who receives a statement from a legislative 284  
agent, executive agency lobbyist, or employer that contains the 285  
information described in division (F)(2) of section 101.73 of the 286  
Revised Code or division (G)(2) of section 121.63 of the Revised 287  
Code, all of the nondisputed information contained in the 288  
statement delivered to that public official or employee by the 289  
legislative agent, executive agency lobbyist, or employer under 290  
division (F)(2) of section 101.73 or (G)(2) of section 121.63 of 291  
the Revised Code. 292

A person may file a statement required by this section in 293  
person or by mail. A person who is a candidate for elective office 294  
shall file the statement no later than the thirtieth day before 295  
the primary, special, or general election at which the candidacy 296  
is to be voted on, whichever election occurs soonest, except that 297  
a person who is a write-in candidate shall file the statement no 298  
later than the twentieth day before the earliest election at which 299  
the person's candidacy is to be voted on. A person who holds 300  
elective office shall file the statement on or before the 301  
fifteenth day of April of each year unless the person is a 302  
candidate for office. A person who is appointed to fill a vacancy 303  
for an unexpired term in an elective office shall file the 304  
statement within fifteen days after the person qualifies for 305  
office. Other persons shall file an annual statement on or before 306  
the fifteenth day of April or, if appointed or employed after that 307  
date, within ninety days after appointment or employment. No 308  
person shall be required to file with the appropriate ethics 309  
commission more than one statement or pay more than one filing fee 310  
for any one calendar year. 311

The appropriate ethics commission, for good cause, may extend 312

for a reasonable time the deadline for filing a statement under 313  
this section. 314

A statement filed under this section is subject to public 315  
inspection at locations designated by the appropriate ethics 316  
commission except as otherwise provided in this section. 317

(B) The Ohio ethics commission, the joint legislative ethics 318  
committee, and the board of commissioners on grievances and 319  
discipline of the supreme court, using the rule-making procedures 320  
of Chapter 119. of the Revised Code, may require any class of 321  
public officials or employees under its jurisdiction and not 322  
specifically excluded by this section whose positions involve a 323  
substantial and material exercise of administrative discretion in 324  
the formulation of public policy, expenditure of public funds, 325  
enforcement of laws and rules of the state or a county or city, or 326  
the execution of other public trusts, to file an annual statement 327  
on or before the fifteenth day of April under division (A) of this 328  
section. The appropriate ethics commission shall send the public 329  
officials or employees written notice of the requirement by the 330  
fifteenth day of February of each year the filing is required 331  
unless the public official or employee is appointed after that 332  
date, in which case the notice shall be sent within thirty days 333  
after appointment, and the filing shall be made not later than 334  
ninety days after appointment. 335

Except for disclosure statements filed by members of the 336  
board of trustees and the executive director of the tobacco use 337  
prevention and control foundation and members of the board of 338  
trustees and the executive director of the southern Ohio 339  
agricultural and community development foundation, disclosure 340  
statements filed under this division with the Ohio ethics 341  
commission by members of boards, commissions, or bureaus of the 342  
state for which no compensation is received other than reasonable 343  
and necessary expenses shall be kept confidential. Disclosure 344

statements filed with the Ohio ethics commission under division 345  
(A) of this section by business managers, treasurers, and 346  
superintendents of city, local, exempted village, joint 347  
vocational, or cooperative education school districts or 348  
educational service centers shall be kept confidential, except 349  
that any person conducting an audit of any such school district or 350  
educational service center pursuant to section 115.56 or Chapter 351  
117. of the Revised Code may examine the disclosure statement of 352  
any business manager, treasurer, or superintendent of that school 353  
district or educational service center. The Ohio ethics commission 354  
shall examine each disclosure statement required to be kept 355  
confidential to determine whether a potential conflict of interest 356  
exists for the person who filed the disclosure statement. A 357  
potential conflict of interest exists if the private interests of 358  
the person, as indicated by the person's disclosure statement, 359  
might interfere with the public interests the person is required 360  
to serve in the exercise of the person's authority and duties in 361  
the person's office or position of employment. If the commission 362  
determines that a potential conflict of interest exists, it shall 363  
notify the person who filed the disclosure statement and shall 364  
make the portions of the disclosure statement that indicate a 365  
potential conflict of interest subject to public inspection in the 366  
same manner as is provided for other disclosure statements. Any 367  
portion of the disclosure statement that the commission determines 368  
does not indicate a potential conflict of interest shall be kept 369  
confidential by the commission and shall not be made subject to 370  
public inspection, except as is necessary for the enforcement of 371  
Chapters 102. and 2921. of the Revised Code and except as 372  
otherwise provided in this division. 373

(C) No person shall knowingly fail to file, on or before the 374  
applicable filing deadline established under this section, a 375  
statement that is required by this section. 376

(D) No person shall knowingly file a false statement that is 377  
required to be filed under this section. 378

(E)(1) Except as provided in divisions (E)(2) and (3) of this 379  
section, the statement required by division (A) or (B) of this 380  
section shall be accompanied by a filing fee of forty dollars. 381

(2) The statement required by division (A) of this section 382  
shall be accompanied by the following filing fee to be paid by the 383  
person who is elected or appointed to, or is a candidate for, any 384  
of the following offices: 385

For state office, except member of the		386
state board of education	\$65	387
For office of member of general assembly	\$40	388
For county office	\$40	389
For city office	\$25	390
For office of member of the state board		391
of education	\$25	392
For office of member of a city, local,		393
exempted village, or cooperative		394
education board of		395
education or educational service		396
center governing board	\$20	397
For position of business manager,		398
treasurer, or superintendent of a		399
city, local, exempted village, joint		400
vocational, or cooperative education		401
school district or		402
educational service center	\$20	403

(3) No judge of a court of record or candidate for judge of a 404  
court of record, and no referee or magistrate serving a court of 405  
record, shall be required to pay the fee required under division 406  
(E)(1) or (2) or (F) of this section. 407

(4) For any public official who is appointed to a nonelective 408

office of the state and for any employee who holds a nonelective 409  
position in a public agency of the state, the state agency that is 410  
the primary employer of the state official or employee shall pay 411  
the fee required under division (E)(1) or (F) of this section. 412

(F) If a statement required to be filed under this section is 413  
not filed by the date on which it is required to be filed, the 414  
appropriate ethics commission shall assess the person required to 415  
file the statement a late filing fee of ten dollars for each day 416  
the statement is not filed, except that the total amount of the 417  
late filing fee shall not exceed two hundred fifty dollars. 418

(G)(1) The appropriate ethics commission other than the Ohio 419  
ethics commission shall deposit all fees it receives under 420  
divisions (E) and (F) of this section into the general revenue 421  
fund of the state. 422

(2) The Ohio ethics commission shall deposit all receipts, 423  
including, but not limited to, fees it receives under divisions 424  
(E) and (F) of this section and all moneys it receives from 425  
settlements under division (G) of section 102.06 of the Revised 426  
Code, into the Ohio ethics commission fund, which is hereby 427  
created in the state treasury. All moneys credited to the fund 428  
shall be used solely for expenses related to the operation and 429  
statutory functions of the commission. 430

(H) Division (A) of this section does not apply to a person 431  
elected or appointed to the office of precinct, ward, or district 432  
committee member under Chapter 3517. of the Revised Code; a 433  
presidential elector; a delegate to a national convention; village 434  
or township officials and employees; any physician or psychiatrist 435  
who is paid a salary or wage in accordance with schedule C of 436  
section 124.15 or schedule E-2 of section 124.152 of the Revised 437  
Code and whose primary duties do not require the exercise of 438  
administrative discretion; or any member of a board, commission, 439  
or bureau of any county or city who receives less than one 440

thousand dollars per year for serving in that position. 441

**Sec. 102.06.** (A) The appropriate ethics commission shall 442  
receive and may initiate complaints against persons subject to 443  
this chapter concerning conduct alleged to be in violation of this 444  
chapter or section 2921.42 or 2921.43 of the Revised Code. All 445  
complaints except those by the commission shall be by affidavit 446  
made on personal knowledge, subject to the penalties of perjury. 447  
Complaints by the commission shall be by affidavit, based upon 448  
reasonable cause to believe that a violation has occurred. 449

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

request the person files an action for declaratory judgment 473  
challenging the legitimacy of the request in the court of common 474  
pleas of the county of the person's residence, the person's place 475  
of employment, or Franklin county. The requested information need 476  
not be furnished to the commission during the pendency of the 477  
judicial proceedings. Proceedings of the commission in connection 478  
with the declaratory judgment action shall be kept confidential 479  
except as otherwise provided by this section. Before the 480  
commission proceeds to take any formal action against a person who 481  
is the subject of an investigation based on charges presented to 482  
the commission, a complaint shall be filed against the person. If 483  
the commission finds that a complaint is not frivolous, and there 484  
is reasonable cause to believe that the facts alleged in a 485  
complaint constitute a violation of section 102.02, 102.021, 486  
102.03, 102.04, 102.07, 2921.42, or 2921.43 of the Revised Code, 487  
it shall hold a hearing. If the commission does not so find, it 488  
shall dismiss the complaint and notify the accused person in 489  
writing of the dismissal of the complaint. The commission shall 490  
not make a report of its finding unless the accused person 491  
requests a report. Upon the request of the accused person, the 492  
commission shall make a public report of its finding. The person 493  
against whom the complaint is directed shall be given reasonable 494  
notice by certified mail of the date, time, and place of the 495  
hearing and a statement of the charges and the law directly 496  
involved and shall be given the opportunity to be represented by 497  
counsel, to have counsel appointed for the person if the person is 498  
unable to afford counsel without undue hardship, to examine the 499  
evidence against the person, to produce evidence and to call and 500  
subpoena witnesses in the person's defense, to confront the 501  
person's accusers, and to cross-examine witnesses. The commission 502  
shall have a stenographic record made of the hearing. The hearing 503  
shall be closed to the public. 504

(C)(1)(a) If, upon the basis of the hearing, the appropriate 505

ethics commission finds by a preponderance of the evidence that 506  
the facts alleged in the complaint are true and constitute a 507  
violation of section 102.02, 102.021, 102.03, 102.04, 102.07, 508  
2921.42, or 2921.43 of the Revised Code, it shall report its 509  
findings to the appropriate prosecuting authority for proceedings 510  
in prosecution of the violation and to the appointing or employing 511  
authority of the accused. If the accused person is a member of the 512  
public employees retirement board, state teachers retirement 513  
board, school employees retirement board, board of trustees of the 514  
Ohio police and fire pension fund, or state highway patrol 515  
retirement board, the commission also shall report its findings to 516  
the Ohio retirement study council. 517

(b) If the Ohio ethics commission reports its findings to the 518  
appropriate prosecuting authority under division (C)(1)(a) of this 519  
section and the prosecuting authority has not initiated any 520  
official action on those findings within ninety days after 521  
receiving the commission's report of them, the commission may 522  
publicly comment that no official action has been taken on its 523  
findings, except that the commission shall make no comment in 524  
violation of the Rules of Criminal Procedure or about any 525  
indictment that has been sealed pursuant to any law or those 526  
rules. The commission shall make no comment regarding the merits 527  
of its findings. As used in division (C)(1)(b) of this section, 528  
"official action" means prosecution, closure after investigation, 529  
or grand jury action resulting in a true bill of indictment or no 530  
true bill of indictment. 531

(2) If the appropriate ethics commission does not find by a 532  
preponderance of the evidence that the facts alleged in the 533  
complaint are true and constitute a violation of section 102.02, 534  
102.021, 102.03, 102.04, 102.07, 2921.42, or 2921.43 of the 535  
Revised Code or if the commission has not scheduled a hearing 536  
within ninety days after the complaint is filed or has not finally 537

disposed of the complaint within six months after it has been 538  
heard, it shall dismiss the complaint and notify the accused 539  
person in writing of the dismissal of the complaint. The 540  
commission shall not make a report of its finding unless the 541  
accused person requests a report. Upon the request of the accused 542  
person, the commission shall make a public report of the finding, 543  
but in this case all evidence and the record of the hearing shall 544  
remain confidential unless the accused person also requests that 545  
the evidence and record be made public. Upon request by the 546  
accused person, the commission shall make the evidence and the 547  
record available for public inspection. 548

(D) The appropriate ethics commission, or a member of the 549  
commission, may administer oaths, and the commission may issue 550  
subpoenas to any person in the state compelling the attendance of 551  
witnesses and the production of relevant papers, books, accounts, 552  
and records. The commission shall issue subpoenas to compel the 553  
attendance of witnesses and the production of documents upon the 554  
request of an accused person. Section 101.42 of the Revised Code 555  
shall govern the issuance of these subpoenas insofar as 556  
applicable. Upon the refusal of any person to obey a subpoena or 557  
to be sworn or to answer as a witness, the commission may apply to 558  
the court of common pleas of Franklin county under section 2705.03 559  
of the Revised Code. The court shall hold proceedings in 560  
accordance with Chapter 2705. of the Revised Code. The commission 561  
or the accused person may take the depositions of witnesses 562  
residing within or without the state in the same manner as 563  
prescribed by law for the taking of depositions in civil actions 564  
in the court of common pleas. 565

(E) At least once each year, the Ohio ethics commission shall 566  
report on its activities of the immediately preceding year to the 567  
majority and minority leaders of the senate and house of 568  
representatives of the general assembly. The report shall indicate 569

the total number of complaints received, initiated, and 570  
investigated by the commission, the total number of complaints for 571  
which formal hearings were held, and the total number of 572  
complaints for which formal prosecution was recommended or 573  
requested by the commission. The report also shall indicate the 574  
nature of the inappropriate conduct alleged in each complaint and 575  
the governmental entity with which any employee or official that 576  
is the subject of a complaint was employed at the time of the 577  
alleged inappropriate conduct. 578

(F) All papers, records, affidavits, and documents upon any 579  
complaint, inquiry, or investigation relating to the proceedings 580  
of the appropriate ethics commission shall be sealed and are 581  
private and confidential, except as otherwise provided in this 582  
section and section 102.07 of the Revised Code. 583

(G)(1) When a complaint or charge is before it, the Ohio 584  
ethics commission or the appropriate prosecuting authority, in 585  
consultation with the person filing the complaint or charge, the 586  
accused, and any other person the commission or prosecuting 587  
authority considers necessary, may compromise or settle the 588  
complaint or charge with the agreement of the accused. The 589  
compromise or settlement may include mediation, restitution, 590  
rescission of affected contracts, forfeiture of any benefits 591  
resulting from a violation or potential violation of law, 592  
resignation of a public official or employee, or any other relief 593  
that is agreed upon between the commission or prosecuting 594  
authority and the accused. 595

(2) Any settlement agreement entered into under division 596  
(G)(1) of this section shall be in writing and be accompanied by a 597  
statement of the findings of the commission or prosecuting 598  
authority and the reasons for entering into the agreement. The 599  
commission or prosecuting authority shall retain the agreement and 600  
statement in the commission's or prosecuting authority's office 601

and, in the commission's or prosecuting authority's discretion, 602  
may make the agreement, the statement, and any supporting 603  
information public, unless the agreement provides otherwise. 604

(3) If a settlement agreement is breached by the accused, the 605  
commission or prosecuting authority, in the commission's or 606  
prosecuting authority's discretion, may rescind the agreement and 607  
reinstitute any investigation, hearing, or prosecution of the 608  
accused. No information obtained from the accused in reaching the 609  
settlement that is not otherwise discoverable from the accused 610  
shall be used in any proceeding before the commission or by the 611  
appropriate prosecuting authority in prosecuting the violation. 612  
Notwithstanding any other section of the Revised Code, if a 613  
settlement agreement is breached, any statute of limitations for a 614  
violation of this chapter or section 2921.42 or 2921.43 of the 615  
Revised Code is tolled from the date the complaint or charge is 616  
filed until the date the settlement agreement is breached. 617

**Sec. 109.981.** If a ~~voting~~ member of the bureau of workers' 618  
compensation oversight commission board of directors breaches the 619  
member's fiduciary duty to the bureau of workers' compensation, 620  
the attorney general may maintain a civil action against the board 621  
member for harm resulting from that breach. Notwithstanding 622  
section 4121.128 of the Revised Code, after being informed of an 623  
allegation that the entire ~~oversight commission~~ board has breached 624  
its fiduciary duty, the ~~oversight commission~~ board may retain 625  
independent legal counsel, including legal counsel provided by the 626  
~~oversight commission's~~ board's fiduciary insurance carrier, to 627  
advise the board and to represent the board. The attorney general 628  
may recover damages or be granted injunctive relief, which shall 629  
include the enjoinder of specified activities and the removal of 630  
the member from the board. Any damages awarded shall be paid to 631  
the bureau. The authority to maintain a civil action created by 632  
this section is in addition to any authority the attorney general 633

possesses under any other provision of the Revised Code. 634

**Sec. 111.15.** (A) As used in this section: 635

(1) "Rule" includes any rule, regulation, bylaw, or standard 636  
having a general and uniform operation adopted by an agency under 637  
the authority of the laws governing the agency; any appendix to a 638  
rule; and any internal management rule. "Rule" does not include 639  
any guideline adopted pursuant to section 3301.0714 of the Revised 640  
Code, any order respecting the duties of employees, any finding, 641  
any determination of a question of law or fact in a matter 642  
presented to an agency, or any rule promulgated pursuant to 643  
Chapter 119., section 4141.14, division (C)(1) or (2) of section 644  
5117.02, or section 5703.14 of the Revised Code. "Rule" includes 645  
any amendment or rescission of a rule. 646

(2) "Agency" means any governmental entity of the state and 647  
includes, but is not limited to, any board, department, division, 648  
commission, bureau, society, council, institution, state college 649  
or university, community college district, technical college 650  
district, or state community college. "Agency" does not include 651  
the general assembly, the controlling board, the adjutant 652  
general's department, or any court. 653

(3) "Internal management rule" means any rule, regulation, 654  
bylaw, or standard governing the day-to-day staff procedures and 655  
operations within an agency. 656

(4) "Substantive revision" has the same meaning as in 657  
division (J) of section 119.01 of the Revised Code. 658

(B)(1) Any rule, other than a rule of an emergency nature, 659  
adopted by any agency pursuant to this section shall be effective 660  
on the tenth day after the day on which the rule in final form and 661  
in compliance with division (B)(3) of this section is filed as 662  
follows: 663

(a) The rule shall be filed in electronic form with both the 664  
secretary of state and the director of the legislative service 665  
commission; 666

(b) The rule shall be filed in electronic form with the joint 667  
committee on agency rule review. Division (B)(1)(b) of this 668  
section does not apply to any rule to which division (D) of this 669  
section does not apply. 670

An agency that adopts or amends a rule that is subject to 671  
division (D) of this section shall assign a review date to the 672  
rule that is not later than five years after its effective date. 673  
If no review date is assigned to a rule, or if a review date 674  
assigned to a rule exceeds the five-year maximum, the review date 675  
for the rule is five years after its effective date. A rule with a 676  
review date is subject to review under section 119.032 of the 677  
Revised Code. This paragraph does not apply to a rule of a state 678  
college or university, community college district, technical 679  
college district, or state community college. 680

If all filings are not completed on the same day, the rule 681  
shall be effective on the tenth day after the day on which the 682  
latest filing is completed. If an agency in adopting a rule 683  
designates an effective date that is later than the effective date 684  
provided for by division (B)(1) of this section, the rule if filed 685  
as required by such division shall become effective on the later 686  
date designated by the agency. 687

Any rule that is required to be filed under division (B)(1) 688  
of this section is also subject to division (D) of this section if 689  
not exempted by division (D)(1), (2), (3), (4), (5), (6), (7), or 690  
(8) of this section. 691

If a rule incorporates a text or other material by reference, 692  
the agency shall comply with sections 121.71 to 121.76 of the 693  
Revised Code. 694

(2) A rule of an emergency nature necessary for the immediate preservation of the public peace, health, or safety shall state the reasons for the necessity. The emergency rule, in final form and in compliance with division (B)(3) of this section, shall be filed in electronic form with the secretary of state, the director of the legislative service commission, and the joint committee on agency rule review. The emergency rule is effective immediately upon completion of the latest filing, except that if the agency in adopting the emergency rule designates an effective date, or date and time of day, that is later than the effective date and time provided for by division (B)(2) of this section, the emergency rule if filed as required by such division shall become effective at the later date, or later date and time of day, designated by the agency.

An emergency rule becomes invalid at the end of the ninetieth day it is in effect. Prior to that date, the agency may file the emergency rule as a nonemergency rule in compliance with division (B)(1) of this section. The agency may not refile the emergency rule in compliance with division (B)(2) of this section so that, upon the emergency rule becoming invalid under such division, the emergency rule will continue in effect without interruption for another ninety-day period.

(3) An agency shall file a rule under division (B)(1) or (2) of this section in compliance with the following standards and procedures:

(a) The rule shall be numbered in accordance with the numbering system devised by the director for the Ohio administrative code.

(b) The rule shall be prepared and submitted in compliance with the rules of the legislative service commission.

(c) The rule shall clearly state the date on which it is to

be effective and the date on which it will expire, if known. 726

(d) Each rule that amends or rescinds another rule shall 727  
clearly refer to the rule that is amended or rescinded. Each 728  
amendment shall fully restate the rule as amended. 729

If the director of the legislative service commission or the 730  
director's designee gives an agency notice pursuant to section 731  
103.05 of the Revised Code that a rule filed by the agency is not 732  
in compliance with the rules of the legislative service 733  
commission, the agency shall within thirty days after receipt of 734  
the notice conform the rule to the rules of the commission as 735  
directed in the notice. 736

(C) All rules filed pursuant to divisions (B)(1)(a) and (2) 737  
of this section shall be recorded by the secretary of state and 738  
the director under the title of the agency adopting the rule and 739  
shall be numbered according to the numbering system devised by the 740  
director. The secretary of state and the director shall preserve 741  
the rules in an accessible manner. Each such rule shall be a 742  
public record open to public inspection and may be transmitted to 743  
any law publishing company that wishes to reproduce it. 744

(D) At least sixty-five days before a board, commission, 745  
department, division, or bureau of the government of the state 746  
files a rule under division (B)(1) of this section, it shall file 747  
the full text of the proposed rule in electronic form with the 748  
joint committee on agency rule review, and the proposed rule is 749  
subject to legislative review and invalidation under division (I) 750  
of section 119.03 of the Revised Code. If a state board, 751  
commission, department, division, or bureau makes a substantive 752  
revision in a proposed rule after it is filed with the joint 753  
committee, the state board, commission, department, division, or 754  
bureau shall promptly file the full text of the proposed rule in 755  
its revised form in electronic form with the joint committee. The 756  
latest version of a proposed rule as filed with the joint 757

committee supersedes each earlier version of the text of the same 758  
proposed rule. Except as provided in division (F) of this section, 759  
a state board, commission, department, division, or bureau shall 760  
also file the rule summary and fiscal analysis prepared under 761  
section 121.24 or 127.18 of the Revised Code, or both, in 762  
electronic form along with a proposed rule, and along with a 763  
proposed rule in revised form, that is filed under this division. 764

As used in this division, "commission" includes the public 765  
utilities commission when adopting rules under a federal or state 766  
statute. 767

This division does not apply to any of the following: 768

(1) A proposed rule of an emergency nature; 769

(2) A rule proposed under section 1121.05, 1121.06, 1155.18, 770  
1163.22, 1349.33, 1707.201, 1733.412, 4123.29, 4123.34, 4123.341, 771  
4123.342, 4123.40, or 4123.411, ~~4123.44~~, ~~or~~ ~~4123.442~~ of the 772  
Revised Code; 773

(3) A rule proposed by an agency other than a board, 774  
commission, department, division, or bureau of the government of 775  
the state; 776

(4) A proposed internal management rule of a board, 777  
commission, department, division, or bureau of the government of 778  
the state; 779

(5) Any proposed rule that must be adopted verbatim by an 780  
agency pursuant to federal law or rule, to become effective within 781  
sixty days of adoption, in order to continue the operation of a 782  
federally reimbursed program in this state, so long as the 783  
proposed rule contains both of the following: 784

(a) A statement that it is proposed for the purpose of 785  
complying with a federal law or rule; 786

(b) A citation to the federal law or rule that requires 787

verbatim compliance. 788

(6) An initial rule proposed by the director of health to 789  
impose safety standards and quality-of-care standards with respect 790  
to a health service specified in section 3702.11 of the Revised 791  
Code, or an initial rule proposed by the director to impose 792  
quality standards on a facility listed in division (A)(4) of 793  
section 3702.30 of the Revised Code, if section 3702.12 of the 794  
Revised Code requires that the rule be adopted under this section; 795

(7) A rule of the state lottery commission pertaining to 796  
instant game rules. 797

If a rule is exempt from legislative review under division 798  
(D)(5) of this section, and if the federal law or rule pursuant to 799  
which the rule was adopted expires, is repealed or rescinded, or 800  
otherwise terminates, the rule is thereafter subject to 801  
legislative review under division (D) of this section. 802

(E) Whenever a state board, commission, department, division, 803  
or bureau files a proposed rule or a proposed rule in revised form 804  
under division (D) of this section, it shall also file the full 805  
text of the same proposed rule or proposed rule in revised form in 806  
electronic form with the secretary of state and the director of 807  
the legislative service commission. Except as provided in division 808  
(F) of this section, a state board, commission, department, 809  
division, or bureau shall file the rule summary and fiscal 810  
analysis prepared under section 121.24 or 127.18 of the Revised 811  
Code, or both, in electronic form along with a proposed rule or 812  
proposed rule in revised form that is filed with the secretary of 813  
state or the director of the legislative service commission. 814

(F) Except as otherwise provided in this division, the 815  
auditor of state or the auditor of state's designee is not 816  
required to file a rule summary and fiscal analysis along with a 817  
proposed rule, or proposed rule in revised form, that the auditor 818

of state proposes under section 117.12, 117.19, 117.38, or 117.43 819  
of the Revised Code and files under division (D) or (E) of this 820  
section. If, however, the auditor of state or the designee 821  
prepares a rule summary and fiscal analysis of the original 822  
version of such a proposed rule for purposes of complying with 823  
section 121.24 of the Revised Code, the auditor of state or 824  
designee shall file the rule summary and fiscal analysis in 825  
electronic form along with the original version of the proposed 826  
rule filed under division (D) or (E) of this section. 827

**Sec. 119.01.** As used in sections 119.01 to 119.13 of the 828  
Revised Code: 829

(A)(1) "Agency" means, except as limited by this division, 830  
any official, board, or commission having authority to promulgate 831  
rules or make adjudications in the civil service commission, the 832  
division of liquor control, the department of taxation, the 833  
industrial commission, the bureau of workers' compensation, the 834  
functions of any administrative or executive officer, department, 835  
division, bureau, board, or commission of the government of the 836  
state specifically made subject to sections 119.01 to 119.13 of 837  
the Revised Code, and the licensing functions of any 838  
administrative or executive officer, department, division, bureau, 839  
board, or commission of the government of the state having the 840  
authority or responsibility of issuing, suspending, revoking, or 841  
canceling licenses. 842

Except as otherwise provided in division (I) of this section, 843  
sections 119.01 to 119.13 of the Revised Code do not apply to the 844  
public utilities commission. Sections 119.01 to 119.13 of the 845  
Revised Code do not apply to the utility radiological safety 846  
board; to the controlling board; to actions of the superintendent 847  
of financial institutions and the superintendent of insurance in 848  
the taking possession of, and rehabilitation or liquidation of, 849

the business and property of banks, savings and loan associations, 850  
savings banks, credit unions, insurance companies, associations, 851  
reciprocal fraternal benefit societies, and bond investment 852  
companies; to any action taken by the division of securities under 853  
section 1707.201 of the Revised Code; or to any action that may be 854  
taken by the superintendent of financial institutions under 855  
section 1113.03, 1121.06, 1121.10, 1125.09, 1125.12, 1125.18, 856  
1157.01, 1157.02, 1157.10, 1165.01, 1165.02, 1165.10, 1349.33, 857  
1733.35, 1733.361, 1733.37, or 1761.03 of the Revised Code. 858

Sections 119.01 to 119.13 of the Revised Code do not apply to 859  
actions of the industrial commission or the bureau of workers' 860  
compensation under sections 4123.01 to 4123.94 of the Revised Code 861  
with respect to all matters of adjudication, ~~and~~ or to the actions 862  
of the industrial commission, bureau of workers' compensation 863  
board of directors, and bureau of workers' compensation under 864  
~~division (D) of section 4121.32~~, sections 4123.29, 4123.34, 865  
4123.341, 4123.342, 4123.40, 4123.411, ~~4123.44, and 4123.442~~ 866  
4127.07, divisions (B), (C), and (E) of section 4131.04, and 867  
divisions (B), (C), and (E) of section 4131.14 of the Revised Code 868  
with respect to all matters concerning the establishment of 869  
premium, contribution, and assessment rates. 870

(2) "Agency" also means any official or work unit having 871  
authority to promulgate rules or make adjudications in the 872  
department of job and family services, but only with respect to 873  
both of the following: 874

(a) The adoption, amendment, or rescission of rules that 875  
section 5101.09 of the Revised Code requires be adopted in 876  
accordance with this chapter; 877

(b) The issuance, suspension, revocation, or cancellation of 878  
licenses. 879

(B) "License" means any license, permit, certificate, 880

commission, or charter issued by any agency. "License" does not 881  
include any arrangement whereby a person, institution, or entity 882  
furnishes medicaid services under a provider agreement with the 883  
department of job and family services pursuant to Title XIX of the 884  
"Social Security Act," 49 Stat. 620 (1935), 42 U.S.C. 301, as 885  
amended. 886

(C) "Rule" means any rule, regulation, or standard, having a 887  
general and uniform operation, adopted, promulgated, and enforced 888  
by any agency under the authority of the laws governing such 889  
agency, and includes any appendix to a rule. "Rule" does not 890  
include any internal management rule of an agency unless the 891  
internal management rule affects private rights and does not 892  
include any guideline adopted pursuant to section 3301.0714 of the 893  
Revised Code. 894

(D) "Adjudication" means the determination by the highest or 895  
ultimate authority of an agency of the rights, duties, privileges, 896  
benefits, or legal relationships of a specified person, but does 897  
not include the issuance of a license in response to an 898  
application with respect to which no question is raised, nor other 899  
acts of a ministerial nature. 900

(E) "Hearing" means a public hearing by any agency in 901  
compliance with procedural safeguards afforded by sections 119.01 902  
to 119.13 of the Revised Code. 903

(F) "Person" means a person, firm, corporation, association, 904  
or partnership. 905

(G) "Party" means the person whose interests are the subject 906  
of an adjudication by an agency. 907

(H) "Appeal" means the procedure by which a person, aggrieved 908  
by a finding, decision, order, or adjudication of any agency, 909  
invokes the jurisdiction of a court. 910

(I) "Rule-making agency" means any board, commission, 911

department, division, or bureau of the government of the state 912  
that is required to file proposed rules, amendments, or 913  
rescissions under division (D) of section 111.15 of the Revised 914  
Code and any agency that is required to file proposed rules, 915  
amendments, or rescissions under divisions (B) and (H) of section 916  
119.03 of the Revised Code. "Rule-making agency" includes the 917  
public utilities commission. "Rule-making agency" does not include 918  
any state-supported college or university. 919

(J) "Substantive revision" means any addition to, elimination 920  
from, or other change in a rule, an amendment of a rule, or a 921  
rescission of a rule, whether of a substantive or procedural 922  
nature, that changes any of the following: 923

(1) That which the rule, amendment, or rescission permits, 924  
authorizes, regulates, requires, prohibits, penalizes, rewards, or 925  
otherwise affects; 926

(2) The scope or application of the rule, amendment, or 927  
rescission. 928

(K) "Internal management rule" means any rule, regulation, or 929  
standard governing the day-to-day staff procedures and operations 930  
within an agency. 931

Sec. 121.52. There is hereby created in the office of the 932  
inspector general the office of deputy inspector general for the 933  
bureau of workers' compensation and industrial commission. The 934  
inspector general shall appoint the deputy inspector general, and 935  
the deputy inspector general shall serve at the pleasure of the 936  
inspector general. A person employed as the deputy inspector 937  
general shall have the same qualifications as those specified in 938  
section 121.49 of the Revised Code for the inspector general. The 939  
inspector general shall provide professional and clerical 940  
assistance to the deputy inspector general. The inspector general 941  
shall certify to the director of budget and management the costs 942

incurred by the deputy inspector general, including the salaries 943  
of the employees assisting the deputy inspector general. The 944  
director of budget and management shall transfer the amount 945  
certified to the deputy inspector general for BWC fund, which is 946  
hereby created in the state treasury, from the appropriation made 947  
to the bureau of workers' compensation from which expenditures for 948  
general administrative purposes are made. The inspector general 949  
shall use that fund to pay costs incurred by the deputy inspector 950  
general. 951

Sec. 121.53. (A) The deputy inspector general for the bureau 952  
of workers' compensation and the industrial commission shall do 953  
all of the following: 954

(1) Investigate wrongful acts or omissions that have been 955  
committed by or are being committed by officers or employees of 956  
the bureau of workers' compensation and the industrial commission; 957

(2) Perform the same duties regarding matters concerning 958  
officers or employees of the bureau or the industrial commission 959  
as those specified in sections 121.42 and 121.45 of the Revised 960  
Code for the inspector general; 961

(3) Investigate any activities that may constitute fraud that 962  
allegedly have been or are being committed by a participant in the 963  
workers' compensation system; 964

(4) After conducting an investigation for fraud under 965  
division (A)(3) of this section, report any suspected acts of 966  
fraud to the inspector general; 967

(5) Receive complaints under section 121.55 of the Revised 968  
Code alleging that wrongful acts and omissions have been committed 969  
or are being committed by an officer or employee of the bureau or 970  
industrial commission or alleging activities that may constitute 971  
fraud that have been or are being committed by a participant in 972

<u>the workers' compensation system;</u>	973
<u>(6) Determine whether the information contained in complaints received under section 121.55 of the Revised Code allege facts that give reasonable cause to investigate, and, if so, investigate the complaint to determine if there is reasonable cause to believe that an alleged wrongful act or omission has been committed or is being committed by an officer or employee of the bureau or commission or that activities that may constitute fraud have been or are being committed by a participant.</u>	974 975 976 977 978 979 980 981
<u>(7) Exercise the same powers and duties as those specified in section 121.43 of the Revised Code for the inspector general.</u>	982 983
<u>(B) All investigations conducted and reports issued by the deputy inspector general are subject to section 121.44 of the Revised Code.</u>	984 985 986
<u>(C) If the inspector general receives a report from the deputy inspector general under division (A)(4) of this section, the inspector general shall report the allegation of fraud to the administrator of workers' compensation or the industrial commission only if the inspector general believes that reporting the allegation has the potential to stop fraud.</u>	987 988 989 990 991 992
<u>(D) As used in this section and sections 121.54 and 121.55 of the Revised Code, "participant in the workers' compensation system" means any of the following persons or entities:</u>	993 994 995
<u>(1) An employer subject to Chapter 4121., 4123., 4125., 4127., or 4131. of the Revised Code;</u>	996 997
<u>(2) A claimant for compensation or benefits under Chapter 4121., 4123., 4127., or 4131. of the Revised Code;</u>	998 999
<u>(3) A health care provider or managed care organization that provides services under Chapter 4121., 4123., 4127., or 4131. of the Revised Code;</u>	1000 1001 1002

(4) A person investing the assets of the funds specified in 1003  
Chapters 4121., 4123., 4127., and 4131. of the Revised Code. 1004

Sec. 121.54. The members of the industrial commission, bureau 1005  
of workers' compensation board of directors, workers' compensation 1006  
audit committee, workers' compensation actuarial committee, and 1007  
workers' compensation investment committee, and the administrator 1008  
of workers' compensation, employees of the industrial commission 1009  
and the bureau of workers' compensation, and any participant in 1010  
the workers' compensation system shall cooperate with and provide 1011  
assistance to the deputy inspector general in the performance of 1012  
any investigation conducted by the deputy inspector general. In 1013  
particular, those persons shall make their premises, equipment, 1014  
personnel, books, records, and papers readily available to the 1015  
deputy inspector general. In the course of an investigation, the 1016  
deputy inspector general may do any of the following: 1017

(A) Question any of those persons employed by the industrial 1018  
commission or the administrator and any other person transacting 1019  
business with the industrial commission, the board, the audit 1020  
committee, the actuarial committee, the investment committee, the 1021  
administrator, or the bureau; 1022

(B) Question any participant in the workers' compensation 1023  
system; 1024

(C) Inspect and copy any books, records, or papers in the 1025  
possession of a person or participant questioned pursuant to 1026  
division (A) or (B) of this section, taking care to preserve the 1027  
confidentiality of information contained in responses to questions 1028  
or the books, records, or papers that are made confidential by 1029  
law. 1030

In performing any investigation, the deputy inspector general 1031  
shall avoid interfering with the ongoing operations of the 1032  
entities being investigated, except insofar as is reasonably 1033

necessary to successfully complete the investigation. 1034

Sec. 121.55. Any person who knows or has reasonable cause to 1035  
believe that an officer or employee of the bureau of workers' 1036  
compensation or the industrial commission has committed, or is in 1037  
the process of committing, a wrongful act or omission, or who 1038  
knows or has reasonable cause to believe that a participant in the 1039  
workers' compensation system has committed, or is in the process 1040  
of committing, an activity that may constitute fraud, may prepare 1041  
and file a complaint with the deputy inspector general for the 1042  
bureau of workers' compensation and industrial commission. The 1043  
person shall include all of the following information in the 1044  
complaint: 1045

(A) The identity of the person making the report; 1046

(B) The identity of the officer or employee who allegedly 1047  
committed or is committing the wrongful act or omission, or the 1048  
participant who allegedly committed or is committing an act that 1049  
may constitute fraud; 1050

(C) A description of the wrongful act or omission or the 1051  
activity that may constitute fraud; 1052

(D) An explanation of how the person reporting knew or came 1053  
to the person's reasonable cause to believe that the officer or 1054  
employee committed or is in the process of committing the wrongful 1055  
act or omission, or that the participant committed or is 1056  
committing an act that may constitute fraud. 1057

The preparation and filing of the complaint described in this 1058  
section is in addition to any other report of the wrongful act or 1059  
omission or the activity that may constitute fraud that the person 1060  
is required by law to make. 1061

The inspector general shall prescribe a form for complaints 1062  
under this section. The inspector general shall provide a blank 1063

copy of the form to any person, free of charge. No complaint is 1064  
defective, however, because it is not made on the form prescribed 1065  
by the inspector general. 1066

Sec. 121.56. At the conclusion of an investigation conducted 1067  
by the deputy inspector general for the bureau of workers' 1068  
compensation and industrial commission, the deputy inspector 1069  
general shall deliver to the board, the administrator, the 1070  
commission, and the governor any case for which remedial action is 1071  
necessary. The deputy inspector general shall maintain a public 1072  
record of its activities to the extent permitted under sections 1073  
121.52 to 121.56 of the Revised Code, ensuring that the rights of 1074  
the parties involved in each case are protected. The inspector 1075  
general shall include in the annual report required under section 1076  
121.48 of the Revised Code a summary of the activities of the 1077  
deputy inspector general during the previous year. 1078

No person shall disclose any information that is designated 1079  
as confidential in accordance with section 121.44 of the Revised 1080  
Code or any confidential information that is acquired in the 1081  
course of an investigation conducted under section 121.53 of the 1082  
Revised Code to any person who is not legally entitled to 1083  
disclosure of that information. 1084

Sec. 131.02. (A) Except as otherwise provided in section 1085  
4123.37 and division ~~(J)~~(K) of section 4123.511 of the Revised 1086  
Code, whenever any amount is payable to the state, the officer, 1087  
employee, or agent responsible for administering the law under 1088  
which the amount is payable shall immediately proceed to collect 1089  
the amount or cause the amount to be collected and shall pay the 1090  
amount into the state treasury or into the appropriate custodial 1091  
fund in the manner set forth pursuant to section 113.08 of the 1092  
Revised Code. Except as otherwise provided in this division, if 1093  
the amount is not paid within forty-five days after payment is 1094

due, the officer, employee, or agent shall certify the amount due 1095  
to the attorney general, in the form and manner prescribed by the 1096  
attorney general, and notify the director of budget and management 1097  
thereof. In the case of an amount payable by a student enrolled in 1098  
a state institution of higher education, the amount shall be 1099  
certified within the later of forty-five days after the amount is 1100  
due or the tenth day after the beginning of the next academic 1101  
semester, quarter, or other session following the session for 1102  
which the payment is payable. The attorney general may assess the 1103  
collection cost to the amount certified in such manner and amount 1104  
as prescribed by the attorney general. 1105

For the purposes of this section, the attorney general and 1106  
the officer, employee, or agent responsible for administering the 1107  
law under which the amount is payable shall agree on the time a 1108  
payment is due, and that agreed upon time shall be one of the 1109  
following times: 1110

(1) If a law, including an administrative rule, of this state 1111  
prescribes the time a payment is required to be made or reported, 1112  
when the payment is required by that law to be paid or reported. 1113

(2) If the payment is for services rendered, when the 1114  
rendering of the services is completed. 1115

(3) If the payment is reimbursement for a loss, when the loss 1116  
is incurred. 1117

(4) In the case of a fine or penalty for which a law or 1118  
administrative rule does not prescribe a time for payment, when 1119  
the fine or penalty is first assessed. 1120

(5) If the payment arises from a legal finding, judgment, or 1121  
adjudication order, when the finding, judgment, or order is 1122  
rendered or issued. 1123

(6) If the payment arises from an overpayment of money by the 1124  
state to another person, when the overpayment is discovered. 1125

(7) The date on which the amount for which an individual is personally liable under section 5735.35, section 5739.33, or division (G) of section 5747.07 of the Revised Code is determined.	1126 1127 1128
(8) Upon proof of claim being filed in a bankruptcy case.	1129
(9) Any other appropriate time determined by the attorney general and the officer, employee, or agent responsible for administering the law under which the amount is payable on the basis of statutory requirements or ordinary business processes of the state agency to which the payment is owed.	1130 1131 1132 1133 1134
(B)(1) The attorney general shall give immediate notice by mail or otherwise to the party indebted of the nature and amount of the indebtedness.	1135 1136 1137
(2) If the amount payable to this state arises from a tax levied under Chapter 5733., 5739., 5741., 5747., or 5751. of the Revised Code, the notice also shall specify all of the following:	1138 1139 1140
(a) The assessment or case number;	1141
(b) The tax pursuant to which the assessment is made;	1142
(c) The reason for the liability, including, if applicable, that a penalty or interest is due;	1143 1144
(d) An explanation of how and when interest will be added to the amount assessed;	1145 1146
(e) That the attorney general and tax commissioner, acting together, have the authority, but are not required, to compromise the claim and accept payment over a reasonable time, if such actions are in the best interest of the state.	1147 1148 1149 1150
(C) The attorney general shall collect the claim or secure a judgment and issue an execution for its collection.	1151 1152
(D) Each claim shall bear interest, from the day on which the claim became due, at the rate per annum required by section 5703.47 of the Revised Code.	1153 1154 1155

(E) The attorney general and the chief officer of the agency reporting a claim, acting together, may do any of the following if such action is in the best interests of the state:

(1) Compromise the claim;

(2) Extend for a reasonable period the time for payment of the claim by agreeing to accept monthly or other periodic payments. The agreement may require security for payment of the claim.

(3) Add fees to recover the cost of processing checks or other draft instruments returned for insufficient funds and the cost of providing electronic payment options.

(F)(1) Except as provided in division (F)(2) of this section, if the attorney general finds, after investigation, that any claim due and owing to the state is uncollectible, the attorney general, with the consent of the chief officer of the agency reporting the claim, may do the following:

(a) Sell, convey, or otherwise transfer the claim to one or more private entities for collection;

(b) Cancel the claim or cause it to be canceled.

(2) The attorney general shall cancel or cause to be canceled an unsatisfied claim on the date that is forty years after the date the claim is certified.

(3) No initial action shall be commenced to collect any tax payable to the state that is administered by the tax commissioner, whether or not such tax is subject to division (B) of this section, or any penalty, interest, or additional charge on such tax, after the expiration of the period ending on the later of the dates specified in divisions (F)(3)(a) and (b) of this section, provided that such period shall be extended by the period of any stay to such collection or by any other period to which the

parties mutually agree. If the initial action in aid of execution 1186  
is commenced before the later of the dates specified in divisions 1187  
(F)(3)(a) and (b) of this section, any and all subsequent actions 1188  
may be pursued in aid of execution of judgment for as long as the 1189  
debt exists. 1190

(a) Seven years after the assessment of the tax, penalty, 1191  
interest, or additional charge is issued. 1192

(b) Four years after the assessment of the tax, penalty, 1193  
interest, or additional charge becomes final. For the purposes of 1194  
division (F)(3)(b) of this section, the assessment becomes final 1195  
at the latest of the following: upon expiration of the period to 1196  
petition for reassessment, or if applicable, to appeal a final 1197  
determination of the commissioner or decision of the board of tax 1198  
appeals or a court, or, if applicable, upon decision of the United 1199  
States supreme court. 1200

For the purposes of division (F)(3) of this section, an 1201  
initial action to collect a tax debt is commenced at the time when 1202  
any action, including any action in aid of execution on a 1203  
judgment, commences after a certified copy of the tax 1204  
commissioner's entry making an assessment final has been filed in 1205  
the office of the clerk of court of common pleas in the county in 1206  
which the taxpayer resides or has its principal place of business 1207  
in this state, or in the office of the clerk of court of common 1208  
pleas of Franklin county, as provided in section 5739.13, 5741.14, 1209  
5747.13, or 5751.09 of the Revised Code or in any other applicable 1210  
law requiring such a filing. If an assessment has not been issued 1211  
and there is no time limitation on the issuance of an assessment 1212  
under applicable law, an action to collect a tax debt commences 1213  
when the action is filed in the courts of this state to collect 1214  
the liability. 1215

(4) If information contained in a claim that is sold, 1216  
conveyed, or transferred to a private entity pursuant to this 1217

section is confidential pursuant to federal law or a section of 1218  
the Revised Code that implements a federal law governing 1219  
confidentiality, such information remains subject to that law 1220  
during and following the sale, conveyance, or transfer. 1221

**Sec. 1707.01.** As used in this chapter: 1222

(A) Whenever the context requires it, "division" or "division 1223  
of securities" may be read as "director of commerce" or as 1224  
"commissioner of securities." 1225

(B) "Security" means any certificate or instrument, or any 1226  
oral, written, or electronic agreement, understanding, or 1227  
opportunity, that represents title to or interest in, or is 1228  
secured by any lien or charge upon, the capital, assets, profits, 1229  
property, or credit of any person or of any public or governmental 1230  
body, subdivision, or agency. It includes shares of stock, 1231  
certificates for shares of stock, an uncertificated security, 1232  
membership interests in limited liability companies, voting-trust 1233  
certificates, warrants and options to purchase securities, 1234  
subscription rights, interim receipts, interim certificates, 1235  
promissory notes, all forms of commercial paper, evidences of 1236  
indebtedness, bonds, debentures, land trust certificates, fee 1237  
certificates, leasehold certificates, syndicate certificates, 1238  
endowment certificates, interests in or under profit-sharing or 1239  
participation agreements, interests in or under oil, gas, or 1240  
mining leases, preorganization or reorganization subscriptions, 1241  
preorganization certificates, reorganization certificates, 1242  
interests in any trust or pretended trust, any investment 1243  
contract, any life settlement interest, any instrument evidencing 1244  
a promise or an agreement to pay money, warehouse receipts for 1245  
intoxicating liquor, and the currency of any government other than 1246  
those of the United States and Canada, but sections 1707.01 to 1247  
1707.45 of the Revised Code do not apply to the sale of real 1248

estate. 1249

(C)(1) "Sale" has the full meaning of "sale" as applied by or 1250  
accepted in courts of law or equity, and includes every 1251  
disposition, or attempt to dispose, of a security or of an 1252  
interest in a security. "Sale" also includes a contract to sell, 1253  
an exchange, an attempt to sell, an option of sale, a solicitation 1254  
of a sale, a solicitation of an offer to buy, a subscription, or 1255  
an offer to sell, directly or indirectly, by agent, circular, 1256  
pamphlet, advertisement, or otherwise. 1257

(2) "Sell" means any act by which a sale is made. 1258

(3) The use of advertisements, circulars, or pamphlets in 1259  
connection with the sale of securities in this state exclusively 1260  
to the purchasers specified in division (D) of section 1707.03 of 1261  
the Revised Code is not a sale when the advertisements, circulars, 1262  
and pamphlets describing and offering those securities bear a 1263  
readily legible legend in substance as follows: "This offer is 1264  
made on behalf of dealers licensed under sections 1707.01 to 1265  
1707.45 of the Revised Code, and is confined in this state 1266  
exclusively to institutional investors and licensed dealers." 1267

(4) The offering of securities by any person in conjunction 1268  
with a licensed dealer by use of advertisement, circular, or 1269  
pamphlet is not a sale if that person does not otherwise attempt 1270  
to sell securities in this state. 1271

(5) Any security given with, or as a bonus on account of, any 1272  
purchase of securities is conclusively presumed to constitute a 1273  
part of the subject of that purchase and has been "sold." 1274

(6) "Sale" by an owner, pledgee, or mortgagee, or by a person 1275  
acting in a representative capacity, includes sale on behalf of 1276  
such party by an agent, including a licensed dealer or 1277  
salesperson. 1278

(D) "Person," except as otherwise provided in this chapter, 1279

means a natural person, firm, partnership, limited partnership, 1280  
partnership association, syndicate, joint-stock company, 1281  
unincorporated association, trust or trustee except where the 1282  
trust was created or the trustee designated by law or judicial 1283  
authority or by a will, and a corporation or limited liability 1284  
company organized under the laws of any state, any foreign 1285  
government, or any political subdivision of a state or foreign 1286  
government. 1287

(E)(1) "Dealer," except as otherwise provided in this 1288  
chapter, means every person, other than a salesperson, who engages 1289  
or professes to engage, in this state, for either all or part of 1290  
the person's time, directly or indirectly, either in the business 1291  
of the sale of securities for the person's own account, or in the 1292  
business of the purchase or sale of securities for the account of 1293  
others in the reasonable expectation of receiving a commission, 1294  
fee, or other remuneration as a result of engaging in the purchase 1295  
and sale of securities. "Dealer" does not mean any of the 1296  
following: 1297

(a) Any issuer, including any officer, director, employee, or 1298  
trustee of, or member or manager of, or partner in, or any general 1299  
partner of, any issuer, that sells, offers for sale, or does any 1300  
act in furtherance of the sale of a security that represents an 1301  
economic interest in that issuer, provided no commission, fee, or 1302  
other similar remuneration is paid to or received by the issuer 1303  
for the sale; 1304

(b) Any licensed attorney, public accountant, or firm of such 1305  
attorneys or accountants, whose activities are incidental to the 1306  
practice of the attorney's, accountant's, or firm's profession; 1307

(c) Any person that, for the account of others, engages in 1308  
the purchase or sale of securities that are issued and outstanding 1309  
before such purchase and sale, if a majority or more of the equity 1310  
interest of an issuer is sold in that transaction, and if, in the 1311

case of a corporation, the securities sold in that transaction 1312  
represent a majority or more of the voting power of the 1313  
corporation in the election of directors; 1314

(d) Any person that brings an issuer together with a 1315  
potential investor and whose compensation is not directly or 1316  
indirectly based on the sale of any securities by the issuer to 1317  
the investor; 1318

(e) Any bank; 1319

(f) Any person that the division of securities by rule 1320  
exempts from the definition of "dealer" under division (E)(1) of 1321  
this section. 1322

(2) "Licensed dealer" means a dealer licensed under this 1323  
chapter. 1324

(F)(1) "Salesman" or "salesperson" means every natural 1325  
person, other than a dealer, who is employed, authorized, or 1326  
appointed by a dealer to sell securities within this state. 1327

(2) The general partners of a partnership, and the executive 1328  
officers of a corporation or unincorporated association, licensed 1329  
as a dealer are not salespersons within the meaning of this 1330  
definition, nor are clerical or other employees of an issuer or 1331  
dealer that are employed for work to which the sale of securities 1332  
is secondary and incidental; but the division of securities may 1333  
require a license from any such partner, executive officer, or 1334  
employee if it determines that protection of the public 1335  
necessitates the licensing. 1336

(3) "Licensed salesperson" means a salesperson licensed under 1337  
this chapter. 1338

(G) "Issuer" means every person who has issued, proposes to 1339  
issue, or issues any security. 1340

(H) "Director" means each director or trustee of a 1341

corporation, each trustee of a trust, each general partner of a 1342  
partnership, except a partnership association, each manager of a 1343  
partnership association, and any person vested with managerial or 1344  
directory power over an issuer not having a board of directors or 1345  
trustees. 1346

(I) "Incorporator" means any incorporator of a corporation 1347  
and any organizer of, or any person participating, other than in a 1348  
representative or professional capacity, in the organization of an 1349  
unincorporated issuer. 1350

(J) "Fraud," "fraudulent," "fraudulent acts," "fraudulent 1351  
practices," or "fraudulent transactions" means anything recognized 1352  
on or after July 22, 1929, as such in courts of law or equity; any 1353  
device, scheme, or artifice to defraud or to obtain money or 1354  
property by means of any false pretense, representation, or 1355  
promise; any fictitious or pretended purchase or sale of 1356  
securities; and any act, practice, transaction, or course of 1357  
business relating to the purchase or sale of securities that is 1358  
fraudulent or that has operated or would operate as a fraud upon 1359  
the seller or purchaser. 1360

(K) Except as otherwise specifically provided, whenever any 1361  
classification or computation is based upon "par value," as 1362  
applied to securities without par value, the average of the 1363  
aggregate consideration received or to be received by the issuer 1364  
for each class of those securities shall be used as the basis for 1365  
that classification or computation. 1366

(L)(1) "Intangible property" means patents, copyrights, 1367  
secret processes, formulas, services, good will, promotion and 1368  
organization fees and expenses, trademarks, trade brands, trade 1369  
names, licenses, franchises, any other assets treated as 1370  
intangible according to generally accepted accounting principles, 1371  
and securities, accounts receivable, or contract rights having no 1372  
readily determinable value. 1373

(2) "Tangible property" means all property other than 1374  
intangible property and includes securities, accounts receivable, 1375  
and contract rights, when the securities, accounts receivable, or 1376  
contract rights have a readily determinable value. 1377

(M) "Public utilities" means those utilities defined in 1378  
sections 4905.02, 4905.03, 4907.02, and 4907.03 of the Revised 1379  
Code; in the case of a foreign corporation, it means those 1380  
utilities defined as public utilities by the laws of its domicile; 1381  
and in the case of any other foreign issuer, it means those 1382  
utilities defined as public utilities by the laws of the situs of 1383  
its principal place of business. The term always includes 1384  
railroads whether or not they are so defined as public utilities. 1385

(N) "State" means any state of the United States, any 1386  
territory or possession of the United States, the District of 1387  
Columbia, and any province of Canada. 1388

(O) "Bank" means any bank, trust company, savings and loan 1389  
association, savings bank, or credit union that is incorporated or 1390  
organized under the laws of the United States, any state of the 1391  
United States, Canada, or any province of Canada and that is 1392  
subject to regulation or supervision by that country, state, or 1393  
province. 1394

(P) "Include," when used in a definition, does not exclude 1395  
other things or persons otherwise within the meaning of the term 1396  
defined. 1397

(Q)(1) "Registration by description" means that the 1398  
requirements of section 1707.08 of the Revised Code have been 1399  
complied with. 1400

(2) "Registration by qualification" means that the 1401  
requirements of sections 1707.09 and 1707.11 of the Revised Code 1402  
have been complied with. 1403

(3) "Registration by coordination" means that there has been 1404

compliance with section 1707.091 of the Revised Code. Reference in 1405  
this chapter to registration by qualification also includes 1406  
registration by coordination unless the context otherwise 1407  
indicates. 1408

(R) "Intoxicating liquor" includes all liquids and compounds 1409  
that contain more than three and two-tenths per cent of alcohol by 1410  
weight and are fit for use for beverage purposes. 1411

(S) "Institutional investor" means any corporation, bank, 1412  
insurance company, pension fund or pension fund trust, employees' 1413  
profit-sharing fund or employees' profit-sharing trust, any 1414  
association engaged, as a substantial part of its business or 1415  
operations, in purchasing or holding securities, or any trust in 1416  
respect of which a bank is trustee or cotrustee. "Institutional 1417  
investor" does not include any business entity formed for the 1418  
primary purpose of evading sections 1707.01 to 1707.45 of the 1419  
Revised Code. 1420

(T) A reference to a statute of the United States or to a 1421  
rule, regulation, or form promulgated by the securities and 1422  
exchange commission or by another federal agency means the 1423  
statute, rule, regulation, or form as it exists at the time of the 1424  
act, omission, event, or transaction to which it is applied under 1425  
this chapter. 1426

(U) "Securities and exchange commission" means the securities 1427  
and exchange commission established by the Securities Exchange Act 1428  
of 1934. 1429

(V)(1) "Control bid" means the purchase of or offer to 1430  
purchase any equity security of a subject company from a resident 1431  
of this state if either of the following applies: 1432

(a) After the purchase of that security, the offeror would be 1433  
directly or indirectly the beneficial owner of more than ten per 1434  
cent of any class of the issued and outstanding equity securities 1435

of the issuer. 1436

(b) The offeror is the subject company, there is a pending 1437  
control bid by a person other than the issuer, and the number of 1438  
the issued and outstanding shares of the subject company would be 1439  
reduced by more than ten per cent. 1440

(2) For purposes of division (V)(1) of this section, "control 1441  
bid" does not include any of the following: 1442

(a) A bid made by a dealer for the dealer's own account in 1443  
the ordinary course of business of buying and selling securities; 1444

(b) An offer to acquire any equity security solely in 1445  
exchange for any other security, or the acquisition of any equity 1446  
security pursuant to an offer, for the sole account of the 1447  
offeror, in good faith and not for the purpose of avoiding the 1448  
provisions of this chapter, and not involving any public offering 1449  
of the other security within the meaning of Section 4 of Title I 1450  
of the "Securities Act of 1933," 48 Stat. 77, 15 U.S.C.A. 77d(2), 1451  
as amended; 1452

(c) Any other offer to acquire any equity security, or the 1453  
acquisition of any equity security pursuant to an offer, for the 1454  
sole account of the offeror, from not more than fifty persons, in 1455  
good faith and not for the purpose of avoiding the provisions of 1456  
this chapter. 1457

(W) "Offeror" means a person who makes, or in any way 1458  
participates or aids in making, a control bid and includes persons 1459  
acting jointly or in concert, or who intend to exercise jointly or 1460  
in concert any voting rights attached to the securities for which 1461  
the control bid is made and also includes any subject company 1462  
making a control bid for its own securities. 1463

(X)(1) "Investment adviser" means any person who, for 1464  
compensation, engages in the business of advising others, either 1465  
directly or through publications or writings, as to the value of 1466

securities or as to the advisability of investing in, purchasing, 1467  
or selling securities, or who, for compensation and as a part of 1468  
regular business, issues or promulgates analyses or reports 1469  
concerning securities. 1470

(2) "Investment adviser" does not mean any of the following: 1471

(a) Any attorney, accountant, engineer, or teacher, whose 1472  
performance of investment advisory services described in division 1473  
(X)(1) of this section is solely incidental to the practice of the 1474  
attorney's, accountant's, engineer's, or teacher's profession; 1475

(b) A publisher of any bona fide newspaper, news magazine, or 1476  
business or financial publication of general and regular 1477  
circulation; 1478

(c) A person who acts solely as an investment adviser 1479  
representative; 1480

(d) A bank holding company, as defined in the "Bank Holding 1481  
Company Act of 1956," 70 Stat. 133, 12 U.S.C. 1841, that is not an 1482  
investment company; 1483

(e) A bank, or any receiver, conservator, or other 1484  
liquidating agent of a bank; 1485

(f) Any licensed dealer or licensed salesperson whose 1486  
performance of investment advisory services described in division 1487  
(X)(1) of this section is solely incidental to the conduct of the 1488  
dealer's or salesperson's business as a licensed dealer or 1489  
licensed salesperson and who receives no special compensation for 1490  
the services; 1491

(g) Any person, the advice, analyses, or reports of which do 1492  
not relate to securities other than securities that are direct 1493  
obligations of, or obligations guaranteed as to principal or 1494  
interest by, the United States, or securities issued or guaranteed 1495  
by corporations in which the United States has a direct or 1496

indirect interest, and that have been designated by the secretary 1497  
of the treasury as exempt securities as defined in the "Securities 1498  
Exchange Act of 1934," 48 Stat. 881, 15 U.S.C. 78c; 1499

(h) Any person that is excluded from the definition of 1500  
investment adviser pursuant to section 202(a)(11)(A) to (E) of the 1501  
"Investment Advisers Act of 1940," 15 U.S.C. 80b-2(a)(11), or that 1502  
has received an order from the securities and exchange commission 1503  
under section 202(a)(11)(F) of the "Investment Advisers Act of 1504  
1940," 15 U.S.C. 80b-2(a)(11)(F), declaring that the person is not 1505  
within the intent of section 202(a)(11) of the Investment Advisers 1506  
Act of 1940. 1507

(i) A person who acts solely as a state retirement system 1508  
investment officer or as a bureau of workers' compensation chief 1509  
investment officer; 1510

(j) Any other person that the division designates by rule, if 1511  
the division finds that the designation is necessary or 1512  
appropriate in the public interest or for the protection of 1513  
investors or clients and consistent with the purposes fairly 1514  
intended by the policy and provisions of this chapter. 1515

(Y)(1) "Subject company" means an issuer that satisfies both 1516  
of the following: 1517

(a) Its principal place of business or its principal 1518  
executive office is located in this state, or it owns or controls 1519  
assets located within this state that have a fair market value of 1520  
at least one million dollars. 1521

(b) More than ten per cent of its beneficial or record equity 1522  
security holders are resident in this state, more than ten per 1523  
cent of its equity securities are owned beneficially or of record 1524  
by residents in this state, or more than one thousand of its 1525  
beneficial or record equity security holders are resident in this 1526  
state. 1527

(2) The division of securities may adopt rules to establish 1528  
more specific application of the provisions set forth in division 1529  
(Y)(1) of this section. Notwithstanding the provisions set forth 1530  
in division (Y)(1) of this section and any rules adopted under 1531  
this division, the division, by rule or in an adjudicatory 1532  
proceeding, may make a determination that an issuer does not 1533  
constitute a "subject company" under division (Y)(1) of this 1534  
section if appropriate review of control bids involving the issuer 1535  
is to be made by any regulatory authority of another jurisdiction. 1536

(Z) "Beneficial owner" includes any person who directly or 1537  
indirectly through any contract, arrangement, understanding, or 1538  
relationship has or shares, or otherwise has or shares, the power 1539  
to vote or direct the voting of a security or the power to dispose 1540  
of, or direct the disposition of, the security. "Beneficial 1541  
ownership" includes the right, exercisable within sixty days, to 1542  
acquire any security through the exercise of any option, warrant, 1543  
or right, the conversion of any convertible security, or 1544  
otherwise. Any security subject to any such option, warrant, 1545  
right, or conversion privilege held by any person shall be deemed 1546  
to be outstanding for the purpose of computing the percentage of 1547  
outstanding securities of the class owned by that person, but 1548  
shall not be deemed to be outstanding for the purpose of computing 1549  
the percentage of the class owned by any other person. A person 1550  
shall be deemed the beneficial owner of any security beneficially 1551  
owned by any relative or spouse or relative of the spouse residing 1552  
in the home of that person, any trust or estate in which that 1553  
person owns ten per cent or more of the total beneficial interest 1554  
or serves as trustee or executor, any corporation or entity in 1555  
which that person owns ten per cent or more of the equity, and any 1556  
affiliate or associate of that person. 1557

(AA) "Offeree" means the beneficial or record owner of any 1558  
security that an offeror acquires or offers to acquire in 1559

connection with a control bid. 1560

(BB) "Equity security" means any share or similar security, 1561  
or any security convertible into any such security, or carrying 1562  
any warrant or right to subscribe to or purchase any such 1563  
security, or any such warrant or right, or any other security 1564  
that, for the protection of security holders, is treated as an 1565  
equity security pursuant to rules of the division of securities. 1566

(CC)(1) "Investment adviser representative" means a 1567  
supervised person of an investment adviser, provided that the 1568  
supervised person has more than five clients who are natural 1569  
persons other than excepted persons defined in division (EE) of 1570  
this section, and that more than ten per cent of the supervised 1571  
person's clients are natural persons other than excepted persons 1572  
defined in division (EE) of this section. "Investment adviser 1573  
representative" does not mean any of the following: 1574

(a) A supervised person that does not on a regular basis 1575  
solicit, meet with, or otherwise communicate with clients of the 1576  
investment adviser; 1577

(b) A supervised person that provides only investment 1578  
advisory services described in division (X)(1) of this section by 1579  
means of written materials or oral statements that do not purport 1580  
to meet the objectives or needs of specific individuals or 1581  
accounts; 1582

(c) Any other person that the division designates by rule, if 1583  
the division finds that the designation is necessary or 1584  
appropriate in the public interest or for the protection of 1585  
investors or clients and is consistent with the provisions fairly 1586  
intended by the policy and provisions of this chapter. 1587

(2) For the purpose of the calculation of clients in division 1588  
(CC)(1) of this section, a natural person and the following 1589  
persons are deemed a single client: Any minor child of the natural 1590

person; any relative, spouse, or relative of the spouse of the 1591  
natural person who has the same principal residence as the natural 1592  
person; all accounts of which the natural person or the persons 1593  
referred to in division (CC)(2) of this section are the only 1594  
primary beneficiaries; and all trusts of which the natural person 1595  
or persons referred to in division (CC)(2) of this section are the 1596  
only primary beneficiaries. Persons who are not residents of the 1597  
United States need not be included in the calculation of clients 1598  
under division (CC)(1) of this section. 1599

(3) If subsequent to March 18, 1999, amendments are enacted 1600  
or adopted defining "investment adviser representative" for 1601  
purposes of the Investment Advisers Act of 1940 or additional 1602  
rules or regulations are promulgated by the securities and 1603  
exchange commission regarding the definition of "investment 1604  
adviser representative" for purposes of the Investment Advisers 1605  
Act of 1940, the division of securities shall, by rule, adopt the 1606  
substance of the amendments, rules, or regulations, unless the 1607  
division finds that the amendments, rules, or regulations are not 1608  
necessary for the protection of investors or in the public 1609  
interest. 1610

(DD) "Supervised person" means a natural person who is any of 1611  
the following: 1612

(1) A partner, officer, or director of an investment adviser, 1613  
or other person occupying a similar status or performing similar 1614  
functions with respect to an investment adviser; 1615

(2) An employee of an investment adviser; 1616

(3) A person who provides investment advisory services 1617  
described in division (X)(1) of this section on behalf of the 1618  
investment adviser and is subject to the supervision and control 1619  
of the investment adviser. 1620

(EE) "Excepted person" means a natural person to whom any of 1621

the following applies:	1622
(1) Immediately after entering into the investment advisory contract with the investment adviser, the person has at least seven hundred fifty thousand dollars under the management of the investment adviser.	1623 1624 1625 1626
(2) The investment adviser reasonably believes either of the following at the time the investment advisory contract is entered into with the person:	1627 1628 1629
(a) The person has a net worth, together with assets held jointly with a spouse, of more than one million five hundred thousand dollars.	1630 1631 1632
(b) The person is a qualified purchaser as defined in division (FF) of this section.	1633 1634
(3) Immediately prior to entering into an investment advisory contract with the investment adviser, the person is either of the following:	1635 1636 1637
(a) An executive officer, director, trustee, general partner, or person serving in a similar capacity, of the investment adviser;	1638 1639 1640
(b) An employee of the investment adviser, other than an employee performing solely clerical, secretarial, or administrative functions or duties for the investment adviser, which employee, in connection with the employee's regular functions or duties, participates in the investment activities of the investment adviser, provided that, for at least twelve months, the employee has been performing such nonclerical, nonsecretarial, or nonadministrative functions or duties for or on behalf of the investment adviser or performing substantially similar functions or duties for or on behalf of another company.	1641 1642 1643 1644 1645 1646 1647 1648 1649 1650
If subsequent to March 18, 1999, amendments are enacted or	1651

adopted defining "excepted person" for purposes of the Investment 1652  
Advisers Act of 1940 or additional rules or regulations are 1653  
promulgated by the securities and exchange commission regarding 1654  
the definition of "excepted person" for purposes of the Investment 1655  
Advisers Act of 1940, the division of securities shall, by rule, 1656  
adopt the substance of the amendments, rules, or regulations, 1657  
unless the division finds that the amendments, rules, or 1658  
regulations are not necessary for the protection of investors or 1659  
in the public interest. 1660

(FF)(1) "Qualified purchaser" means either of the following: 1661

(a) A natural person who owns not less than five million 1662  
dollars in investments as defined by rule by the division of 1663  
securities; 1664

(b) A natural person, acting for the person's own account or 1665  
accounts of other qualified purchasers, who in the aggregate owns 1666  
and invests on a discretionary basis, not less than twenty-five 1667  
million dollars in investments as defined by rule by the division 1668  
of securities. 1669

(2) If subsequent to March 18, 1999, amendments are enacted 1670  
or adopted defining "qualified purchaser" for purposes of the 1671  
Investment Advisers Act of 1940 or additional rules or regulations 1672  
are promulgated by the securities and exchange commission 1673  
regarding the definition of "qualified purchaser" for purposes of 1674  
the Investment Advisers Act of 1940, the division of securities 1675  
shall, by rule, adopt the amendments, rules, or regulations, 1676  
unless the division finds that the amendments, rules, or 1677  
regulations are not necessary for the protection of investors or 1678  
in the public interest. 1679

(GG)(1) "Purchase" has the full meaning of "purchase" as 1680  
applied by or accepted in courts of law or equity and includes 1681  
every acquisition of, or attempt to acquire, a security or an 1682

interest in a security. "Purchase" also includes a contract to 1683  
purchase, an exchange, an attempt to purchase, an option to 1684  
purchase, a solicitation of a purchase, a solicitation of an offer 1685  
to sell, a subscription, or an offer to purchase, directly or 1686  
indirectly, by agent, circular, pamphlet, advertisement, or 1687  
otherwise. 1688

(2) "Purchase" means any act by which a purchase is made. 1689

(3) Any security given with, or as a bonus on account of, any 1690  
purchase of securities is conclusively presumed to constitute a 1691  
part of the subject of that purchase. 1692

(HH) "Life settlement interest" means the entire interest or 1693  
any fractional interest in an insurance policy or certificate of 1694  
insurance, or in an insurance benefit under such a policy or 1695  
certificate, that is the subject of a life settlement contract. 1696

For purposes of this division, "life settlement contract" 1697  
means an agreement for the purchase, sale, assignment, transfer, 1698  
devise, or bequest of any portion of the death benefit or 1699  
ownership of any life insurance policy or contract, in return for 1700  
consideration or any other thing of value that is less than the 1701  
expected death benefit of the life insurance policy or contract. 1702  
"Life settlement contract" includes a viatical settlement contract 1703  
as defined in section 3916.01 of the Revised Code, but does not 1704  
include any of the following: 1705

(1) A loan by an insurer under the terms of a life insurance 1706  
policy, including, but not limited to, a loan secured by the cash 1707  
value of the policy; 1708

(2) An agreement with a bank that takes an assignment of a 1709  
life insurance policy as collateral for a loan; 1710

(3) The provision of accelerated benefits as defined in 1711  
section 3915.21 of the Revised Code; 1712

(4) Any agreement between an insurer and a reinsurer;	1713
(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;	1714 1715 1716 1717
(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.	1718 1719 1720 1721
(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.	1722 1723 1724 1725
(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.	1726 1727 1728 1729 1730 1731
(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 position that is substantially equivalent to a chief investment officer.	1732 1733 1734 1735 1736
<b>Sec. 3345.12.</b> (A) As used in this section and sections 3345.07 and 3345.11 of the Revised Code, in other sections of the Revised Code that make reference to this section unless the context does not permit, and in related bond proceedings unless otherwise expressly provided:	1737 1738 1739 1740 1741
(1) "State university or college" means each of the state	1742

universities identified in section 3345.011 of the Revised Code 1743  
and the northeastern Ohio universities college of medicine, and 1744  
includes its board of trustees. 1745

(2) "Institution of higher education" or "institution" means 1746  
a state university or college, or a community college district, 1747  
technical college district, university branch district, or state 1748  
community college, and includes the applicable board of trustees 1749  
or, in the case of a university branch district, any other 1750  
managing authority. 1751

(3) "Housing and dining facilities" means buildings, 1752  
structures, and other improvements, and equipment, real estate, 1753  
and interests in real estate therefor, to be used for or in 1754  
connection with dormitories or other living quarters and 1755  
accommodations, or related dining halls or other food service and 1756  
preparation facilities, for students, members of the faculty, 1757  
officers, or employees of the institution of higher education, and 1758  
their spouses and families. 1759

(4) "Auxiliary facilities" means buildings, structures, and 1760  
other improvements, and equipment, real estate, and interests in 1761  
real estate therefor, to be used for or in connection with student 1762  
activity or student service facilities, housing and dining 1763  
facilities, dining halls, and other food service and preparation 1764  
facilities, vehicular parking facilities, bookstores, athletic and 1765  
recreational facilities, faculty centers, auditoriums, assembly 1766  
and exhibition halls, hospitals, infirmaries and other medical and 1767  
health facilities, research, and continuing education facilities. 1768

(5) "Education facilities" means buildings, structures, and 1769  
other improvements, and equipment, real estate, and interests in 1770  
real estate therefor, to be used for or in connection with, 1771  
classrooms or other instructional facilities, libraries, 1772  
administrative and office facilities, and other facilities, other 1773  
than auxiliary facilities, to be used directly or indirectly for 1774

or in connection with the conduct of the institution of higher 1775  
education. 1776

(6) "Facilities" means housing and dining facilities, 1777  
auxiliary facilities, or education facilities, and includes any 1778  
one, part of, or any combination of such facilities, and further 1779  
includes site improvements, utilities, machinery, furnishings, and 1780  
any separate or connected buildings, structures, improvements, 1781  
sites, open space and green space areas, utilities or equipment to 1782  
be used in, or in connection with the operation or maintenance of, 1783  
or supplementing or otherwise related to the services or 1784  
facilities to be provided by, such facilities. 1785

(7) "Obligations" means bonds or notes or other evidences of 1786  
obligation, including interest coupons pertaining thereto, 1787  
authorized to be issued under this section or section 3345.07, 1788  
3345.11, 3354.121, 3355.091, 3357.112, or 3358.10 of the Revised 1789  
Code. 1790

(8) "Bond service charges" means principal, including any 1791  
mandatory sinking fund or redemption requirements for the 1792  
retirement of obligations, interest, or interest equivalent and 1793  
other accreted amounts, and any call premium required to be paid 1794  
on obligations. 1795

(9) "Bond proceedings" means the resolutions, trust 1796  
agreement, indenture, and other agreements and credit enhancement 1797  
facilities, and amendments and supplements to the foregoing, or 1798  
any one or more or combination thereof, authorizing, awarding, or 1799  
providing for the terms and conditions applicable to, or providing 1800  
for the security or liquidity of, obligations, and the provisions 1801  
contained in those obligations. 1802

(10) "Costs of facilities" means the costs of acquiring, 1803  
constructing, reconstructing, rehabilitating, remodeling, 1804  
renovating, enlarging, improving, equipping, or furnishing 1805

facilities, and the financing thereof, including the cost of 1806  
clearance and preparation of the site and of any land to be used 1807  
in connection with facilities, the cost of any indemnity and 1808  
surety bonds and premiums on insurance, all related direct 1809  
administrative expenses and allocable portions of direct costs of 1810  
the institution of higher education or state agency, cost of 1811  
engineering, architectural services, design, plans, specifications 1812  
and surveys, estimates of cost, legal fees, fees and expenses of 1813  
trustees, depositories, bond registrars, and paying agents for the 1814  
obligations, cost of issuance of the obligations and financing 1815  
costs and fees and expenses of financial advisers and consultants 1816  
in connection therewith, interest on the obligations from the date 1817  
thereof to the time when interest is to be covered by available 1818  
receipts or other sources other than proceeds of the obligations, 1819  
amounts necessary to establish reserves as required by the bond 1820  
proceedings, costs of audits, the reimbursements of all moneys 1821  
advanced or applied by or borrowed from the institution or others, 1822  
from whatever source provided, including any temporary advances 1823  
from state appropriations, for the payment of any item or items of 1824  
cost of facilities, and all other expenses necessary or incident 1825  
to planning or determining feasibility or practicability with 1826  
respect to facilities, and such other expenses as may be necessary 1827  
or incident to the acquisition, construction, reconstruction, 1828  
rehabilitation, remodeling, renovation, enlargement, improvement, 1829  
equipment, and furnishing of facilities, the financing thereof and 1830  
the placing of them in use and operation, including any one, part 1831  
of, or combination of such classes of costs and expenses. 1832

(11) "Available receipts" means all moneys received by the 1833  
institution of higher education, including income, revenues, and 1834  
receipts from the operation, ownership, or control of facilities, 1835  
grants, gifts, donations, and pledges and receipts therefrom, 1836  
receipts from fees and charges, and the proceeds of the sale of 1837  
obligations, including proceeds of obligations issued to refund 1838

obligations previously issued, but excluding any special fee, and 1839  
receipts therefrom, charged pursuant to division (D) of section 1840  
154.21 of the Revised Code. 1841

(12) "Credit enhancement facilities" has the meaning given in 1842  
division (H) of section 133.01 of the Revised Code. 1843

(13) "Financing costs" has the meaning given in division (K) 1844  
of section 133.01 of the Revised Code. 1845

(14) "Interest" or "interest equivalent" has the meaning 1846  
given in division (R) of section 133.01 of the Revised Code. 1847

(B) Obligations issued under section 3345.07 or 3345.11 of 1848  
the Revised Code by a state university or college shall be 1849  
authorized by resolution of its board of trustees. Obligations 1850  
issued by any other institution of higher education shall be 1851  
authorized by resolution of its board of trustees, or managing 1852  
directors in the case of certain university branch districts, as 1853  
applicable. Sections 9.96 and 9.98 to 9.983 of the Revised Code 1854  
apply to obligations. Obligations may be issued to pay costs of 1855  
facilities even if the institution anticipates the possibility of 1856  
a future state appropriation to pay all or a portion of such 1857  
costs. 1858

(C) Obligations shall be secured by a pledge of and lien on 1859  
all or such part of the available receipts of the institution of 1860  
higher education as it provides for in the bond proceedings, 1861  
excluding moneys raised by taxation and state appropriations. Such 1862  
pledge and lien may be made prior to all other expenses, claims, 1863  
or payments, excepting any pledge of such available receipts 1864  
previously made to the contrary and except as provided by any 1865  
existing restrictions on the use thereof, or such pledge and lien 1866  
may be made subordinate to such other expenses, claims, or 1867  
payments, as provided in the bond proceedings. Obligations may be 1868  
additionally secured by covenants of the institution to make, fix, 1869

adjust, collect, and apply such charges, rates, fees, rentals, and 1870  
other items of available receipts as will produce pledged 1871  
available receipts sufficient to meet bond service charges, 1872  
reserve, and other requirements provided for in the bond 1873  
proceedings. Notwithstanding this and any other sections of the 1874  
Revised Code, the holders or owners of the obligations shall not 1875  
be given the right and shall have no right to have excises or 1876  
taxes levied by the general assembly for the payment of bond 1877  
service charges thereon, and each such obligation shall bear on 1878  
its face a statement to that effect and to the effect that the 1879  
right to such payment is limited to the available receipts and 1880  
special funds pledged to such purpose under the bond proceedings. 1881

All pledged available receipts and funds and the proceeds of 1882  
obligations are trust funds and, subject to the provisions of this 1883  
section and the applicable bond proceedings, shall be held, 1884  
deposited, invested, reinvested, disbursed, applied, and used to 1885  
such extent, in such manner, at such times, and for such purposes, 1886  
as are provided in the bond proceedings. 1887

(D) The bond proceedings for obligations shall provide for 1888  
the purpose thereof and the principal amount or maximum principal 1889  
amount, and provide for or authorize the manner of determining the 1890  
principal maturity or maturities, the sale price including any 1891  
permitted discount, the interest rate or rates, which may be a 1892  
variable rate or rates, or the maximum interest rate, the date of 1893  
the obligations and the date or dates of payment of interest 1894  
thereon, their denominations, the manner of sale thereof, and the 1895  
establishment within or without the state of a place or places of 1896  
payment of bond service charges. The bond proceedings also shall 1897  
provide for a pledge of and lien on available receipts of the 1898  
institution of higher education as provided in division (C) of 1899  
this section, and a pledge of and lien on such fund or funds 1900  
provided in the bond proceedings arising from available receipts, 1901

which pledges and liens may provide for parity with obligations 1902  
theretofore or thereafter issued by the institution. The available 1903  
receipts so pledged and thereafter received by the institution and 1904  
the funds so pledged are immediately subject to the lien of such 1905  
pledge without any physical delivery thereof or further act, and 1906  
the lien of any such pledge is valid and binding against all 1907  
parties having claims of any kind against the institution, 1908  
irrespective of whether such parties have notice thereof, and 1909  
shall create a perfected security interest for all purposes of 1910  
Chapter 1309. of the Revised Code, without the necessity for 1911  
separation or delivery of funds or for the filing or recording of 1912  
the bond proceedings by which such pledge is created or any 1913  
certificate, statement, or other document with respect thereto; 1914  
and the pledge of such available receipts and funds shall be 1915  
effective and the money therefrom and thereof may be applied to 1916  
the purposes for which pledged without necessity for any act of 1917  
appropriation. 1918

(E) The bond proceedings may contain additional provisions 1919  
customary or appropriate to the financing or to the obligations or 1920  
to particular obligations, including: 1921

(1) The acquisition, construction, reconstruction, equipment, 1922  
furnishing, improvement, operation, alteration, enlargement, 1923  
maintenance, insurance, and repair of facilities, and the duties 1924  
of the institution of higher education with reference thereto; 1925

(2) The terms of the obligations, including provisions for 1926  
their redemption prior to maturity at the option of the 1927  
institution of higher education at such price or prices and under 1928  
such terms and conditions as are provided in the bond proceedings; 1929

(3) Limitations on the purposes to which the proceeds of the 1930  
obligations may be applied; 1931

(4) The rates or rentals or other charges for the use of or 1932

right to use the facilities financed by the obligations, or other 1933  
properties the revenues or receipts from which are pledged to the 1934  
obligations, and rules for assuring use and occupancy thereof, 1935  
including limitations upon the right to modify such rates, 1936  
rentals, other charges, or regulations; 1937

(5) The use and expenditure of the pledged available receipts 1938  
in such manner and to such extent as shall be determined, which 1939  
may include provision for the payment of the expenses of 1940  
operation, maintenance, and repair of facilities so that such 1941  
expenses, or part thereof, shall be paid or provided as a charge 1942  
prior or subsequent to the payment of bond service charges and any 1943  
other payments required to be made by the bond proceedings; 1944

(6) Limitations on the issuance of additional obligations; 1945

(7) The terms of any trust agreement or indenture securing 1946  
the obligations or under which the same may be issued; 1947

(8) The deposit, investment, and application of funds, and 1948  
the safeguarding of funds on hand or on deposit without regard to 1949  
Chapter 131. or 135. of the Revised Code, and any bank or trust 1950  
company or other financial institution that acts as depository of 1951  
any moneys under the bond proceedings shall furnish such 1952  
indemnifying bonds or pledge such securities as required by the 1953  
bond proceedings or otherwise by the institution of higher 1954  
education; 1955

(9) The binding effect of any or every provision of the bond 1956  
proceedings upon such officer, board, commission, authority, 1957  
agency, department, or other person or body as may from time to 1958  
time have the authority under law to take such actions as may be 1959  
necessary to perform all or any part of the duty required by such 1960  
provision; 1961

(10) Any provision that may be made in a trust agreement or 1962  
indenture; 1963

(11) Any other or additional agreements with respect to the 1964  
facilities of the institution of higher education, their 1965  
operation, the available receipts and funds pledged, and insurance 1966  
of facilities and of the institution, its officers and employees. 1967

(F) Such obligations may have the seal of the institution of 1968  
higher education or a facsimile thereof affixed thereto or printed 1969  
thereon and shall be executed by such officers as are designated 1970  
in the bond proceedings, which execution may be by facsimile 1971  
signatures. Any obligations may be executed by an officer who, on 1972  
the date of execution, is the proper officer although on the date 1973  
of such obligations such person was not the proper officer. In 1974  
case any officer whose signature or a facsimile of whose signature 1975  
appears on any such obligation ceases to be such officer before 1976  
delivery thereof, such signature or facsimile is nevertheless 1977  
valid and sufficient for all purposes as if the person had 1978  
remained such officer until such delivery; and in case the seal of 1979  
the institution has been changed after a facsimile of the seal has 1980  
been imprinted on such obligations, such facsimile seal continues 1981  
to be sufficient as to such obligations and obligations issued in 1982  
substitution or exchange therefor. 1983

(G) All such obligations are negotiable instruments and 1984  
securities under Chapter 1308. of the Revised Code, subject to the 1985  
provisions of the bond proceedings as to registration. The 1986  
obligations may be issued in coupon or in registered form, or 1987  
both. Provision may be made for the registration of any 1988  
obligations with coupons attached thereto as to principal alone or 1989  
as to both principal and interest, their exchange for obligations 1990  
so registered, and for the conversion or reconversion into 1991  
obligations with coupons attached thereto of any obligations 1992  
registered as to both principal and interest, and for reasonable 1993  
charges for such registration, exchange, conversion, and 1994  
reconversion. 1995

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

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

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

(2) In the event of default in any payments required to be made by the bond proceedings, or any other agreement of the institution of higher education made as a part of the contract under which the obligations were issued, enforcement of such payments or agreement by mandamus, the appointment of a receiver, suit in equity, action at law, or any combination of the foregoing;

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

(4) The replacement of any obligations that become mutilated

or are destroyed, lost, or stolen; 2027

(5) Such other provisions as the trustee and the institution 2028  
of higher education agree upon, including limitations, conditions, 2029  
or qualifications relating to any of the foregoing. 2030

(J) Each duty of the institution of higher education and its 2031  
officers or employees, undertaken pursuant to the bond proceedings 2032  
or any related agreement or lease made under authority of law, is 2033  
hereby established as a duty of such institution, and of each such 2034  
officer or employee having authority to perform such duty, 2035  
specially enjoined by law resulting from an office, trust, or 2036  
station within the meaning of section 2731.01 of the Revised Code. 2037  
The persons who are at the time the members of the board of 2038  
trustees or the managing directors of the institution or its 2039  
officers or employees are not liable in their personal capacities 2040  
on such obligations, or lease, or other agreement of the 2041  
institution. 2042

(K) The authority to issue obligations includes authority to: 2043

(1) Issue obligations in the form of bond anticipation notes 2044  
and to renew them from time to time by the issuance of new notes. 2045  
Such notes are payable solely from the available receipts and 2046  
funds that may be pledged to the payment of such bonds, or from 2047  
the proceeds of such bonds or renewal notes, or both, as the 2048  
institution of higher education provides in its resolution 2049  
authorizing such notes. Such notes may be additionally secured by 2050  
covenants of the institution to the effect that it will do such or 2051  
all things necessary for the issuance of such bonds or renewal 2052  
notes in appropriate amount, and either exchange such bonds or 2053  
renewal notes therefor or apply the proceeds thereof to the extent 2054  
necessary, to make full payment of the bond service charges on 2055  
such notes at the time or times contemplated, as provided in such 2056  
resolution. Subject to the provisions of this division, all 2057  
references to obligations in this section apply to such 2058

anticipation notes. 2059

(2) Issue obligations to refund, including funding and 2060  
retirement of, obligations previously issued to pay costs of 2061  
facilities. Such obligations may be issued in amounts sufficient 2062  
for payment of the principal amount of the obligations to be so 2063  
refunded, any redemption premiums thereon, principal maturities of 2064  
any obligations maturing prior to the redemption of any other 2065  
obligations on a parity therewith to be so refunded, interest 2066  
accrued or to accrue to the maturity date or dates of redemption 2067  
of such obligations, and any expenses incurred or to be incurred 2068  
in connection with such refunding or the issuance of the 2069  
obligations. 2070

(L) Obligations are lawful investments for banks, societies 2071  
for savings, savings and loan associations, deposit guarantee 2072  
associations, trust companies, trustees, fiduciaries, insurance 2073  
companies, including domestic for life and domestic not for life, 2074  
trustees or other officers having charge of sinking and bond 2075  
retirement or other special funds of political subdivisions and 2076  
taxing districts of this state, the commissioners of the sinking 2077  
fund, the administrator of workers' compensation in accordance 2078  
with the investment policy ~~established~~ approved by the bureau of 2079  
workers' compensation oversight commission board of directors 2080  
pursuant to section 4121.12 of the Revised Code, the state 2081  
teachers retirement system, the public employees retirement 2082  
system, the school employees retirement system, and the Ohio 2083  
police and fire pension fund, notwithstanding any other provisions 2084  
of the Revised Code or rules adopted pursuant thereto by any state 2085  
agency with respect to investments by them, and are also 2086  
acceptable as security for the deposit of public moneys. 2087

(M) All facilities purchased, acquired, constructed, or owned 2088  
by an institution of higher education, or financed in whole or in 2089  
part by obligations issued by an institution, and used for the 2090

purposes of the institution or other publicly owned and controlled 2091  
college or university, is public property used exclusively for a 2092  
public purpose, and such property and the income therefrom is 2093  
exempt from all taxation and assessment within this state, 2094  
including ad valorem and excise taxes. The obligations, the 2095  
transfer thereof, and the income therefrom, including any profit 2096  
made on the sale thereof, are at all times free from taxation 2097  
within the state. The transfer of tangible personal property by 2098  
lease under authority of this section or section 3345.07, 3345.11, 2099  
3354.121, 3355.091, 3357.112, or 3358.10 of the Revised Code is 2100  
not a sale as used in Chapter 5739. of the Revised Code. 2101

(N) The authority granted by this section is cumulative with 2102  
the authority granted to institutions of higher education under 2103  
Chapter 154. of the Revised Code, and nothing in this section 2104  
impairs or limits the authority granted by Chapter 154. of the 2105  
Revised Code. In any lease, agreement, or commitment made by an 2106  
institution of higher education under Chapter 154. of the Revised 2107  
Code, it may agree to restrict or subordinate any pledge it may 2108  
thereafter make under authority of this section. 2109

(O) Title to lands acquired under this section and sections 2110  
3345.07 and 3345.11 of the Revised Code by a state university or 2111  
college shall be taken in the name of the state. 2112

(P) Except where costs of facilities are to be paid in whole 2113  
or in part from funds appropriated by the general assembly, 2114  
section 125.81 of the Revised Code and the requirement for 2115  
certification with respect thereto under section 153.04 of the 2116  
Revised Code do not apply to such facilities. 2117

(Q) A state university or college may sell or lease lands or 2118  
interests in land owned by it or by the state for its use, or 2119  
facilities authorized to be acquired or constructed by it under 2120  
section 3345.07 or 3345.11 of the Revised Code, to permit the 2121  
purchasers or lessees thereof to acquire, construct, equip, 2122

furnish, reconstruct, alter, enlarge, remodel, renovate, 2123  
rehabilitate, improve, maintain, repair, or maintain and operate 2124  
thereon and to provide by lease or otherwise to such institution, 2125  
facilities authorized in section 3345.07 or 3345.11 of the Revised 2126  
Code. Such land or interests therein shall be sold for such 2127  
appraised value, or leased, and on such terms as the board of 2128  
trustees determines. All deeds or other instruments relating to 2129  
such sales or leases shall be executed by such officer of the 2130  
state university or college as the board of trustees designates. 2131  
The state university or college shall hold, invest, or use the 2132  
proceeds of such sales or leases for the same purposes for which 2133  
proceeds of borrowings may be used under sections 3345.07 and 2134  
3345.11 of the Revised Code. 2135

(R) An institution of higher education may pledge available 2136  
receipts, to the extent permitted by division (C) of this section 2137  
with respect to obligations, to secure the payments to be made by 2138  
it under any lease, lease with option to purchase, or 2139  
lease-purchase agreement authorized under this section or section 2140  
3345.07, 3345.11, 3354.121, 3355.091, 3357.112, or 3358.10 of the 2141  
Revised Code. 2142

**Sec. 4121.01.** (A) As used in sections 4121.01 to 4121.29 of 2143  
the Revised Code: 2144

(1) "Place of employment" means every place, whether indoors 2145  
or out, or underground, and the premises appurtenant thereto, 2146  
where either temporarily or permanently any industry, trade, or 2147  
business is carried on, or where any process or operation, 2148  
directly or indirectly related to any industry, trade, or 2149  
business, is carried on and where any person is directly or 2150  
indirectly employed by another for direct or indirect gain or 2151  
profit, but does not include any place where persons are employed 2152  
in private domestic service or agricultural pursuits which do not 2153

involve the use of mechanical power.	2154
(2) "Employment" means any trade, occupation, or process of	2155
manufacture or any method of carrying on such trade, occupation,	2156
or process of manufacture in which any person may be engaged,	2157
except in such private domestic service or agricultural pursuits	2158
as do not involve the use of mechanical power.	2159
(3) "Employer" means every person, firm, corporation, agent,	2160
manager, representative, or other person having control or custody	2161
of any employment, place of employment, or employee.	2162
(4) "Employee" means every person who may be required or	2163
directed by any employer, in consideration of direct or indirect	2164
gain or profit, to engage in any employment, or to go, or work, or	2165
be at any time in any place of employment.	2166
(5) "Frequenter" means every person, other than an employee,	2167
who may go in or be in a place of employment under circumstances	2168
which render the person other than a trespasser.	2169
(6) "Deputy" means any person employed by the industrial	2170
commission or the bureau of workers' compensation, designated as a	2171
deputy by the commission or the administrator of workers'	2172
compensation, who possesses special, technical, scientific,	2173
managerial, professional, or personal abilities or qualities in	2174
matters within the jurisdiction of the commission or the bureau,	2175
and who may be engaged in the performance of duties under the	2176
direction of the commission or the bureau calling for the exercise	2177
of such abilities or qualities.	2178
(7) "Order" means any decision, rule, regulation, direction,	2179
requirement, or standard, or any other determination or decision	2180
that the bureau is empowered to and does make.	2181
(8) "General order" means an order that applies generally	2182
throughout the state to all persons, employments, or places of	2183
employment, or all persons, employments, or places of employment	2184

of a class under the jurisdiction of the bureau. All other orders 2185  
shall be considered special orders. 2186

(9) "Local order" means any ordinance, order, rule, or 2187  
determination of the legislative authority of any municipal 2188  
corporation, or any trustees, or board or officers of any 2189  
municipal corporation upon any matter over which the bureau has 2190  
jurisdiction. 2191

(10) "Welfare" means comfort, decency, and moral well-being. 2192

(11) "Safe" or "safety," as applied to any employment or a 2193  
place of employment, means such freedom from danger to the life, 2194  
health, safety, or welfare of employees or frequenters as the 2195  
nature of the employment will reasonably permit, including 2196  
requirements as to the hours of labor with relation to the health 2197  
and welfare of employees. 2198

(12) "Employee organization" means any labor or bona fide 2199  
organization in which employees participate and that exists for 2200  
the purpose, in whole or in part, of dealing with employers 2201  
concerning grievances, labor disputes, wages, hours, terms, and 2202  
other conditions of employment. 2203

(B) As used in the Revised Code: 2204

(1) "Industrial commission" means the chairperson of the 2205  
three-member industrial commission created pursuant to section 2206  
4121.02 of the Revised Code when the context refers to the 2207  
authority vested in the chairperson as the chief executive officer 2208  
of the three-member industrial commission pursuant to divisions 2209  
(A), (B), (C), and (D) of section 4121.03 of the Revised Code. 2210

(2) "Industrial commission" means the three-member industrial 2211  
commission created pursuant to section 4121.02 of the Revised Code 2212  
when the context refers to the authority vested in the 2213  
three-member industrial commission pursuant to division (E) of 2214  
section 4121.03 of the Revised Code. 2215

(3) "Industrial commission" means the industrial commission 2216  
as a state agency when the context refers to the authority vested 2217  
in the industrial commission as a state agency. 2218

**Sec. 4121.03.** (A) The governor shall appoint from among the 2219  
members of the industrial commission the chairperson of the 2220  
industrial commission. The chairperson shall serve as chairperson 2221  
at the pleasure of the governor. The chairperson is the head of 2222  
the commission and its chief executive officer. 2223

(B) The chairperson shall appoint, after consultation with 2224  
other commission members and obtaining the approval of at least 2225  
one other commission member, an executive director of the 2226  
commission. The executive director shall serve at the pleasure of 2227  
the chairperson. The executive director, under the direction of 2228  
the chairperson, shall perform all of the following duties: 2229

(1) Act as chief administrative officer for the commission; 2230

(2) Ensure that all commission personnel follow the rules of 2231  
the commission; 2232

(3) Ensure that all orders, awards, and determinations are 2233  
properly heard and signed, prior to attesting to the documents; 2234

(4) Coordinate, to the fullest extent possible, commission 2235  
activities with the bureau of workers' compensation activities; 2236

(5) Do all things necessary for the efficient and effective 2237  
implementation of the duties of the commission. 2238

The responsibilities assigned to the executive director of 2239  
the commission do not relieve the chairperson from final 2240  
responsibility for the proper performance of the acts specified in 2241  
this division. 2242

(C) The chairperson shall do all of the following: 2243

(1) Except as otherwise provided in this division, employ, 2244

promote, supervise, remove, and establish the compensation of all 2245  
employees as needed in connection with the performance of the 2246  
commission's duties under this chapter and Chapters 4123., 4127., 2247  
and 4131. of the Revised Code and may assign to them their duties 2248  
to the extent necessary to achieve the most efficient performance 2249  
of its functions, and to that end may establish, change, or 2250  
abolish positions, and assign and reassign duties and 2251  
responsibilities of every employee of the commission. The civil 2252  
service status of any person employed by the commission prior to 2253  
November 3, 1989, is not affected by this section. Personnel 2254  
employed by the bureau or the commission who are subject to 2255  
Chapter 4117. of the Revised Code shall retain all of their rights 2256  
and benefits conferred pursuant to that chapter as it presently 2257  
exists or is hereafter amended and nothing in this chapter or 2258  
Chapter 4123. of the Revised Code shall be construed as 2259  
eliminating or interfering with Chapter 4117. of the Revised Code 2260  
or the rights and benefits conferred under that chapter to public 2261  
employees or to any bargaining unit. 2262

(2) Hire district and staff hearing officers after 2263  
consultation with other commission members and obtaining the 2264  
approval of at least one other commission member; 2265

(3) Fire staff and district hearing officers when the 2266  
chairperson finds appropriate after obtaining the approval of at 2267  
least one other commission member; 2268

(4) Maintain the office for the commission in Columbus; 2269

(5) To the maximum extent possible, use electronic data 2270  
processing equipment for the issuance of orders immediately 2271  
following a hearing, scheduling of hearings and medical 2272  
examinations, tracking of claims, retrieval of information, and 2273  
any other matter within the commission's jurisdiction, and shall 2274  
provide and input information into the electronic data processing 2275  
equipment as necessary to effect the success of the claims 2276

tracking system established pursuant to division (B)(15) of 2277  
section 4121.121 of the Revised Code; 2278

(6) Exercise all administrative and nonadjudicatory powers 2279  
and duties conferred upon the commission by Chapters 4121., 4123., 2280  
4127., and 4131. of the Revised Code; 2281

(7) Approve all contracts for special services. 2282

(D) The chairperson is responsible for all administrative 2283  
matters and may secure for the commission facilities, equipment, 2284  
and supplies necessary to house the commission, any employees, and 2285  
files and records under the commission's control and to discharge 2286  
any duty imposed upon the commission by law, the expense thereof 2287  
to be audited and paid in the same manner as other state expenses. 2288  
For that purpose, the chairperson, separately from the budget 2289  
prepared by the administrator of workers' compensation, shall 2290  
prepare and submit to the office of budget and management a budget 2291  
for each biennium according to sections 101.532 and 107.03 of the 2292  
Revised Code. The budget submitted shall cover the costs of the 2293  
commission and staff and district hearing officers in the 2294  
discharge of any duty imposed upon the chairperson, the 2295  
commission, and hearing officers by law. 2296

(E) A majority of the commission constitutes a quorum to 2297  
transact business. No vacancy impairs the rights of the remaining 2298  
members to exercise all of the powers of the commission, so long 2299  
as a majority remains. Any investigation, inquiry, or hearing that 2300  
the commission may hold or undertake may be held or undertaken by 2301  
or before any one member of the commission, or before one of the 2302  
deputies of the commission, except as otherwise provided in this 2303  
chapter and Chapters 4123., 4127., and 4131. of the Revised Code. 2304  
Every order made by a member, or by a deputy, when approved and 2305  
confirmed by a majority of the members, and so shown on its record 2306  
of proceedings, is the order of the commission. The commission may 2307  
hold sessions at any place within the state. The commission is 2308

responsible for all of the following: 2309

(1) Establishing the overall adjudicatory policy and 2310  
management of the commission under this chapter and Chapters 2311  
4123., 4127., and 4131. of the Revised Code, except for those 2312  
administrative matters within the jurisdiction of the chairperson, 2313  
bureau of workers' compensation, and the administrator of workers' 2314  
compensation under those chapters; 2315

(2) Hearing appeals and reconsiderations under this chapter 2316  
and ~~chapters~~ Chapters 4123., 4127., and 4131. of the Revised Code; 2317

(3) Engaging in rulemaking where required by this chapter or 2318  
Chapter 4123., 4127., or 4131. of the Revised Code, adopting all 2319  
of those rules, except those rules concerning adjudicatory 2320  
matters, in accordance with Chapter 119. of the Revised Code, and, 2321  
at the time the commission submits any proposed rules to the joint 2322  
committee on agency rule review, submitting a copy of those 2323  
proposed rules to the workers' compensation council for its review 2324  
of the rules under section 4121.79 of the Revised Code. 2325

**Sec. 4121.12.** (A) There is hereby created the bureau of 2326  
workers' compensation ~~oversight commission~~ board of directors 2327  
consisting of eleven members, ~~of which members to be appointed by~~ 2328  
the governor ~~shall appoint five~~ with the advice and consent of the 2329  
senate. ~~Of the five members the governor appoints, two~~ One member 2330  
shall be ~~individuals~~ an individual who, on account of ~~their~~ the 2331  
individual's previous vocation, employment, or affiliations, can 2332  
be classed as a representative of employees, ~~at least one of whom~~ 2333  
~~is representative of employees who are members of an;~~ two members 2334  
shall be individuals who, on account of their previous vocation, 2335  
employment, or affiliations, can be classed as representatives of 2336  
employee organization organizations and at least one of these two 2337  
individuals shall be a member of the executive committee of the 2338  
largest statewide labor federation; ~~two~~ three members shall be 2339

individuals who, on account of their previous vocation, 2340  
employment, or affiliations, can be classed as ~~representative~~ 2341  
representatives of employers, one of whom represents self-insuring 2342  
employers ~~and~~, one of whom ~~has experience as an employer in~~ 2343  
~~compliance with section 4123.35 of the Revised Code other than a~~ 2344  
~~self-insuring employer~~ is a state fund employer who employs one 2345  
hundred or more employees, and one of ~~those two representatives~~ 2346  
~~also shall represent employers whose employees are not members of~~ 2347  
~~an employee organization~~ whom is a state fund employer who employs 2348  
less than one hundred employees; two members shall be individuals 2349  
who, on account of their vocation, employment, or affiliations, 2350  
can be classed as investment and securities experts who have 2351  
direct experience in the management, analysis, supervision, or 2352  
investment of assets, have experience with state workers' 2353  
compensation funds or state pension funds, and are residents of 2354  
this state; one member who shall be a certified public accountant; 2355  
one member who shall be an actuary who is a member in good 2356  
standing with the American academy of actuaries or who is an 2357  
associate or fellow with the society of actuaries; and one member 2358  
shall represent the public and also be an individual who, ~~on~~ 2359  
~~account of~~ prior to the individual's ~~previous vocation,~~ 2360  
~~employment, or affiliations,~~ cannot be classed as either 2361  
~~predominantly representative of employees or of employers~~ 2362  
appointment, has received compensation or benefits under this 2363  
chapter or Chapter 4123., 4127., or 4131. of the Revised Code. The 2364  
governor shall select the chairperson of the ~~commission~~ board who 2365  
shall serve as chairperson at the pleasure of the governor. ~~No~~ 2366  
~~more than three members appointed by the governor shall belong to~~ 2367  
~~or be affiliated with the same political party.~~ 2368

~~Each~~ None of ~~these five~~ the members of the board, within one 2369  
year immediately preceding the member's appointment, shall have ~~at~~ 2370  
~~least three years' experience in the field of insurance, finance,~~ 2371  
been employed by the bureau of workers' compensation, law, 2372

~~accounting, actuarial, personnel, investments, or data processing,~~ 2373  
~~or in the management of an organization whose size is commensurate~~ 2374  
~~with that of the bureau of workers' compensation. At least one of~~ 2375  
~~these five members shall be an attorney licensed under Chapter~~ 2376  
~~4705. of the Revised Code to practice law in this state by any~~ 2377  
~~person, partnership, or corporation that has provided to the~~ 2378  
~~bureau services of a financial or investment nature, including the~~ 2379  
~~management, analysis, supervision, or investment of assets.~~ 2380

(B) The governor shall appoint the initial members to the 2381  
board not later than sixty days after the effective date of this 2382  
amendment. Of the initial appointments made to the ~~commission~~ 2383  
board, the governor shall appoint ~~one~~ the member who represents 2384  
employees ~~to a term ending one year after September 1, 1995,~~ one 2385  
member who represents employers ~~to a term ending two years after~~ 2386  
September 1, 1995, and the member who represents the public to a 2387  
term ending ~~three years~~ one year after September 1, 1995, the 2388  
effective date of this amendment; one member who represents 2389  
~~employees~~ employers, one member who represents employee 2390  
organizations, one member who is an investment and securities 2391  
expert, and the member who is a certified public accountant to a 2392  
term ending ~~four~~ two years after September 1, 1995, the effective 2393  
date of this amendment; and one member who represents employers, 2394  
one member who represents employee organizations, one member who 2395  
is an investment and securities expert, and the member who is an 2396  
actuary to a term ending ~~five~~ three years after September 1, 1995 2397  
the effective date of this amendment. Thereafter, terms of office 2398  
shall be for three years, with each term ending on the same day of 2399  
the same month as did the term that it succeeds. Each member shall 2400  
hold office from the date of the member's appointment until the 2401  
end of the term for which the member was appointed. 2402

~~The governor shall not appoint any person to more than two~~ 2403  
~~full terms of office on the commission. This restriction does not~~ 2404

~~prevent the governor from appointing a person to fill a vacancy 2405  
caused by the death, resignation, or removal of a commission 2406  
member and also appointing that person twice to full terms on the 2407  
commission, or from appointing a person previously appointed to 2408  
fill less than a full term twice to full terms on the commission 2409  
Members of the board serve at the pleasure of the governor and may 2410  
be removed from the board by the governor. Members may be 2411  
reappointed. Any member appointed to fill a vacancy occurring 2412  
prior to the expiration date of the term for which the member's 2413  
predecessor was appointed shall hold office as a member for the 2414  
remainder of that term. A member shall continue in office 2415  
subsequent to the expiration date of the member's term until a 2416  
successor takes office or until a period of sixty days has 2417  
elapsed, whichever occurs first. 2418~~

~~(C) In making appointments to the commission, the governor 2419  
shall select the members from the list of names submitted by the 2420  
workers' compensation oversight commission nominating committee 2421  
pursuant to this division. Within fourteen days after the governor 2422  
calls the initial meeting of the nominating committee pursuant to 2423  
division (C) of section 4121.123 of the Revised Code, the 2424  
nominating committee shall submit to the governor, for the initial 2425  
appointments, a list containing four separate names for each of 2426  
the members on the commission. Within fourteen days after the 2427  
submission of the list, the governor shall appoint individuals 2428  
from the list. 2429~~

~~For the appointment of the member who is representative of 2430  
employees who are members of an employee organization, both for 2431  
initial appointments and for the filling of vacancies, the list of 2432  
four names submitted by the nominating committee shall be 2433  
comprised of four individuals who are members of the executive 2434  
committee of the largest statewide labor federation. 2435~~

~~Thereafter, within sixty days after a vacancy occurring as a 2436~~

~~result of the expiration of a term and within thirty days after 2437  
other vacancies occurring on the commission, the nominating 2438  
committee shall submit a list containing four names for each 2439  
vacancy. Within fourteen days after the submission of the list, 2440  
the governor shall appoint individuals from the list. With respect 2441  
to the filling of vacancies, the nominating committee shall 2442  
provide the governor with a list of four individuals who are, in 2443  
the judgment of the nominating committee, the most fully qualified 2444  
to accede to membership on the commission. The nominating 2445  
committee shall not include the name of an individual upon the 2446  
list for the filling of vacancies if the appointment of that 2447  
individual by the governor would result in more than three members 2448  
of the commission belonging to or being affiliated with the same 2449  
political party. The committee shall include on the list for the 2450  
filling of vacancies only the names of attorneys admitted to 2451  
practice law in this state if, to fulfill the requirement of 2452  
division (A) of section 4121.12 of the Revised Code, the vacancy 2453  
must be filled by an attorney. 2454~~

~~In order for the name of an individual to be submitted to the 2455  
governor under this division, the nominating committee shall 2456  
approve the individual by an affirmative vote of a majority of its 2457  
members. 2458~~

~~(D) The commission shall also consist of two members, known 2459  
as the investment expert members. One investment expert member 2460  
shall be appointed by the treasurer of state and one investment 2461  
expert member shall be jointly appointed by the speaker of the 2462  
house of representatives and the president of the senate. Each 2463  
investment expert member shall have the following qualifications: 2464~~

~~(1) Be a resident of this state; 2465~~

~~(2) Within the three years immediately preceding the 2466  
appointment, not have been employed by the bureau of workers' 2467  
compensation or by any person, partnership, or corporation that 2468~~

~~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  
office for the date of the member's appointment until the end of  
the term for which the member was appointed. The president,  
speaker, and treasurer shall not appoint any person to more than  
two full terms of office on the commission. This restriction does  
not prevent the president, speaker, and treasurer from appointing  
a person to fill a vacancy caused by the death, resignation, or  
removal of a commission member and also appointing that person  
twice to full terms on the commission, or from appointing a person  
previously appointed to fill less than a full term twice to full  
terms on the commission. Any investment expert member appointed to  
fill a vacancy occurring prior to the expiration of the term for  
which the member's predecessor was appointed shall hold office  
until the end of that term. The member shall continue in office  
subsequent to the expiration date of the member's term until the  
member's successor takes office or until a period of sixty days  
has elapsed, whichever occurs first.~~

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

~~(E) The remaining four members of the commission shall be the  
chairperson and ranking minority member of the standing committees  
of the house of representatives and of the senate to which  
legislation concerning this chapter and Chapters 4123., 4127., and  
4131. of the Revised Code normally are referred, or a designee of  
the chairperson or ranking minority member, provided that the~~

~~designee is a member of the standing committee. Legislative~~ 2501  
~~members shall serve during the session of the general assembly to~~ 2502  
~~which they are elected and for as long as they are members of the~~ 2503  
~~general assembly. Legislative members shall serve in an advisory~~ 2504  
~~capacity to the commission and shall have no voting rights on~~ 2505  
~~matters coming before the commission. Membership on the commission~~ 2506  
~~by legislative members shall not be deemed as holding a public~~ 2507  
~~office.~~ 2508

~~(F)~~ All members of the ~~commission~~ board shall receive their 2509  
reasonable and necessary expenses pursuant to section 126.31 of 2510  
the Revised Code while engaged in the performance of their duties 2511  
as members. ~~Members appointed by the governor and the investment~~ 2512  
~~expert members~~ also shall receive an annual salary not to exceed 2513  
~~eighteen~~ sixty thousand dollars in total, payable on the following 2514  
basis: 2515

(1) Except as provided in division ~~(F)~~(C)(2) of this section, 2516  
a member shall receive two thousand five hundred dollars during a 2517  
month in which the member attends one or more meetings of the 2518  
~~commission~~ board and shall receive no payment during a month in 2519  
which the member attends no meeting of the ~~commission~~ board. 2520

(2) A member may receive no more than ~~the annual eighteen~~ 2521  
thirty thousand ~~dollar salary~~ dollars per year to compensate the 2522  
member for attending meetings of the board, regardless of the 2523  
number of meetings held by the ~~commission~~ board during a year or 2524  
the number of meetings in excess of ~~nine~~ twelve within a year that 2525  
the member attends. 2526

(3) Except as provided in division (C)(4) of this section, if 2527  
a member serves on the workers' compensation audit committee, 2528  
workers' compensation actuarial committee, or the workers' 2529  
compensation investment committee, the member shall receive two 2530  
thousand five hundred dollars during a month in which the member 2531  
attends one or more meetings of the committee on which the member 2532

serves and shall receive no payment during any month in which the 2533  
member attends no meeting of that committee. 2534

(4) A member may receive no more than thirty thousand dollars 2535  
per year to compensate the member for attending meetings of any of 2536  
the committees specified in division (C)(3) of this section, 2537  
regardless of the number of meetings held by a committee during a 2538  
year or the number of committees on which a member serves. 2539

The chairperson of the ~~commission~~ board shall set the meeting 2540  
dates of the ~~commission~~ board as necessary to perform the duties 2541  
of the ~~commission~~ board under this chapter and Chapters 4123., 2542  
4125., 4127., and 4131., and 4167. of the Revised Code. The 2543  
~~commission~~ board shall meet at least ~~nine~~ twelve times ~~during the~~ 2544  
~~period commencing on the first day of September and ending on the~~ 2545  
~~thirty-first day of August of the following~~ a year. The 2546  
administrator of workers' compensation shall provide professional 2547  
and clerical assistance to the ~~commission~~ board, as the ~~commission~~ 2548  
board considers appropriate. 2549

~~(G)~~(D) Before entering upon the duties of office, each 2550  
appointed member of the board shall take an oath of office as 2551  
required by sections 3.22 and 3.23 of the Revised Code and file in 2552  
the office of the secretary of state the bond required under 2553  
section 4121.127 of the Revised Code. 2554

(E) The commission board shall: 2555

(1) Establish the overall administrative policy for the 2556  
bureau for the purposes of this chapter and Chapters 4123., 4125., 2557  
4127., 4131., and 4167. of the Revised Code; 2558

(2) Review progress of the bureau in meeting its cost and 2559  
quality objectives and in complying with this chapter and Chapters 2560  
4123., 4125., 4127., and 4131., and 4167. of the Revised Code; 2561

~~(2) Issue (3) Submit~~ an annual report on the cost and quality 2562  
~~objectives of the bureau~~ to the president of the senate, the 2563

speaker of the house of representatives, <del>and</del> the governor <del>;</del> , <u>and</u>	2564
<u>the workers' compensation council and include all of the following</u>	2565
<u>in that report:</u>	2566
<u>(a) An evaluation of the cost and quality objectives of the</u>	2567
<u>bureau;</u>	2568
<u>(b) A statement of the net assets available for the provision</u>	2569
<u>of compensation and benefits under this chapter and Chapters</u>	2570
<u>4123., 4127., and 4131. of the Revised Code as of the last day of</u>	2571
<u>the fiscal year;</u>	2572
<u>(c) A statement of any changes that occurred in the net</u>	2573
<u>assets available, including employer premiums and net investment</u>	2574
<u>income, for the provision of compensation and benefits and payment</u>	2575
<u>of administrative expenses, between the first and last day of the</u>	2576
<u>fiscal year immediately preceding the date of the report;</u>	2577
<u>(d) The following information for each of the six consecutive</u>	2578
<u>fiscal years occurring previous to the report:</u>	2579
<u>(i) A schedule of the net assets available for compensation</u>	2580
<u>and benefits;</u>	2581
<u>(ii) The annual cost of the payment of compensation and</u>	2582
<u>benefits;</u>	2583
<u>(iii) Annual administrative expenses incurred;</u>	2584
<u>(iv) Annual employer premiums allocated for the provision of</u>	2585
<u>compensation and benefits.</u>	2586
<u>(e) A description of any significant changes that occurred</u>	2587
<u>during the six years for which the board provided the information</u>	2588
<u>required under division (E)(3)(d) of this section that affect the</u>	2589
<u>ability of the board to compare that information from year to</u>	2590
<u>year.</u>	2591
<del>(3)</del> <u>(4)</u> Review all independent financial audits of the bureau.	2592
The administrator shall provide access to records of the bureau to	2593

facilitate the review required under this division.	2594
<del>(4)(5)</del> Study issues as requested by the administrator or the governor;	2595
<del>(5)(6)</del> Contract with <del>an</del> <u>all of the following:</u>	2596
<u>(a) An independent actuarial firm to assist the <del>commission</del> board in making recommendations to the administrator regarding premium rates;</u>	2597
<del>(6) Establish objectives, policies, and criteria for the administration of the investment program that include asset allocation targets and ranges, risk factors, asset class benchmarks, time horizons, total return objectives, and performance evaluation guidelines, and monitor the administrator's progress in implementing the objectives, policies, and criteria on a quarterly basis. The commission shall not specify in the objectives, policies, and criteria that the administrator or employees of the bureau 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. The commission shall review</del>	2598
<u>(b) An outside investment counsel to assist the workers' compensation investment committee in fulfilling its duties;</u>	2599
<u>(c) An independent fiduciary counsel to assist the board in the performance of its duties.</u>	2600
<u>(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</u>	2601
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specified in section 4123.442 of the Revised Code. 2625

~~(8) Review and publish the objectives, policies, and criteria~~ 2626  
~~investment policy~~ no less than annually and ~~shall~~ make copies 2627  
available to interested parties. ~~The commission shall prohibit~~ 2628

~~(9) Prohibit,~~ on a prospective basis, any specific investment 2629  
it finds to be contrary to ~~its~~ the investment objectives, 2630  
~~policies, and criteria.~~ 2631

~~The objectives, policies, and criteria adopted by the~~ 2632  
~~commission for the operation of the investment program shall~~ 2633  
~~prohibit investing assets of funds, directly or indirectly, in~~ 2634  
~~vehicles that target any of the following:~~ 2635

~~(a) Coins;~~ 2636

~~(b) Artwork;~~ 2637

~~(c) Horses;~~ 2638

~~(d) Jewelry or gems;~~ 2639

~~(e) Stamps;~~ 2640

~~(f) Antiques;~~ 2641

~~(g) Artifacts;~~ 2642

~~(h) Collectibles;~~ 2643

~~(i) Memorabilia;~~ 2644

~~(j) Similar unregulated investments that are not commonly~~ 2645  
~~part of an institutional portfolio, that lack liquidity, and that~~ 2646  
~~lack readily determinable valuation~~ policy approved by the board. 2647

~~(7) Specify in the objectives, policies, and criteria for the~~ 2648  
~~investment program that the administrator is permitted~~ (10) Vote 2649  
to open each investment class and allow the administrator to 2650  
invest in an investment class only if the ~~commission~~ board, by a 2651  
majority vote, opens that class. ~~After the commission opens;~~ 2652

(11) After opening a class but prior to the administrator 2653  
investing in that class, ~~the commission shall~~ adopt rules 2654  
establishing due diligence standards for employees of the bureau 2655  
to follow when investing in that class and ~~shall~~ establish 2656  
policies and procedures to review and monitor the performance and 2657  
value of each investment class. ~~The commission shall submit;~~ 2658

(12) Submit a report annually on the performance and value of 2659  
each investment class to the governor, the president and minority 2660  
leader of the senate, and the speaker and minority leader of the 2661  
house of representatives. ~~The commission may vote to close any~~ 2662  
~~investment class.~~ 2663

~~(8)~~(13) Advise and consent on all of the following: 2664

(a) Administrative rules the administrator submits to it 2665  
pursuant to division (B)(5) of section 4121.121 of the Revised 2666  
Code for the classification of occupations or industries, for 2667  
premium rates and contributions, for the amount to be credited to 2668  
the surplus fund, for rules and systems of rating, rate revisions, 2669  
and merit rating; 2670

~~(b) The overall policy of the bureau of workers' compensation~~ 2671  
~~as set by the administrator;~~ 2672

~~(e)~~ The duties and authority conferred upon the administrator 2673  
pursuant to section 4121.37 of the Revised Code; 2674

~~(d)~~(c) Rules the administrator adopts for the health 2675  
partnership program and the qualified health plan system, as 2676  
provided in sections 4121.44, 4121.441, and 4121.442 of the 2677  
Revised Code; 2678

~~(e)~~(d) Rules the administrator submits to it pursuant to 2679  
Chapter 4167. of the Revised Code regarding the public employment 2680  
risk reduction program and the protection of public health care 2681  
workers from exposure incidents. 2682

As used in this division, "public health care worker" and 2683  
"exposure incident" have the same meanings as in section 4167.25 2684  
of the Revised Code. 2685

(9)(14) Perform all duties required under ~~section 4121.125~~ 2686  
this chapter and Chapters 4123., 4125., 4127., 4131., and 4167. of 2687  
the Revised Code; 2688

(15) Meet with the governor on an annual basis to discuss the 2689  
administrator's performance of the duties specified in this 2690  
chapter and Chapters 4123., 4125., 4127., 4131., and 4167. of the 2691  
Revised Code; 2692

(16) Adopt all rules, except those rules concerning 2693  
adjudicatory matters, that the board is required to adopt under 2694  
this chapter and Chapters 4123., 4125., 4127., and 4131. of the 2695  
Revised Code in accordance with Chapter 119. of the Revised Code 2696  
and, at the time the board submits any proposed rules or any rules 2697  
for which the board gives advice and consent to the joint 2698  
committee on agency rule review, submit a copy of those rules to 2699  
the workers' compensation council for its review of those rules 2700  
under section 4121.79 of the Revised Code; 2701

(17) Develop and participate in a bureau of workers' 2702  
compensation board of directors education program that consists of 2703  
all of the following: 2704

(a) An orientation component for newly appointed members; 2705

(b) A continuing education component for board members who 2706  
have served for at least one year; 2707

(c) A curriculum that includes education about each of the 2708  
following topics: 2709

(i) Board member duties and responsibilities; 2710

(ii) Compensation and benefits paid pursuant to this chapter 2711  
and Chapters 4123., 4127., and 4131. of the Revised Code; 2712

<u>(iii) Ethics;</u>	2713
<u>(iv) Governance processes and procedures;</u>	2714
<u>(v) Actuarial soundness;</u>	2715
<u>(vi) Investments;</u>	2716
<u>(vii) Any other subject matter the board believes is</u>	2717
<u>reasonably related to the duties of a board member.</u>	2718
<u>(18) Submit the program developed pursuant to division</u>	2719
<u>(E)(17) of this section to the workers' compensation council for</u>	2720
<u>approval;</u>	2721
<u>(19) Hold all sessions, classes, and other events for the</u>	2722
<u>program developed pursuant to division (E)(17) of this section in</u>	2723
<u>this state.</u>	2724
<u>(H)(F) The board may do both of the following:</u>	2725
<u>(1) Vote to close any investment class;</u>	2726
<u>(2) Create any committees in addition to the workers'</u>	2727
<u>compensation audit committee, the workers' compensation actuarial</u>	2728
<u>committee, and the workers' compensation investment committee that</u>	2729
<u>the board determines are necessary to assist the board in</u>	2730
<u>performing its duties.</u>	2731
<u>(G) The office of a member of the <del>commission</del> board who is</u>	2732
<u>convicted of or pleads guilty to a felony, a theft offense as</u>	2733
<u>defined in section 2913.01 of the Revised Code, or a violation of</u>	2734
<u>section 102.02, 102.03, 102.04, 2921.02, 2921.11, 2921.13,</u>	2735
<u>2921.31, 2921.41, 2921.42, 2921.43, or 2921.44 of the Revised Code</u>	2736
<u>shall be deemed vacant. The vacancy shall be filled in the same</u>	2737
<u>manner as the original appointment. A person who has pleaded</u>	2738
<u>guilty to or been convicted of an offense of that nature is</u>	2739
<u>ineligible to be a member of the <del>commission</del> board. A member who</u>	2740
<u>receives a bill of indictment for any of the offenses specified in</u>	2741
<u>this section shall be automatically suspended from the <del>commission</del></u>	2742

board pending resolution of the criminal matter. 2743

~~(I) As used in this section, "employee organization" means 2744  
any labor or bona fide organization in which employees participate 2745  
and which exists for the purpose, in whole or in part, of dealing 2746  
with employers concerning grievances, labor disputes, wages, 2747  
hours, terms and other conditions of employment 2748~~

(H) For the purposes of division (G)(1) of section 121.22 of 2749  
the Revised Code, the meeting between the governor and the board 2750  
to review the administrator's performance as required under 2751  
division (E)(15) of this section shall be considered a meeting 2752  
regarding the employment of the administrator. 2753

**Sec. 4121.121.** (A) There is hereby created the bureau of 2754  
workers' compensation, which shall be administered by the 2755  
administrator of workers' compensation. A person appointed to the 2756  
position of administrator shall possess significant management 2757  
experience in effectively managing an organization or 2758  
organizations of substantial size and complexity. The governor 2759  
shall appoint the administrator as provided in section 121.03 of 2760  
the Revised Code, and the administrator shall serve at the 2761  
pleasure of the governor. The governor shall fix the 2762  
administrator's salary on the basis of the administrator's 2763  
experience and the administrator's responsibilities and duties 2764  
under this chapter and Chapters 4123., 4125., 4127., 4131., and 2765  
4167. of the Revised Code. The governor shall not appoint to the 2766  
position of administrator any person who has, or whose spouse has, 2767  
given a contribution to the campaign committee of the governor in 2768  
an amount greater than one thousand dollars during the two-year 2769  
period immediately preceding the date of the appointment of the 2770  
administrator. 2771

The administrator shall hold no other public office and shall 2772  
devote full time to the duties of administrator. Before entering 2773

upon the duties of the office, the administrator shall take an 2774  
oath of office as required by sections 3.22 and 3.23 of the 2775  
Revised Code, and shall file in the office of the secretary of 2776  
state, a bond signed by the administrator and by surety approved 2777  
by the governor, for the sum of fifty thousand dollars payable to 2778  
the state, conditioned upon the faithful performance of the 2779  
administrator's duties. 2780

(B) The administrator is responsible for the management of 2781  
the bureau ~~of workers' compensation~~ and for the discharge of all 2782  
administrative duties imposed upon the administrator in this 2783  
chapter and Chapters 4123., 4125., 4127., 4131., and 4167. of the 2784  
Revised Code, and in the discharge thereof shall do all of the 2785  
following: 2786

(1) ~~Establish the overall administrative policy of the bureau~~ 2787  
~~for the purposes of this chapter and Chapters 4123., 4127., 4131.,~~ 2788  
~~and 4167. of the Revised Code, and perform~~ Perform all acts and 2789  
exercise all authorities and powers, discretionary and otherwise 2790  
that are required of or vested in the bureau or any of its 2791  
employees in this chapter and Chapters 4123., 4125., 4127., 4131., 2792  
and 4167. of the Revised Code, except the acts and the exercise of 2793  
authority and power that is required of and vested in the 2794  
~~oversight commission~~ bureau of workers' compensation board of 2795  
directors or the industrial commission pursuant to those chapters. 2796  
The treasurer of state shall honor all warrants signed by the 2797  
administrator, or by one or more of the administrator's employees, 2798  
authorized by the administrator in writing, or bearing the 2799  
facsimile signature of the administrator or such employee under 2800  
sections 4123.42 and 4123.44 of the Revised Code. 2801

(2) Employ, direct, and supervise all employees required in 2802  
connection with the performance of the duties assigned to the 2803  
bureau by this chapter and Chapters 4123., 4125., 4127., 4131., 2804  
and 4167. of the Revised Code, and may establish job 2805

classification plans and compensation for all employees of the 2806  
bureau provided that this grant of authority shall not be 2807  
construed as affecting any employee for whom the state employment 2808  
relations board has established an appropriate bargaining unit 2809  
under section 4117.06 of the Revised Code. All positions of 2810  
employment in the bureau are in the classified civil service 2811  
except those employees the administrator may appoint to serve at 2812  
the administrator's pleasure in the unclassified civil service 2813  
pursuant to section 124.11 of the Revised Code. The administrator 2814  
shall fix the salaries of employees the administrator appoints to 2815  
serve at the administrator's pleasure, including the chief 2816  
operating officer, staff physicians, and other senior management 2817  
personnel of the bureau and shall establish the compensation of 2818  
staff attorneys of the bureau's legal section and their immediate 2819  
supervisors, and take whatever steps are necessary to provide 2820  
adequate compensation for other staff attorneys. 2821

The administrator may appoint a person who holds a certified 2822  
position in the classified service within the bureau to a position 2823  
in the unclassified service within the bureau. A person appointed 2824  
pursuant to this division to a position in the unclassified 2825  
service shall retain the right to resume the position and status 2826  
held by the person in the classified service immediately prior to 2827  
the person's appointment in the unclassified service, regardless 2828  
of the number of positions the person held in the unclassified 2829  
service. An employee's right to resume a position in the 2830  
classified service may only be exercised when the administrator 2831  
demotes the employee to a pay range lower than the employee's 2832  
current pay range or revokes the employee's appointment to the 2833  
unclassified service. An employee forfeits the right to resume a 2834  
position in the classified service when the employee is removed 2835  
from the position in the unclassified service due to incompetence, 2836  
inefficiency, dishonesty, drunkenness, immoral conduct, 2837  
insubordination, discourteous treatment of the public, neglect of 2838

duty, violation of this chapter or Chapter 124., 4123., 4125., 2839  
4127., 4131., or 4167. of the Revised Code, violation of the rules 2840  
of the director of administrative services or the administrator ~~of~~ 2841  
~~workers' compensation~~, any other failure of good behavior, any 2842  
other acts of misfeasance, malfeasance, or nonfeasance in office, 2843  
or conviction of a felony. An employee also forfeits the right to 2844  
resume a position in the classified service upon transfer to a 2845  
different agency. 2846

Reinstatement to a position in the classified service shall 2847  
be to a position substantially equal to that position in the 2848  
classified service held previously, as certified by the department 2849  
of administrative services. If the position the person previously 2850  
held in the classified service has been placed in the unclassified 2851  
service or is otherwise unavailable, the person shall be appointed 2852  
to a position in the classified service within the bureau that the 2853  
director of administrative services certifies is comparable in 2854  
compensation to the position the person previously held in the 2855  
classified service. Service in the position in the unclassified 2856  
service shall be counted as service in the position in the 2857  
classified service held by the person immediately prior to the 2858  
person's appointment in the unclassified service. When a person is 2859  
reinstated to a position in the classified service as provided in 2860  
this division, the person is entitled to all rights, status, and 2861  
benefits accruing to the position during the person's time of 2862  
service in the position in the unclassified service. 2863

(3) Reorganize the work of the bureau, its sections, 2864  
departments, and offices to the extent necessary to achieve the 2865  
most efficient performance of its functions and to that end may 2866  
establish, change, or abolish positions and assign and reassign 2867  
duties and responsibilities of every employee of the bureau. All 2868  
persons employed by the commission in positions that, after 2869  
November 3, 1989, are supervised and directed by the administrator 2870

under this section are transferred to the bureau in their 2871  
respective classifications but subject to reassignment and 2872  
reclassification of position and compensation as the administrator 2873  
determines to be in the interest of efficient administration. The 2874  
civil service status of any person employed by the commission is 2875  
not affected by this section. Personnel employed by the bureau or 2876  
the commission who are subject to Chapter 4117. of the Revised 2877  
Code shall retain all of their rights and benefits conferred 2878  
pursuant to that chapter as it presently exists or is hereafter 2879  
amended and nothing in this chapter or Chapter 4123. of the 2880  
Revised Code shall be construed as eliminating or interfering with 2881  
Chapter 4117. of the Revised Code or the rights and benefits 2882  
conferred under that chapter to public employees or to any 2883  
bargaining unit. 2884

(4) Provide offices, equipment, supplies, and other 2885  
facilities for the bureau. 2886

(5) Prepare and submit to the ~~oversight commission~~ board 2887  
information the administrator considers pertinent or the ~~oversight~~ 2888  
~~commission~~ board requires, together with the administrator's 2889  
recommendations, in the form of administrative rules, for the 2890  
advice and consent of the ~~oversight commission~~ board, for 2891  
classifications of occupations or industries, for premium rates 2892  
and contributions, for the amount to be credited to the surplus 2893  
fund, for rules and systems of rating, rate revisions, and merit 2894  
rating. The administrator shall obtain, prepare, and submit any 2895  
other information the ~~oversight commission~~ board requires for the 2896  
prompt and efficient discharge of its duties. 2897

(6) Keep the accounts required by division (A) of section 2898  
4123.34 of the Revised Code and all other accounts and records 2899  
necessary to the collection, administration, and distribution of 2900  
the workers' compensation funds and shall obtain the statistical 2901  
and other information required by section 4123.19 of the Revised 2902

Code. 2903

(7) Exercise the investment powers vested in the 2904  
administrator by section 4123.44 of the Revised Code in accordance 2905  
with the investment ~~objectives, policies, and criteria established~~ 2906  
policy approved by the ~~oversight commission board~~ pursuant to 2907  
section 4121.12 of the Revised Code and in consultation with the 2908  
chief investment officer of the bureau of workers' compensation. 2909  
The administrator shall not engage in any prohibited investment 2910  
activity specified by the ~~oversight commission board~~ pursuant to 2911  
division ~~(G)(6)(E)(9)~~ of section 4121.12 of the Revised Code and 2912  
shall not invest in any type of investment specified in divisions 2913  
~~(G)(6)(a)(B)(1)~~ to ~~(j)(10)~~ of ~~that~~ section 4123.442 of the Revised 2914  
Code. All business shall be transacted, all funds invested, all 2915  
warrants for money drawn and payments made, and all cash and 2916  
securities and other property held, in the name of the bureau, or 2917  
in the name of its nominee, provided that nominees are authorized 2918  
by the administrator solely for the purpose of facilitating the 2919  
transfer of securities, and restricted to the administrator and 2920  
designated employees. 2921

(8) Make contracts for and supervise the construction of any 2922  
project or improvement or the construction or repair of buildings 2923  
under the control of the bureau. 2924

(9) Purchase supplies, materials, equipment, and services; 2925  
make contracts for, operate, and superintend the telephone, other 2926  
telecommunication, and computer services for the use of the 2927  
bureau; and make contracts in connection with office reproduction, 2928  
forms management, printing, and other services. Notwithstanding 2929  
sections 125.12 to 125.14 of the Revised Code, the administrator 2930  
may transfer surplus computers and computer equipment directly to 2931  
an accredited public school within the state. The computers and 2932  
computer equipment may be repaired or refurbished prior to the 2933  
transfer. 2934

(10) Separately Prepare and submit to the board an annual 2935  
budget for internal operating purposes for the board's approval. 2936  
The administrator also shall, separately from the budget the 2937  
industrial commission submits, prepare and submit to the director 2938  
of budget and management a budget for each biennium. The ~~budget~~ 2939  
budgets submitted to the board and the director shall include 2940  
estimates of the costs and necessary expenditures of the bureau in 2941  
the discharge of any duty imposed by law. 2942

(11) As promptly as possible in the course of efficient 2943  
administration, decentralize and relocate such of the personnel 2944  
and activities of the bureau as is appropriate to the end that the 2945  
receipt, investigation, determination, and payment of claims may 2946  
be undertaken at or near the place of injury or the residence of 2947  
the claimant and for that purpose establish regional offices, in 2948  
such places as the administrator considers proper, capable of 2949  
discharging as many of the functions of the bureau as is 2950  
practicable so as to promote prompt and efficient administration 2951  
in the processing of claims. All active and inactive lost-time 2952  
claims files shall be held at the service office responsible for 2953  
the claim. A claimant, at the claimant's request, shall be 2954  
provided with information by telephone as to the location of the 2955  
file pertaining to the claimant's claim. The administrator shall 2956  
ensure that all service office employees report directly to the 2957  
director for their service office. 2958

(12) Provide a written binder on new coverage where the 2959  
administrator considers it to be in the best interest of the risk. 2960  
The administrator, or any other person authorized by the 2961  
administrator, shall grant the binder upon submission of a request 2962  
for coverage by the employer. A binder is effective for a period 2963  
of thirty days from date of issuance and is nonrenewable. Payroll 2964  
reports and premium charges shall coincide with the effective date 2965  
of the binder. 2966

(13) Set standards for the reasonable and maximum handling 2967  
time of claims payment functions, ensure, by rules, the impartial 2968  
and prompt treatment of all claims and employer risk accounts, and 2969  
establish a secure, accurate method of time stamping all incoming 2970  
mail and documents hand delivered to bureau employees. 2971

(14) Ensure that all employees of the bureau follow the 2972  
orders and rules of the commission as such orders and rules relate 2973  
to the commission's overall adjudicatory policy-making and 2974  
management duties under this chapter and Chapters 4123., 4127., 2975  
and 4131. of the Revised Code. 2976

(15) Manage and operate a data processing system with a 2977  
common data base for the use of both the bureau and the commission 2978  
and, in consultation with the commission, using electronic data 2979  
processing equipment, shall develop a claims tracking system that 2980  
is sufficient to monitor the status of a claim at any time and 2981  
that lists appeals that have been filed and orders or 2982  
determinations that have been issued pursuant to section 4123.511 2983  
or 4123.512 of the Revised Code, including the dates of such 2984  
filings and issuances. 2985

(16) Establish and maintain a medical section within the 2986  
bureau. The medical section shall do all of the following: 2987

(a) Assist the administrator in establishing standard medical 2988  
fees, approving medical procedures, and determining eligibility 2989  
and reasonableness of the compensation payments for medical, 2990  
hospital, and nursing services, and in establishing guidelines for 2991  
payment policies which recognize usual, customary, and reasonable 2992  
methods of payment for covered services; 2993

(b) Provide a resource to respond to questions from claims 2994  
examiners for employees of the bureau; 2995

(c) Audit fee bill payments; 2996

(d) Implement a program to utilize, to the maximum extent 2997

possible, electronic data processing equipment for storage of 2998  
information to facilitate authorizations of compensation payments 2999  
for medical, hospital, drug, and nursing services; 3000

(e) Perform other duties assigned to it by the administrator. 3001

(17) Appoint, as the administrator determines necessary, 3002  
panels to review and advise the administrator on disputes arising 3003  
over a determination that a health care service or supply provided 3004  
to a claimant is not covered under this chapter or Chapter 4123., 3005  
4127., or 4131. of the Revised Code or is medically unnecessary. 3006  
If an individual health care provider is involved in the dispute, 3007  
the panel shall consist of individuals licensed pursuant to the 3008  
same section of the Revised Code as such health care provider. 3009

(18) Pursuant to section 4123.65 of the Revised Code, approve 3010  
applications for the final settlement of claims for compensation 3011  
or benefits under this chapter and Chapters 4123., 4127., and 3012  
4131. of the Revised Code as the administrator determines 3013  
appropriate, except in regard to the applications of self-insuring 3014  
employers and their employees. 3015

(19) Comply with section 3517.13 of the Revised Code, and 3016  
except in regard to contracts entered into pursuant to the 3017  
authority contained in section 4121.44 of the Revised Code, comply 3018  
with the competitive bidding procedures set forth in the Revised 3019  
Code for all contracts into which the administrator enters 3020  
provided that those contracts fall within the type of contracts 3021  
and dollar amounts specified in the Revised Code for competitive 3022  
bidding and further provided that those contracts are not 3023  
otherwise specifically exempt from the competitive bidding 3024  
procedures contained in the Revised Code. 3025

(20) Adopt, with the advice and consent of the ~~oversight~~ 3026  
~~commission~~ board, rules for the operation of the bureau. 3027

(21) Prepare and submit to the ~~oversight~~ commission board 3028

information the administrator considers pertinent or the ~~oversight~~ 3029  
~~commission board~~ requires, together with the administrator's 3030  
recommendations, in the form of administrative rules, for the 3031  
advice and consent of the ~~oversight commission board~~, for the 3032  
health partnership program and the qualified health plan system, 3033  
as provided in sections 4121.44, 4121.441, and 4121.442 of the 3034  
Revised Code. 3035

(22) Adopt all rules, except those rules concerning 3036  
adjudicatory matters classifications of occupations or industries, 3037  
the overall premium and contribution rates and the revision of 3038  
those rates as required under sections 4123.29, 4123.34, and 3039  
4123.39 of the Revised Code, and the overall assessment rates 3040  
required under this chapter and Chapter 4123. of the Revised Code, 3041  
that the administrator is required to adopt under this chapter and 3042  
Chapters 4123., 4125., 4127., and 4131. of the Revised Code in 3043  
accordance with Chapter 119. of the Revised Code and, at the time 3044  
the administrator submits any proposed rules to the joint 3045  
committee on agency rule review, submit a copy of those proposed 3046  
rules to the workers' compensation council for its review of the 3047  
rules under section 4121.79 of the Revised Code. 3048

(C) The administrator, with the advice and consent of the 3049  
senate, shall appoint a chief operating officer who has 3050  
significant experience in the field of workers' compensation 3051  
insurance or other similar insurance industry experience if the 3052  
administrator does not possess such experience. The chief 3053  
operating officer shall not commence the chief operating officer's 3054  
duties until after the senate consents to the chief operating 3055  
officer's appointment. The chief operating officer shall serve in 3056  
the unclassified civil service of the state. 3057

**Sec. 4121.122.** (A) The administrator of workers' 3058  
compensation, for employees of the bureau of workers' 3059

compensation, and the industrial commission, for employees of the 3060  
commission may discipline, suspend, demote or discharge any 3061  
employee for misfeasance, malfeasance, or nonfeasance. In the case 3062  
of any deputy administrator, or of any employee assigned to the 3063  
investigation or determination of claims, and finding of the 3064  
administrator or the commission that such person is not efficient, 3065  
impartial, or judicious, if supported by any evidence and not 3066  
promoted by personal, political, racial, or religious 3067  
discrimination shall be accepted as a fact justifying the action 3068  
taken by the administrator or commission. 3069

(B) The administrator and the commission shall jointly adopt, 3070  
in the form of a rule, a code of ethics for all employees of the 3071  
bureau and the commission and post copies of the rule in a 3072  
conspicuous place in every bureau and commission office. 3073

(C) The administrator and the commission shall jointly adopt 3074  
rules setting forth procedures designed to eliminate outside 3075  
influence on bureau and commission employees, produce an impartial 3076  
workers' compensation claims handling process, and avoid 3077  
favoritism in the claims handling process. Failure to adopt and 3078  
enforce these rules constitutes grounds for removal of the 3079  
administrator and the members of the commission. 3080

~~(D) The commission and the administrator shall appoint a 3081  
six member internal security committee composed of three bureau 3082  
employees appointed by the administrator and three commission 3083  
employees appointed by the commission. The administrator shall 3084  
supply to the committee the services of trained investigative 3085  
personnel and clerical assistance necessary to the committee's 3086  
duties. The committee shall investigate all claims or cases of 3087  
criminal violations, abuse of office, or misconduct on the part of 3088  
bureau or commission employees and shall conduct a program of 3089  
random review of the processing of workers' compensation claims. 3090~~

~~The committee shall deliver to the administrator, the 3091~~

~~commission, or the governor any case for which remedial action is~~ 3092  
~~necessary. The committee shall maintain a public record of its~~ 3093  
~~activities, ensuring that the rights of innocent parties are~~ 3094  
~~protected, and, once every six months, shall report to the~~ 3095  
~~governor, the general assembly, the administrator, and commission,~~ 3096  
~~the committee's findings and the corrective actions subsequently~~ 3097  
~~taken in cases considered by the committee.~~ 3098

Sec. 4121.123. (A) There is hereby created the workers' 3099  
compensation audit committee consisting of at least three members. 3100  
One member shall be the member of the bureau of workers' 3101  
compensation board of directors who is a certified public 3102  
accountant. The board, by majority vote, shall appoint two 3103  
additional members of the board to serve on the audit committee 3104  
and may appoint additional members who are not board members, as 3105  
the board determines necessary. Members of the audit committee 3106  
serve at the pleasure of the board, and the board, by majority 3107  
vote, may remove any member except the member of the committee who 3108  
is the certified public accountant member of the board. The board, 3109  
by majority vote, shall determine how often the audit committee 3110  
shall meet and report to the board. If the audit committee meets 3111  
on the same day as the board holds a meeting, no member shall be 3112  
compensated for more than one meeting held on that day. The audit 3113  
committee shall do all of the following: 3114

(1) Recommend to the board an accounting firm to perform the 3115  
annual audits required under section 4123.47 of the Revised Code; 3116

(2) Recommend an auditing firm for the board to use when 3117  
conducting audits under section 4121.125 of the Revised Code; 3118

(3) Review the results of each annual audit and management 3119  
review and, if any problems exist, assess the appropriate course 3120  
of action to correct those problems and develop an action plan to 3121  
correct those problems; 3122

(4) Monitor the implementation of any action plans created 3123  
pursuant to division (A)(3) of this section; 3124

(5) Review all internal audit reports on a regular basis. 3125

(B) There is hereby created the workers' compensation 3126  
actuarial committee consisting of at least three members. One 3127  
member shall be the member of the board who is an actuary. The 3128  
board, by majority vote, shall appoint two additional members of 3129  
the board to serve on the actuarial committee and may appoint 3130  
additional members who are not board members, as the board 3131  
determines necessary. Members of the actuarial committee serve at 3132  
the pleasure of the board and the board, by majority vote, may 3133  
remove any member except the member of the committee who is the 3134  
actuary member of the board. The board, by majority vote, shall 3135  
determine how often the actuarial committee shall meet and report 3136  
to the board. If the actuarial committee meets on the same day as 3137  
the board holds a meeting, no member shall be compensated for more 3138  
than one meeting held on that day. The actuarial committee shall 3139  
do both of the following: 3140

(1) Recommend actuarial consultants for the board to use for 3141  
the funds specified in this chapter and Chapters 4123., 4127., and 3142  
4131. of the Revised Code; 3143

(2) Review calculations on rate schedules and performance 3144  
prepared by the actuarial consultants with whom the board enters 3145  
into a contract. 3146

(C)(1) There is hereby created the workers' compensation 3147  
investment committee consisting of at least four members. Two of 3148  
the members shall be the members of the board who serve as the 3149  
investment and securities experts on the board. The board, by 3150  
majority vote, shall appoint two additional members of the board 3151  
to serve on the investment committee and may appoint additional 3152  
members who are not board members. Each additional member the 3153

board appoints shall have at least one of the following 3154  
qualifications: 3155

(a) Experience managing another state's pension funds or 3156  
workers' compensation funds; 3157

(b) Represents an employee organization; 3158

(c) Special expertise that the board determines is needed to 3159  
make investment decisions. 3160

Members of the investment committee serve at the pleasure of 3161  
the board and the board, by majority vote, may remove any member 3162  
except the members of the committee who are the investment and 3163  
securities expert members of the board. The board, by majority 3164  
vote, shall determine how often the investment committee shall 3165  
meet and report to the board. If the investment committee meets on 3166  
the same day as the board holds a meeting, no member shall be 3167  
compensated for more than one meeting held on that day. 3168

(2) The investment committee shall do all of the following: 3169

(a) Develop the investment policy for the administration of 3170  
the investment program for the funds specified in this chapter and 3171  
Chapters 4123., 4127., and 4131. of the Revised Code in accordance 3172  
with the requirements specified in section 4123.442 of the Revised 3173  
Code; 3174

(b) Submit the investment policy developed pursuant to 3175  
division (C)(2)(a) of this section to the board for approval; 3176

(c) Monitor implementation by the administrator of workers' 3177  
compensation and the bureau of workers' compensation chief 3178  
investment officer of the investment policy approved by the board; 3179

(d) Recommend outside investment counsel with whom the board 3180  
may contract to assist the investment committee in fulfilling its 3181  
duties; 3182

(e) Review the performance of the bureau of workers' 3183

compensation chief investment officer and any investment 3184  
consultants retained by the administrator to assure that the 3185  
investments of the assets of the funds specified in this chapter 3186  
and Chapters 4123., 4127., and 4131. of the Revised Code are made 3187  
in accordance with the investment policy approved by the board and 3188  
that the best possible return on investment is achieved. 3189

**Sec. 4121.125.** (A) The bureau of workers' compensation 3190  
~~oversight commission~~ board of directors, based upon 3191  
recommendations of the workers' compensation actuarial committee, 3192  
may contract with one or more outside actuarial firms and other 3193  
professional persons, as the ~~oversight commission~~ board determines 3194  
necessary, to assist the ~~oversight commission~~ board in measuring 3195  
the performance of Ohio's workers' compensation system and in 3196  
comparing Ohio's workers' compensation system to other state and 3197  
private workers' compensation systems. The ~~oversight commission~~ 3198  
board, actuarial firm or firms, and professional persons shall 3199  
make such measurements and comparisons using accepted insurance 3200  
industry standards, including, but not limited to, standards 3201  
promulgated by the National Council on Compensation Insurance. 3202

(B) The ~~oversight commission~~ board may contract with one or 3203  
more outside firms to conduct management and financial audits of 3204  
the workers' compensation system, including audits of the reserve 3205  
fund belonging to the state insurance fund, and to establish 3206  
objective quality management principles and methods by which to 3207  
review the performance of the workers' compensation system. 3208

(C) The board shall do all of the following: 3209

(1) Contract to have prepared annually by or under the 3210  
supervision of an actuary a report that meets the requirements 3211  
specified under division (E) of this section and that consists of 3212  
an actuarial valuation of the assets, liabilities, and funding 3213  
requirements of the state insurance fund and all other funds 3214

specified in this chapter and Chapters 4123., 4127., and 4131. of 3215  
the Revised Code; 3216

(2) Require that the actuary or person supervised by an 3217  
actuary referred to in division (C)(1) of this section complete 3218  
the valuation in accordance with the actuarial standards of 3219  
practice promulgated by the actuarial standards board of the 3220  
American academy of actuaries; 3221

(3) Submit the report referred to in division (C)(1) of this 3222  
section to the workers' compensation council and the standing 3223  
committees of the house of representatives and the senate with 3224  
primary responsibility for workers' compensation legislation not 3225  
later than the first day of September following the year for which 3226  
the valuation was made; 3227

(4) Have an actuary or a person who provides actuarial 3228  
services under the supervision of an actuary, at such time as the 3229  
board determines, and at least once during the five-year period 3230  
that commences on the effective date of this amendment and once 3231  
within each five-year period thereafter, conduct an actuarial 3232  
investigation of the experience of employers, the mortality, 3233  
service, and injury rate of employees, and the payment of 3234  
temporary total disability, permanent partial disability, and 3235  
permanent total disability under sections 4123.56 to 4123.58 of 3236  
the Revised Code to update the actuarial assumptions used in the 3237  
report required by division (C)(1) of this section; 3238

(5) Submit the report required under division (F) of this 3239  
section to the council and the standing committees of the house of 3240  
representatives and the senate with primary responsibility for 3241  
workers' compensation legislation not later than the first day of 3242  
November following the fifth year of the period that the report 3243  
covers; 3244

(6) Have prepared by or under the supervision of an actuary 3245

an actuarial analysis of any introduced legislation expected to 3246  
have a measurable financial impact on the workers' compensation 3247  
system; 3248

(7) Submit the report required under division (G) of this 3249  
section to the legislative service commission, the standing 3250  
committees of the house of representatives and the senate with 3251  
primary responsibility for workers' compensation legislation, and 3252  
the council not later than sixty days after the date of 3253  
introduction of the legislation. 3254

(D) The administrator of workers' compensation and the 3255  
industrial commission shall compile information and provide access 3256  
to records of the bureau and the industrial commission to the 3257  
~~oversight commission~~ board to the extent necessary for fulfillment 3258  
of both of the following requirements: 3259

(1) Conduct of the measurements and comparisons described in 3260  
division (A) of this section; 3261

(2) Conduct of the management and financial audits and 3262  
establishment of the principles and methods described in division 3263  
(B) of this section. 3264

~~(D)~~(E) The firm or person with whom the board contracts 3265  
pursuant to division (C)(1) of this section shall prepare a report 3266  
of the valuation and submit the report to the board. The firm or 3267  
person shall include all of the following information in the 3268  
report that is required under division (C)(1) of this section: 3269

(1) A summary of the compensation and benefit provisions 3270  
evaluated; 3271

(2) A summary of the census data and financial information 3272  
used in the valuation; 3273

(3) A description of the actuarial assumptions, actuarial 3274  
cost method, and asset valuation method used in the valuation; 3275

<u>(4) A summary of findings that includes a statement of the</u>	3276
<u>actuarial accrued compensation and benefit liabilities and</u>	3277
<u>unfunded actuarial accrued compensation and benefit liabilities;</u>	3278
<u>(5) A schedule showing the effect of any changes in the</u>	3279
<u>compensation and benefit provisions, actuarial assumptions, or</u>	3280
<u>cost methods since the previous annual actuarial valuation report</u>	3281
<u>was submitted to the board.</u>	3282
<u>(F) The actuary or person whom the board designates to</u>	3283
<u>conduct an actuarial investigation under division (C)(4) of this</u>	3284
<u>section shall prepare a report of the actuarial investigation and</u>	3285
<u>shall submit the report to the board. The actuary or person shall</u>	3286
<u>prepare the report and make any recommended changes in actuarial</u>	3287
<u>assumptions in accordance with the actuarial standards of practice</u>	3288
<u>promulgated by the actuarial standards board of the American</u>	3289
<u>academy of actuaries. The actuary or person shall include all of</u>	3290
<u>the following information in the report:</u>	3291
<u>(1) A summary of relevant decrement and economic assumption</u>	3292
<u>experience;</u>	3293
<u>(2) Recommended changes in actuarial assumptions to be used</u>	3294
<u>in subsequent actuarial valuations required by division (C)(1) of</u>	3295
<u>this section;</u>	3296
<u>(3) A measurement of the financial effect of the recommended</u>	3297
<u>changes in actuarial assumptions.</u>	3298
<u>(G) The actuary or person whom the board designates to</u>	3299
<u>conduct the actuarial analysis under division (C)(6) of this</u>	3300
<u>section shall prepare a report of the actuarial analysis and shall</u>	3301
<u>submit that report to the board. The actuary or person shall</u>	3302
<u>complete the analysis in accordance with the actuarial standards</u>	3303
<u>of practice promulgated by the actuarial standards board of the</u>	3304
<u>American academy of actuaries. The actuary or person shall include</u>	3305
<u>all of the following information in the report:</u>	3306

<u>(1) A summary of the statutory changes being evaluated;</u>	3307
<u>(2) A description of or reference to the actuarial</u>	3308
<u>assumptions and actuarial cost method used in the report;</u>	3309
<u>(3) A description of the participant group or groups included</u>	3310
<u>in the report;</u>	3311
<u>(4) A statement of the financial impact of the legislation,</u>	3312
<u>including the resulting increase, if any, in employer premiums, in</u>	3313
<u>actuarial accrued liabilities, and, if an increase in actuarial</u>	3314
<u>accrued liabilities is predicted, the per cent of premium increase</u>	3315
<u>that would be required to amortize the increase in those</u>	3316
<u>liabilities as a level per cent of employer premiums over a period</u>	3317
<u>not to exceed thirty years.</u>	3318
<u>(5) A statement of whether the employer premiums paid to the</u>	3319
<u>bureau of workers' compensation after the proposed change is</u>	3320
<u>enacted are expected to be sufficient to satisfy the funding</u>	3321
<u>objectives established by the board.</u>	3322
<u>(H) The board may, at any time, request an actuary to make</u>	3323
<u>any studies or actuarial valuations to determine the adequacy of</u>	3324
<u>the premium rates established by the administrator in accordance</u>	3325
<u>with sections 4123.29 and 4123.34 of the Revised Code, and may</u>	3326
<u>adjust those rates as recommended by the actuary.</u>	3327
<u>(I) The <del>oversight commission</del> board shall have an independent</u>	3328
<u>auditor, at least once every ten years, conduct a fiduciary</u>	3329
<u>performance audit of the investment program of the bureau of</u>	3330
<u>workers' compensation. That audit shall include an audit of the</u>	3331
<u>investment policies of <u>approved by the <del>oversight commission</del> board</u></u>	3332
<u>and investment procedures of the bureau. The <del>oversight commission</del></u>	3333
<u>board shall submit a copy of that audit to the auditor of state.</u>	3334
<u><del>(E)</del>(J) The <del>bureau of workers' compensation</del> administrator,</u>	3335
<u>with the advice and consent of the <del>oversight commission</del> board,</u>	3336
<u>shall employ an internal auditor who shall report directly to the</u>	3337

~~oversight commission board~~ on investment matters. The ~~oversight~~ 3338  
~~commission board and the workers' compensation audit committee~~ may 3339  
request and review internal audits conducted by the internal 3340  
auditor. 3341

~~(F)~~(K) The administrator shall pay the expenses incurred by 3342  
the ~~oversight commission board~~ to effectively fulfill its duties 3343  
and exercise its powers under this section as the administrator 3344  
pays other operating expenses of the bureau. 3345

**Sec. 4121.126.** Except as provided in this chapter, no member 3346  
of the bureau of workers' compensation ~~oversight commission board~~ 3347  
of directors or employee of the bureau of workers' compensation 3348  
shall have any direct or indirect interest in the gains or profits 3349  
of any investment made by the administrator of workers' 3350  
compensation or shall receive directly or indirectly any pay or 3351  
emolument for the member's or employee's services. No member or 3352  
person connected with the bureau directly or indirectly, for self 3353  
or as an agent or partner of others, shall borrow any of its funds 3354  
or deposits or in any manner use the funds or deposits except to 3355  
make current and necessary payments that are authorized by the 3356  
administrator. No member of the ~~oversight commission board~~ or 3357  
employee of the bureau shall become an indorser or surety or 3358  
become in any manner an obligor for moneys loaned by or borrowed 3359  
from the bureau. 3360

The administrator shall make no investments through or 3361  
purchases from, or otherwise do any business with, any individual 3362  
who is, or any partnership, association, or corporation that is 3363  
owned or controlled by, a person who within the preceding three 3364  
years was employed by the bureau, a board member of, or an officer 3365  
of the ~~oversight commission board~~, or a person who within the 3366  
preceding three years was employed by or was an officer holding a 3367  
fiduciary, administrative, supervisory, or trust position, or any 3368

other position in which such person would be involved, on behalf 3369  
of the person's employer, in decisions or recommendations 3370  
affecting the investment policy of the bureau, and in which such 3371  
person would benefit by any monetary gain. 3372

**Sec. 4121.128.** The attorney general shall be the legal 3373  
adviser of the bureau of workers' compensation ~~oversight~~ 3374  
~~commission~~ board of directors and the workers' compensation 3375  
council. 3376

**Sec. 4121.13.** The administrator of workers' compensation 3377  
shall: 3378

(A) Investigate, ascertain, and declare and prescribe what 3379  
hours of labor, safety devices, safeguards, or other means or 3380  
methods of protection are best adapted to render the employees of 3381  
every employment and place of employment and frequenters of every 3382  
place of employment safe, and to protect their welfare as required 3383  
by law or lawful orders, and establish and maintain museums of 3384  
safety and hygiene in which shall be exhibited safety devices, 3385  
safeguards, and other means and methods for the protection of 3386  
life, health, safety, and welfare of employees; 3387

(B) Ascertain and fix reasonable standards and prescribe, 3388  
modify, and enforce reasonable orders for the adoption of safety 3389  
devices, safeguards, and other means or methods of protection to 3390  
be as nearly uniform as possible as may be necessary to carry out 3391  
all laws and lawful orders relative to the protection of the life, 3392  
health, safety, and welfare of employees in employments and places 3393  
of employment or frequenters of places of employment; 3394

(C) Ascertain, fix, and order reasonable standards for the 3395  
construction, repair, and maintenance of places of employment as 3396  
shall render them safe; 3397

(D) Investigate, ascertain, and determine reasonable 3398

classifications of persons, employments, and places of employment 3399  
as are necessary to carry out the applicable sections of sections 3400  
4101.01 to 4101.16 and 4121.01 to 4121.29 of the Revised Code; 3401

(E) Adopt reasonable and proper rules relative to the 3402  
exercise of ~~his~~ the administrator's powers and authorities, and 3403  
proper rules to govern ~~his~~ the administrator's proceedings and to 3404  
regulate the mode and manner of all investigations and hearings, 3405  
which rules shall not be effective until ten days after their 3406  
publication; a copy of the rules shall be delivered at cost to 3407  
every citizen making application therefor; 3408

(F) Investigate all cases of ~~fraud or other~~ other than fraud, 3409  
pertaining to the operation of the workers' 3410  
compensation system and its several insurance funds and for that 3411  
purpose, the administrator has every power of an inquisitorial 3412  
nature granted to the industrial commission in this chapter and 3413  
Chapter 4123. of the Revised Code; 3414

(G) Do all things convenient and necessary to accomplish the 3415  
purposes directed in sections 4101.01 to 4101.16 and 4121.01 to 3416  
4121.28 of the Revised Code; 3417

(H) Nothing in this section shall be construed to supersede 3418  
section 4105.011 of the Revised Code in particular, or Chapter 3419  
4105. of the Revised Code in general. 3420

**Sec. 4121.32.** (A) The rules covering operating procedure and 3421  
criteria for decision-making that the administrator of workers' 3422  
compensation and the industrial commission are required to adopt 3423  
pursuant to section 4121.31 of the Revised Code shall be 3424  
supplemented with operating manuals setting forth the procedural 3425  
steps in detail for performing each of the assigned tasks of each 3426  
section of the bureau of workers' compensation and commission. The 3427  
administrator and commission jointly shall adopt such manuals. No 3428  
employee may deviate from manual procedures without authorization 3429

of the section chief. 3430

(B) Manuals shall set forth the procedure for the assignment 3431  
and transfer of claims within sections and be designed to provide 3432  
performance objectives and may require employees to record 3433  
sufficient data to reasonably measure the efficiency of functions 3434  
in all sections. The bureau's division of research and statistics 3435  
shall perform periodic cost-effectiveness analyses which shall be 3436  
made available to the general assembly, the governor, and to the 3437  
public during normal working hours. 3438

(C) The bureau and commission jointly shall develop, adopt, 3439  
and use a policy manual setting forth the guidelines and bases for 3440  
decision-making for any decision which is the responsibility of 3441  
the bureau, district hearing officers, staff hearing officers, or 3442  
the commission. Guidelines shall be set forth in the policy manual 3443  
by the bureau and commission to the extent of their respective 3444  
jurisdictions for deciding at least the following specific 3445  
matters: 3446

(1) Reasonable ambulance services; 3447

(2) Relationship of drugs to injury; 3448

(3) Awarding lump-sum advances for creditors; 3449

(4) Awarding lump-sum advances for attorney's fees; 3450

(5) Placing a claimant into rehabilitation; 3451

(6) Transferring costs of a claim from employer costs to the 3452  
statutory surplus fund pursuant to section 4123.343 of the Revised 3453  
Code; 3454

(7) Utilization of physician specialist reports; 3455

(8) Determining the percentage of permanent partial 3456  
disability, temporary partial disability, temporary total 3457  
disability, violations of specific safety requirements, an award 3458  
under division (B) of section 4123.57 of the Revised Code, and 3459

permanent total disability. 3460

(D) The bureau shall establish, adopt, and implement policy 3461  
guidelines and bases for decisions involving reimbursement issues 3462  
including, but not limited to, the adjustment of invoices, the 3463  
reduction of payments for future services when an internal audit 3464  
concludes that a health care provider was overpaid or improperly 3465  
paid for past services, reimbursement fees, or other adjustments 3466  
to payments. These policy guidelines and bases for decisions, and 3467  
any changes to the guidelines and bases, shall be set forth in a 3468  
reimbursement manual and provider bulletins. 3469

~~Neither the policy guidelines nor the bases set forth in the 3470  
reimbursement manual or provider bulletins referred to in this 3471  
division is a rule as defined in section 119.01 of the Revised 3472  
Code. 3473~~

(E) With respect to any determination of disability under 3474  
Chapter 4123. of the Revised Code, when the physician makes a 3475  
determination based upon statements or information furnished by 3476  
the claimant or upon subjective evidence, ~~he~~ the physician shall 3477  
clearly indicate this fact in ~~his~~ the physician's report. 3478

(F) The administrator shall publish the manuals and make 3479  
copies of all manuals available to interested parties at cost. 3480

**Sec. 4121.37.** The administrator of workers' compensation 3481  
having, by virtue of Section 35 of Article II, Ohio Constitution, 3482  
the expenditure of the fund therein created for the investigation 3483  
and prevention of industrial accidents and diseases, shall, with 3484  
the advice and consent of the bureau of workers' compensation 3485  
~~oversight commission~~ board of directors, in the exercise of the 3486  
administrator's authority and in the performance of the 3487  
administrator's duty, employ a superintendent and the necessary 3488  
experts, engineers, investigators, clerks, and stenographers for 3489  
the efficient operation of a division of safety and hygiene of the 3490

bureau of workers' compensation, which is hereby created. 3491

The administrator ~~of workers' compensation~~, with the advice 3492  
and consent of the ~~oversight commission~~ board, shall pay into the 3493  
safety and hygiene fund, which is hereby created in the state 3494  
treasury, the portion of the contributions paid by employers, 3495  
calculated as though all employers paid premiums based upon 3496  
payroll, not to exceed one per cent thereof in any year, as is 3497  
necessary for the payment of the salary of the superintendent of 3498  
the division of safety and hygiene and the compensation of the 3499  
other employees of the division of safety and hygiene, the 3500  
expenses of investigations and researches for the prevention of 3501  
industrial accidents and diseases, and for operating the long-term 3502  
care loan fund program established under section 4121.48 of the 3503  
Revised Code. All investment earnings of the fund shall be 3504  
credited to the fund. The administrator has the same powers to 3505  
invest any of the funds belonging to the fund as are delegated to 3506  
the administrator under section 4123.44 of the Revised Code with 3507  
respect to the state insurance fund. The superintendent, under the 3508  
direction of the administrator, with the advice and consent of the 3509  
~~oversight commission~~ board, shall conduct investigations and 3510  
researches for the prevention of industrial accidents and 3511  
diseases, conduct loss prevention programs and courses for 3512  
employers, establish and administrate cooperative programs with 3513  
employers for the purchase of individual safety equipment for 3514  
employees, and print and distribute information as may be of 3515  
benefit to employers and employees. The administrator shall pay 3516  
from the safety and hygiene fund the salary of the superintendent 3517  
of the division of safety and hygiene, the compensation of the 3518  
other employees of the division of safety and hygiene, the 3519  
expenses necessary or incidental to investigations and researches 3520  
for the prevention of industrial accidents and diseases, and the 3521  
cost of printing and distributing such information. 3522

The superintendent, under the direction of the administrator, 3523  
shall prepare an annual report, addressed to the governor, on the 3524  
amount of the expenditures and the purposes for which they have 3525  
been made, and the results of the investigations and researches. 3526  
The administrator shall include the administrative costs, 3527  
salaries, and other expenses of the division of safety and hygiene 3528  
as a part of the budget of the bureau of workers' compensation 3529  
that is submitted to the director of budget and management and 3530  
shall identify those expenditures separately from other bureau 3531  
expenditures. 3532

The superintendent shall be a competent person with at least 3533  
five years' experience in industrial accident or disease 3534  
prevention work. The superintendent and up to six positions in the 3535  
division of safety and hygiene as the administrator, with the 3536  
advice and consent of the ~~oversight commission board~~, designates 3537  
are in the unclassified civil service of the state as long as the 3538  
administrator, with the advice and consent of the ~~oversight~~ 3539  
~~commission board~~, determines the positions subordinate to the 3540  
superintendent are primarily and distinctively administrative, 3541  
managerial, or professional in character. All other full-time 3542  
employees of the division of safety and hygiene are in the 3543  
classified civil service of the state. 3544

**Sec. 4121.40.** (A) The administrator of workers' compensation 3545  
shall appoint a service director for each service office who shall 3546  
have all of the following duties: 3547

(1) Provide each claimant and employer fair, impartial, and 3548  
equal treatment; 3549

(2) Recommend any needed improvements for changes in staff 3550  
size and accessibility to service offices; 3551

(3) ~~Recommend to the administrator appropriate action~~ 3552  
~~concerning any allegations of misconduct, abuse of authority, or~~ 3553

~~fraud committed in his service office;~~ 3554

(4) Ensure that all current bureau rules and operating 3555  
procedures are carried out by all employees under ~~his~~ the service 3556  
director's direction; 3557

(5)(4) Assist claimants and employers who contact the service 3558  
office for information or assistance with respect to claims 3559  
processing and coverage. 3560

(B) The administrator shall assign to each service office an 3561  
adequate number of investigators and field auditors. 3562

Service directors shall make investigators available to 3563  
district hearing officers as needed. 3564

In addition to other duties the administrator may assign to 3565  
investigators, they shall, at the service directors' direction, 3566  
investigate alleged instances of persons receiving compensation 3567  
pursuant to section 4123.58 of the Revised Code and engaging in 3568  
remunerative employment that is incompatible with the terms of 3569  
that section. 3570

**Sec. 4121.441.** (A) The administrator of workers' 3571  
compensation, with the advice and consent of the bureau of 3572  
workers' compensation ~~oversight commission~~ board of directors, 3573  
shall adopt rules under Chapter 119. of the Revised Code for the 3574  
health care partnership program administered by the bureau of 3575  
workers' compensation to provide medical, surgical, nursing, drug, 3576  
hospital, and rehabilitation services and supplies to an employee 3577  
for an injury or occupational disease that is compensable under 3578  
this chapter or Chapter 4123., 4127., or 4131. of the Revised 3579  
Code. 3580

The rules shall include, but are not limited to, the 3581  
following: 3582

(1) Procedures for the resolution of medical disputes between 3583

an employer and an employee, an employee and a provider, or an 3584  
employer and a provider, prior to an appeal under section 4123.511 3585  
of the Revised Code. Rules the administrator adopts pursuant to 3586  
division (A)(1) of this section may specify that the resolution 3587  
procedures shall not be used to resolve disputes concerning 3588  
medical services rendered that have been approved through standard 3589  
treatment guidelines, pathways, or presumptive authorization 3590  
guidelines. 3591

(2) Prohibitions against discrimination against any category 3592  
of health care providers; 3593

(3) Procedures for reporting injuries to employers and the 3594  
bureau by providers; 3595

(4) Appropriate financial incentives to reduce service cost 3596  
and insure proper system utilization without sacrificing the 3597  
quality of service; 3598

(5) Adequate methods of peer review, utilization review, 3599  
quality assurance, and dispute resolution to prevent, and provide 3600  
sanctions for, inappropriate, excessive or not medically necessary 3601  
treatment; 3602

(6) A timely and accurate method of collection of necessary 3603  
information regarding medical and health care service and supply 3604  
costs, quality, and utilization to enable the administrator to 3605  
determine the effectiveness of the program; 3606

(7) Provisions for necessary emergency medical treatment for 3607  
an injury or occupational disease provided by a health care 3608  
provider who is not part of the program; 3609

(8) Discounted pricing for all in-patient and out-patient 3610  
medical services, all professional services, and all 3611  
pharmaceutical services; 3612

(9) Provisions for provider referrals, pre-admission and 3613

post-admission approvals, second surgical opinions, and other cost management techniques; 3614  
3615

(10) Antifraud mechanisms; 3616

(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; 3617  
3618  
3619

(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. 3620  
3621  
3622

(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. 3623  
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**Sec. 4121.48.** (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. 3630  
3631  
3632  
3633

(B) The administrator shall use the long-term care loan fund program to make loans without interest to employers that are nursing homes for the purpose of allowing those employers to purchase, improve, install, or erect sit-to-stand floor lifts, ceiling lifts, other lifts, and fast electric beds, and to pay for the education and training of personnel, in order to implement a facility policy of no manual lifting of residents by employees. 3634  
3635  
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The administrator, with the advice and consent of the bureau of workers' compensation oversight commission board of directors, may adopt rules establishing criteria for loan eligibility, 3641  
3642  
3643

maximum loan amounts, loan periods, default penalties, and any 3644  
other terms the administrator considers necessary for a loan. 3645

(C) There is hereby created in the state treasury the 3646  
long-term care loan fund. The fund shall consist of money the 3647  
administrator, with the advice and consent of the ~~oversight~~ 3648  
~~commission~~ board, requests the director of budget and management 3649  
to transfer from the safety and hygiene fund created in section 3650  
4121.37 of the Revised Code. The fund shall be used solely for 3651  
purposes identified in this section. All investment earnings of 3652  
the fund shall be credited to the fund. All money the 3653  
administrator receives for payment of a default penalty assessed 3654  
or for repayment of any loan made pursuant to this section shall 3655  
be credited to the safety and hygiene fund created under section 3656  
4121.37 of the Revised Code. 3657

(D) As used in this section, ~~"nursing:~~ 3658

(1) "Hospital" has the same meaning as in section 3701.01 of 3659  
the Revised Code; 3660

(2) "Nursing home" has the same meaning as in section 3721.01 3661  
of the Revised Code. 3662

**Sec. 4121.61.** The administrator of workers' compensation, 3663  
with the advice and consent of the bureau of workers' compensation 3664  
~~oversight commission~~ board of directors, shall adopt rules, take 3665  
measures, and make expenditures as it deems necessary to aid 3666  
claimants who have sustained compensable injuries or incurred 3667  
compensable occupational diseases pursuant to Chapter 4123., 3668  
4127., or 4131. of the Revised Code to return to work or to assist 3669  
in lessening or removing any resulting handicap. 3670

**Sec. 4121.67.** The administrator of workers' compensation, 3671  
with the advice and consent of the bureau of workers' compensation 3672  
~~oversight commission~~ board of directors, shall adopt rules: 3673

(A) For the encouragement of reemployment of claimants who 3674  
have successfully completed prescribed rehabilitation programs by 3675  
payment from the surplus fund established by section 4123.34 of 3676  
the Revised Code to employers who employ or re\_employ the 3677  
claimants. The period or periods of payments shall not exceed six 3678  
months in the aggregate, unless the administrator or ~~his~~ the 3679  
administrator's designee determines that the claimant will be 3680  
benefited by an extension of payments. 3681

(B) Requiring payment, in the same manner as living 3682  
maintenance payments are made pursuant to section 4121.63 of the 3683  
Revised Code, to the claimant who completes a rehabilitation 3684  
training program and returns to employment, but who suffers a wage 3685  
loss compared to the wage the claimant was receiving at the time 3686  
of injury. Payments per week shall be sixty-six and two-thirds per 3687  
cent of the difference, if any, between the claimant's weekly wage 3688  
at the time of injury and the weekly wage received while employed, 3689  
up to a maximum payment per week equal to the statewide average 3690  
weekly wage. The payments may continue for up to a maximum of two 3691  
hundred weeks but shall be reduced by the corresponding number of 3692  
weeks in which the claimant receives payments pursuant to division 3693  
(B) of section 4123.56 of the Revised Code. 3694

**Sec. 4121.70.** (A) There is hereby created the 3695  
labor-management government advisory council consisting of twelve 3696  
members appointed as follows: 3697

(1) The governor, with the advice and consent of the senate, 3698  
shall appoint three members who, by training and vocation, are 3699  
representative of labor and three members who, by training and 3700  
vocation, are representative of employers. 3701

(2) Ex officio, the chairpersons of the standing committees 3702  
of the house of representatives and the senate to which 3703  
legislation concerned with workers' compensation is customarily 3704

referred. A chairperson may designate the vice-chairperson of the 3705  
committee to serve instead. 3706

(3) One person who by training and vocation represents labor 3707  
and one person who by training and vocation represents employers 3708  
of differing political parties appointed by the speaker of the 3709  
house of representatives. 3710

(4) One person who by training and vocation represents labor 3711  
and one person who by training and vocation represents employers 3712  
of differing political parties appointed by the president of the 3713  
senate. 3714

(B) Members appointed by the governor shall serve for a term 3715  
of six years with each term ending on the same day of the year in 3716  
which the member was first appointed, except that each member 3717  
shall serve for a period of sixty additional days at the end of 3718  
the member's term or until the member's successor is appointed and 3719  
qualifies, whichever date occurs first. Of the members first 3720  
appointed to the council by the governor, one member each 3721  
representing labor and management shall serve an initial term of 3722  
two years, one member each representing labor and management shall 3723  
serve a term of four years, and the remaining two members shall 3724  
serve full six-year terms. The members initially appointed by the 3725  
speaker of the house of representatives and the president of the 3726  
senate shall serve a term of six years. Thereafter, members shall 3727  
be appointed to and serve full six-year terms. Members are 3728  
eligible for reappointment to any number of additional terms. 3729

Legislative members shall serve a term that coincides with 3730  
the two-year legislative session in which they are first appointed 3731  
with each term ending on the thirty-first day of December of the 3732  
even-numbered year. Legislative members are eligible for 3733  
reappointment. 3734

Vacancies on the council shall be filled in the same manner 3735

as the original appointment. All members of the council shall 3736  
serve without additional compensation but shall be reimbursed by 3737  
the bureau of workers' compensation for actual and necessary 3738  
expenses. 3739

The council shall advise the bureau of workers' compensation 3740  
~~oversight commission~~ board of directors and the administrator of 3741  
workers' compensation on the quality and effectiveness of 3742  
rehabilitation services and make recommendations pertaining to the 3743  
bureau's rehabilitation program, including the operation of that 3744  
program. 3745

The labor-management government advisory council shall 3746  
recommend to the administrator three candidates for the position 3747  
of director of rehabilitation. The candidates shall be chosen for 3748  
their ability and background in the field of rehabilitation. The 3749  
administrator shall select a director from the list of candidates. 3750

**Sec. 4121.75.** (A) There is hereby created the workers' 3751  
compensation council. Members of the council shall be appointed as 3752  
follows: 3753

(1) Three members of the senate, appointed by the president 3754  
of the senate, not more than two of whom may be members of the 3755  
same political party; 3756

(2) Three members of the house of representatives, appointed 3757  
by the speaker of the house of representatives, not more than two 3758  
of whom may be members of the same political party; 3759

(3) Three members jointly appointed by the president of the 3760  
senate and the speaker of the house of representatives, not more 3761  
than two of whom shall be members of the same political party, one 3762  
of whom shall represent employers, one of whom shall represent 3763  
employees, and one of whom shall be a person who, prior to the 3764  
person's appointment, has received compensation or benefits under 3765

this chapter or Chapter 4123., 4127., or 4131. of the Revised 3766  
Code. Of these three members, at least one shall be a person with 3767  
investment expertise. 3768

(B) The council also shall consist of the chairperson of the 3769  
industrial commission and the administrator of workers' 3770  
compensation, who shall be nonvoting ex officio members of the 3771  
council. 3772

(C) The president of the senate and the speaker of the house 3773  
of representatives shall make the initial appointments required 3774  
under divisions (A)(1) and (2) of this section not later than 3775  
thirty days after the effective date of this section. The members 3776  
of the council who are appointed from the membership of the senate 3777  
and the house of representatives shall serve during their terms as 3778  
members of the general assembly. Notwithstanding the adjournment 3779  
of the general assembly of which the member is a member or the 3780  
expiration of the member's term as a member of such general 3781  
assembly, a member shall continue in office subsequent to the 3782  
expiration date of the member's term on the council until the 3783  
member's successor takes office or until a period of sixty days 3784  
has elapsed, whichever occurs first. 3785

(D) The president of the senate and the speaker of the house 3786  
of representatives shall make the initial appointments required 3787  
under division (A)(3) of this section not later than ninety days 3788  
after the effective date of this section. Of these initial 3789  
appointments to the council, one member shall be appointed for a 3790  
term ending one year after the effective date of this section, one 3791  
member shall be appointed for a term ending two years after the 3792  
effective date of this section, and one member shall be appointed 3793  
for a term ending three years after the effective date of this 3794  
section. Thereafter, terms shall be for three years, with each 3795  
term ending on the same day of the same month as did the term that 3796  
it succeeds. Each member appointed under division (A)(3) of this 3797

section shall hold office from the date of appointment until the 3798  
end of the term for which the appointment was made. Members may be 3799  
reappointed. Any member appointed pursuant to division (A)(3) of 3800  
this section to fill a vacancy occurring prior to the expiration 3801  
of the term for which the member's predecessor was appointed shall 3802  
hold office for the remainder of that term. Each member appointed 3803  
pursuant to division (A)(3) of this section shall continue in 3804  
office subsequent to the expiration date of the member's term 3805  
until the member's successor takes office or until a period of 3806  
sixty days has elapsed, whichever occurs first. 3807

(E) Vacancies shall be filled in the manner prescribed for 3808  
original appointments. 3809

**Sec. 4121.76. Meetings of the workers' compensation council** 3810  
shall be called in the manner and at the times prescribed by rules 3811  
adopted by the council. A majority of the voting members of the 3812  
council constitutes a quorum and no action shall be taken by the 3813  
council unless approved by at least five voting members. The 3814  
council shall organize by selecting a chairperson, 3815  
vice-chairperson, and any other officers as it determines are 3816  
necessary. The council shall select the chairperson and 3817  
vice-chairperson from the members of the council who also are 3818  
members of the general assembly, and each of those members shall 3819  
serve as chairperson or vice-chairperson during their terms as 3820  
members of the general assembly. The council shall rotate the 3821  
selection of the chairperson and vice-chairperson between the two 3822  
houses. The council shall adopt rules for the conduct of its 3823  
business and the election of its officers, and shall establish an 3824  
office in Columbus separate from the offices of the bureau of 3825  
workers' compensation and the industrial commission. Each member 3826  
of the council, before entering upon the member's official duties 3827  
shall take and subscribe to an oath of office, to uphold the 3828  
Constitution and laws of the United States and this state and to 3829

perform the duties of the office honestly, faithfully, and 3830  
impartially. Members of the council appointed pursuant to division 3831  
(A)(3) of section 4121.75 of the Revised Code shall serve without 3832  
compensation but shall be reimbursed for their actual and 3833  
necessary expenses incurred in the performance of their official 3834  
duties. Legislative members shall not receive compensation or 3835  
expenses. 3836

Sec. 4121.77. The workers' compensation council may do any of 3837  
the following: 3838

(A) Appoint a director to manage and direct the duties of the 3839  
staff of the council. The director shall be a person who has had 3840  
training and experience in areas related to the duties of the 3841  
council. 3842

(B) Appoint professional, technical, and clerical employees 3843  
as necessary, and employ or hire on a consulting basis persons to 3844  
provide actuarial, legal, investment, or other technical services 3845  
required for the performance of the council's duties. For purposes 3846  
of section 4117.01 of the Revised Code, employees of the council 3847  
shall be considered employees of the general assembly. 3848

(C) Fix the compensation of the director and all other 3849  
employees of the council; 3850

(D) Require the members of the industrial commission, bureau 3851  
of workers' compensation board of directors, workers' compensation 3852  
audit committee, workers' compensation actuarial committee, and 3853  
workers' compensation investment committee, the administrator of 3854  
workers' compensation, and employees of the commission and the 3855  
bureau of workers' compensation, and any agency or official of 3856  
this state or its political subdivisions to provide the council 3857  
with any information necessary to carry out its duties; 3858

(E) Administer oaths and hold public hearings at times and 3859

places within the state as necessary to accomplish the purposes of 3860  
sections 4121.75 to 4121.79 of the Revised Code; 3861

(F) Establish regular reporting requirements for any report 3862  
that the chairperson of the commission, chairperson of the board, 3863  
members of the committees specified in division (D) of this 3864  
section, and the administrator are required to submit to the 3865  
council; 3866

(G) Request that the auditor of state perform or contract for 3867  
the performance of a financial or special audit of the bureau; 3868

(H) Request that the auditor of state perform or contract for 3869  
the performance of a special or fiduciary audit of the workers' 3870  
compensation system. 3871

**Sec. 4121.78. The workers' compensation council shall do all** 3872  
**of the following:** 3873

(A) Make an impartial review from time to time of all laws 3874  
governing the administration and financing of the workers' 3875  
compensation system under this chapter and Chapters 4123., 4125., 3876  
4127., and 4131. of the Revised Code and recommend to the general 3877  
assembly any changes it may find desirable with respect to 3878  
compensation and benefits, sound financing of the cost of paying 3879  
compensation and benefits, the prudent investment of funds, and 3880  
the improvement of the language, structure, and organization of 3881  
the relevant laws governing the workers' compensation system; 3882

(B) Make an annual report to the governor and general 3883  
assembly describing its evaluation and recommendations with 3884  
respect to the operations of the industrial commission and the 3885  
bureau of workers' compensation and the funds specified in this 3886  
chapter and Chapters 4123., 4127., and 4131. of the Revised Code; 3887

(C) Study all changes to this chapter and Chapters 4123., 3888  
4125., 4127., and 4131. of the Revised Code proposed to the 3889

general assembly and report to the general assembly on their 3890  
probable costs, actuarial implications, and desirability as a 3891  
matter of public policy; 3892

(D) Review semiannually the investment policy approved by the 3893  
bureau of workers' compensation board of directors pursuant to 3894  
section 4121.12 of the Revised Code for the operation of the 3895  
investment program of the workers' compensation system, including 3896  
a review of asset allocation targets and ranges, risk factors, 3897  
asset class benchmarks, time horizons, total return objectives, 3898  
relative volatility, and performance evaluation guidelines. 3899

(E) Create a report that summarizes the council's findings in 3900  
the review conducted pursuant to division (D) of this section and 3901  
submit that report to the governor and general assembly not later 3902  
than thirty days after completing the review. 3903

(F) Review, as the council determines necessary, all 3904  
financial, actuarial, and fiduciary audits performed on the funds 3905  
specified in this chapter and Chapters 4123., 4127., and 4131. of 3906  
the Revised Code and the actuarial policies of the bureau of 3907  
workers' compensation; 3908

(G) Have prepared by an independent actuary, at least once 3909  
every ten years, an actuarial review of the annual actuarial 3910  
valuations and quinquennial actuarial investigations prepared by 3911  
the bureau of workers' compensation board of directors pursuant to 3912  
section 4121.125 of the Revised Code, including a review of the 3913  
actuarial assumptions and methods, the data underlying the 3914  
valuations and investigations, and the adequacy of employer 3915  
premium rates to amortize its unfunded actuarial liability, if 3916  
any, and to support the payment of compensation and benefits 3917  
pursuant to this chapter and Chapters 4123., 4127., and 4131. of 3918  
the Revised Code; 3919

(H) Submit to the governor and the general assembly a report 3920

summarizing the review required under division (G) of this 3921  
section; 3922

(I) Have conducted by an independent auditor at least once 3923  
every ten years a fiduciary performance audit of the workers' 3924  
compensation system, and require the administrator of workers' 3925  
compensation to pay the costs associated with that audit; 3926

(J) Review all proposed rules submitted to the council 3927  
pursuant to sections 4121.03, 4121.12, and 4121.121 of the Revised 3928  
Code, provide each member of the council a copy of those rules, 3929  
and submit any recommendations concerning whether those rules 3930  
should be approved to the joint committee on agency rule review. 3931

Sec. 4121.79. The compensation of all employees of the 3932  
workers' compensation council and other expenses of the council 3933  
shall be paid upon vouchers approved by the director and the 3934  
chairperson of the council. 3935

The administrator of workers' compensation shall pay the 3936  
annual expenses of the council. The council shall prepare and 3937  
submit to the administrator on or before the thirtieth day of June 3938  
of each year an itemized estimate of the amounts necessary to pay 3939  
the expenses of the council during the following year. 3940

The council shall establish policies and procedures for 3941  
purchasing goods and services on a competitive basis and 3942  
maintaining tangible personal property. The policies and 3943  
procedures shall be designed to safeguard the use of funds 3944  
received by the council. An audit performed under Chapter 117. of 3945  
the Revised Code shall include a determination of the council's 3946  
compliance with those policies and procedures. 3947

The council is not subject to Chapter 123., 124., 125., 126., 3948  
or 127. of the Revised Code. 3949

Sec. 4123.25. (A) No employer shall knowingly misrepresent to 3950

the bureau of workers' compensation the amount or classification 3951  
of payroll upon which the premium under this chapter is based. 3952  
Whoever violates this division shall be liable to the state in an 3953  
amount determined by the administrator of workers' compensation 3954  
for not more than ten times the amount of the difference between 3955  
the premium paid and the amount the employer should have paid. The 3956  
liability to the state under this division may be enforced in a 3957  
civil action in the name of the state, and all sums collected 3958  
under this division shall be paid into the state insurance fund. 3959  
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(B) No self-insuring employer shall knowingly misrepresent 3961  
the amount of paid compensation paid by such employer for purposes 3962  
of the assessments provided under this chapter and Chapter 4121. 3963  
of the Revised Code as required by section 4123.35 of the Revised 3964  
Code. Whoever violates this division is liable to the state in an 3965  
amount determined by the self-insuring employers evaluation board 3966  
pursuant to division (C) of section 4123.352 of the Revised Code 3967  
or for an amount the board determines that is not more than ten 3968  
times the amount of the difference between the assessment paid and 3969  
the amount of the assessment that should have been paid. The 3970  
liability to the state under this division may be enforced in a 3971  
civil action in the name of the state and all sums collected under 3972  
this division shall be paid into the self-insurance assessment 3973  
fund created pursuant to division (K) of section 4123.35 of the 3974  
Revised Code. 3975

(C) The administrator of workers' compensation, with the 3976  
advice and consent of the bureau of workers' compensation 3977  
~~oversight commission~~ board of directors, shall adopt rules 3978  
establishing criteria for determining both of the following: 3979

(1) The amount of the penalty assessed against an employer 3980  
for a violation of division (A) of this section; 3981

(2) Acts or omissions that do not constitute a violation of 3982

division (A) or (B) of this section. 3983

**Sec. 4123.29.** (A) The administrator of workers' compensation, 3984  
subject to the approval of the bureau of workers' compensation 3985  
~~oversight commission~~ board of directors, shall do all of the 3986  
following: 3987

(1) Classify occupations or industries with respect to their 3988  
degree of hazard and determine the risks of the different classes 3989  
according to the categories the national council on compensation 3990  
insurance establishes that are applicable to employers in this 3991  
state; 3992

(2) Fix the rates of premium of the risks of the classes 3993  
based upon the total payroll in each of the classes of occupation 3994  
or industry sufficiently large to provide a fund for the 3995  
compensation provided for in this chapter and to maintain a state 3996  
insurance fund from year to year. The administrator shall set the 3997  
rates at a level that assures the solvency of the fund. Where the 3998  
payroll cannot be obtained or, in the opinion of the 3999  
administrator, is not an adequate measure for determining the 4000  
premium to be paid for the degree of hazard, the administrator may 4001  
determine the rates of premium upon such other basis, consistent 4002  
with insurance principles, as is equitable in view of the degree 4003  
of hazard, and whenever in this chapter reference is made to 4004  
payroll or expenditure of wages with reference to fixing premiums, 4005  
the reference shall be construed to have been made also to such 4006  
other basis for fixing the rates of premium as the administrator 4007  
may determine under this section. 4008

The administrator in setting or revising rates shall furnish 4009  
to employers an adequate explanation of the basis for the rates 4010  
set. 4011

(3) Develop and make available to employers who are paying 4012  
premiums to the state insurance fund alternative premium plans. 4013

Alternative premium plans shall include retrospective rating 4014  
plans. The administrator may make available plans under which an 4015  
advanced deposit may be applied against a specified deductible 4016  
amount per claim. 4017

(4)(a) Offer to insure the obligations of employers under 4018  
this chapter under a plan that groups, for rating purposes, 4019  
employers, and pools the risk of the employers within the group 4020  
provided that the employers meet all of the following conditions: 4021

~~(a)~~(i) All of the employers within the group are members of 4022  
an organization that has been in existence for at least two years 4023  
prior to the date of application for group coverage; 4024

~~(b)~~(ii) The organization was formed for purposes other than 4025  
that of obtaining group workers' compensation under this division; 4026

~~(c)~~(iii) The employers' business in the organization is 4027  
substantially similar such that the risks which are grouped are 4028  
substantially homogeneous; 4029

~~(d)~~(iv) The group of employers consists of at least one 4030  
hundred members or the aggregate workers' compensation premiums of 4031  
the members, as determined by the administrator, are expected to 4032  
exceed one hundred fifty thousand dollars during the coverage 4033  
period; 4034

~~(e)~~(v) The formation and operation of the group program in 4035  
the organization will substantially improve accident prevention 4036  
and claims handling for the employers in the group; 4037

~~(f)~~(vi) Each employer seeking to enroll in a group for 4038  
workers' compensation coverage has an industrial insurance account 4039  
in good standing with the bureau of workers' compensation such 4040  
that at the time the agreement is processed no outstanding 4041  
premiums, penalties, or assessments are due from any of the 4042  
employers. 4043

(b) If an organization sponsors more than one employer group to participate in group plans established under this section, that organization may submit a single application that supplies all of the information necessary for each group of employers that the organization wishes to sponsor. 4044  
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(c) In providing employer group plans under division (A)(4) of this section, the administrator shall consider an employer group as a single employing entity for purposes of retrospective rating. No employer may be a member of more than one group for the purpose of obtaining workers' compensation coverage under this division. 4049  
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(d) At the time the administrator revises premium rates pursuant to this section and section 4123.34 of the Revised Code, if the premium rate of an employer who participates in a group plan established under this section changes from the rate established for the previous year, the administrator, in addition to sending the invoice with the rate revision to that employer, shall send a copy of that invoice to the third-party administrator that administers the group plan for that employer's group. 4055  
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(e) In providing employer group plans under division (A)(4) of this section, the administrator shall establish a program designed to mitigate the impact of a significant claim that would come into the experience of a private, state fund group-rated employer for the first time and be a contributing factor in that employer being excluded from a group-rated plan. The administrator shall establish eligibility criteria and requirements that such employers must satisfy in order to participate in this program. For purposes of this program, the administrator shall establish a discount on premium rates applicable to employers who qualify for the program. 4063  
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(f) In no event shall division (A)(4) of this section be construed as granting to an employer status as a self-insuring 4074  
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employer. 4076

(g) The administrator shall develop classifications of 4077  
occupations or industries that are sufficiently distinct so as not 4078  
to group employers in classifications that unfairly represent the 4079  
risks of employment with the employer. 4080

(5) Generally promote employer participation in the state 4081  
insurance fund through the regular dissemination of information to 4082  
all classes of employers describing the advantages and benefits of 4083  
opting to make premium payments to the fund. To that end, the 4084  
administrator shall regularly make employers aware of the various 4085  
workers' compensation premium packages developed and offered 4086  
pursuant to this section. 4087

(6) Make available to every employer who is paying premiums 4088  
to the state insurance fund a program whereby the employer or the 4089  
employer's agent pays to the claimant or on behalf of the claimant 4090  
the first five thousand dollars of a compensable workers' 4091  
compensation medical-only claim filed by that claimant that is 4092  
related to the same injury or occupational disease. If an employer 4093  
elects to enter the program, the administrator shall not reimburse 4094  
the employer for such amounts paid and shall not charge the first 4095  
five thousand dollars of any medical-only claim paid by an 4096  
employer to the employer's experience or otherwise use it in merit 4097  
rating or determining the risks of any employer for the purpose of 4098  
payment of premiums under this chapter. A certified health care 4099  
provider shall extend to an employer who participates in this 4100  
program the same rates for services rendered to an employee of 4101  
that employer as the provider bills the administrator for the same 4102  
type of medical claim processed by the bureau. If an employer 4103  
elects to enter the program and the employer fails to pay a bill 4104  
for a medical-only claim included in the program, the employer 4105  
shall be liable for that bill and the employee for whom the 4106  
employer failed to pay the bill shall not be liable for that bill. 4107

The administrator shall adopt rules to implement and administer 4108  
division (A)(6) of this section. 4109

(B) The administrator, with the advice and consent of the 4110  
~~oversight commission~~ board, by rule, may do both of the following: 4111

(1) Grant an employer who makes the employer's semiannual 4112  
premium payment at least one month prior to the last day on which 4113  
the payment may be made without penalty, a discount as the 4114  
administrator fixes from time to time; 4115

(2) Levy a minimum annual administrative charge upon risks 4116  
where semiannual premium reports develop a charge less than the 4117  
administrator considers adequate to offset administrative costs of 4118  
processing. 4119

**Sec. 4123.291.** (A) An adjudicating committee appointed by the 4120  
administrator of workers' compensation to hear any matter 4121  
specified in divisions (B)(1) to (7) of this section and shall 4122  
hear the matter within sixty days of the date on which an employer 4123  
files the request, protest, or petition. An employer desiring to 4124  
file a request, protest, or petition regarding any matter 4125  
specified in divisions (B)(1) to (7) of this section shall file 4126  
the request, protest, or petition to the adjudicating committee on 4127  
or before twenty-four months after the administrator sends notice 4128  
of the determination about which the employer is filing the 4129  
request, protest, or petition. 4130

(B) An employer who is adversely affected by a decision of an 4131  
adjudicating committee appointed by the administrator may appeal 4132  
the decision of the committee to the administrator or the 4133  
administrator's designee. The employer shall file the appeal in 4134  
writing within thirty days after the employer receives the 4135  
decision of the adjudicating committee. The administrator or the 4136  
designee shall hear the appeal and hold a hearing, provided that 4137  
the decision of the adjudicating committee relates to one of the 4138

following:	4139
(1) An employer request for a waiver of a default in the payment of premiums pursuant to section 4123.37 of the Revised Code;	4140 4141 4142
(2) An employer request for the settlement of liability as a noncomplying employer under section 4123.75 of the Revised Code;	4143 4144
(3) 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;	4145 4146 4147
(4) 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;	4148 4149 4150
(5) An employer protest relating to an audit finding or a determination of a manual classification, experience rating, or transfer or combination of risk experience;	4151 4152 4153
(6) Any decision relating to any other risk premium matter under Chapters 4121., 4123., and 4131. of the Revised Code;	4154 4155
(7) 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.	4156 4157 4158
<u>(C) The bureau of workers' compensation board of directors, based upon recommendations of the workers' compensation actuarial committee, shall establish the policy for all adjudicating committee procedures, including, but not limited to, specific criteria for manual premium rate adjustment.</u>	4159 4160 4161 4162 4163
<b>Sec. 4123.311.</b> (A) The administrator of workers' compensation may do all of the following:	4164 4165
(1) Utilize direct deposit of funds by electronic transfer for all disbursements the administrator is authorized to pay under	4166 4167

this chapter and Chapters 4121., 4127., and 4131. of the Revised Code; 4168  
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(2) Require any payee to provide a written authorization 4170  
designating a financial institution and an account number to which 4171  
a payment made according to division (A)(1) of this section is to 4172  
be credited, notwithstanding division (B) of section 9.37 of the 4173  
Revised Code; 4174

(3) Contract with an agent to do both of the following: 4175

(a) Supply debit cards for claimants to access payments made 4176  
to them pursuant to this chapter and Chapters 4121., 4127., and 4177  
4131. of the Revised Code; 4178

(b) Credit the debit cards described in division (A)(3)(a) of 4179  
this section with the amounts specified by the administrator 4180  
pursuant to this chapter and Chapters 4121., 4127., and 4131. of 4181  
the Revised Code by utilizing direct deposit of funds by 4182  
electronic transfer. 4183

(4) Enter into agreements with financial institutions to 4184  
credit the debit cards described in division (A)(3)(a) of this 4185  
section with the amounts specified by the administrator pursuant 4186  
to this chapter and Chapters 4121., 4127., and 4131. of the 4187  
Revised Code by utilizing direct deposit of funds by electronic 4188  
transfer. 4189

(B) The administrator shall inform claimants about the 4190  
administrator's utilization of direct deposit of funds by 4191  
electronic transfer under this section and section 9.37 of the 4192  
Revised Code, furnish debit cards to claimants as appropriate, and 4193  
provide claimants with instructions regarding use of those debit 4194  
cards. 4195

(C) The administrator, with the advice and consent of the 4196  
bureau of workers' compensation oversight commission board of 4197  
directors, shall adopt rules in accordance with Chapter 119. of 4198

the Revised Code regarding utilization of the direct deposit of 4199  
funds by electronic transfer under this section and section 9.37 4200  
of the Revised Code. 4201

**Sec. 4123.32.** The administrator of workers' compensation, 4202  
with the advice and consent of the bureau of workers' compensation 4203  
~~oversight commission~~ board of directors, shall adopt rules with 4204  
respect to the collection, maintenance, and disbursements of the 4205  
state insurance fund including all of the following: 4206

(A) ~~A rule providing that in the event there is developed as 4207  
of any given rate revision date a surplus of earned premium over 4208  
all losses which, in the judgment of the administrator, is larger 4209  
than is necessary adequately to safeguard the solvency of the 4210  
fund, the administrator may return such excess surplus to the 4211  
subscriber to the fund in either the form of cash refunds or a 4212  
reduction of premiums, regardless of when the premium obligations 4213  
have accrued;~~ 4214

~~(B)~~ A rule providing that the premium security deposit 4215  
collected from any employer entitles the employer to the benefits 4216  
of this chapter for the remainder of the six months and also for 4217  
an additional adjustment period of two months, and, thereafter, if 4218  
the employer pays the premium due at the close of any six-month 4219  
period, coverage shall be extended for an additional eight-month 4220  
period beginning from the end of the six-month period for which 4221  
the employer pays the premium due; 4222

~~(C)~~ (B) A rule providing for ascertaining the correctness of 4223  
any employer's report of estimated or actual expenditure of wages 4224  
and the determination and adjustment of proper premiums and the 4225  
payment of those premiums by the employer for or during any period 4226  
less than eight months and notwithstanding any payment or 4227  
determination of premium made when exceptional conditions or 4228  
circumstances in the judgment of the administrator justify the 4229

action; 4230

~~(D)~~(C) Such special rules as the administrator considers 4231  
necessary to safeguard the fund and that are just in the 4232  
circumstances, covering the rates to be applied where one employer 4233  
takes over the occupation or industry of another or where an 4234  
employer first makes application for state insurance, and the 4235  
administrator may require that if any employer transfers a 4236  
business in whole or in part or otherwise reorganizes the 4237  
business, the successor in interest shall assume, in proportion to 4238  
the extent of the transfer, as determined by the administrator, 4239  
the employer's account and shall continue the payment of all 4240  
contributions due under this chapter; 4241

~~(E)~~(D) A rule providing for all of the following: 4242

(1) If, within two months immediately after the expiration of 4243  
the six-month period, an employer fails to file a report of the 4244  
employer's actual payroll expenditures for the period, the premium 4245  
found to be due from the employer for the period shall be 4246  
increased in an amount equal to one per cent of the premium, but 4247  
the increase shall not be less than three nor more than fifteen 4248  
dollars; 4249

(2) The premium determined by the administrator to be due 4250  
from an employer shall be payable on or before the end of the 4251  
coverage period established by the premium security deposit, or 4252  
within the time specified by the administrator if the period for 4253  
which the advance premium has been paid is less than eight months. 4254  
If an employer fails to pay the premium when due, the 4255  
administrator may add a late fee penalty of not more than thirty 4256  
dollars to the premium plus an additional penalty amount as 4257  
follows: 4258

(a) For a premium from sixty-one to ninety days past due, the 4259  
prime interest rate, multiplied by the premium due; 4260

(b) 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;

(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;

(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;

(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;

(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.

(3) Notwithstanding the interest rates specified in division ~~(E)~~(D)(2) of this section, at no time shall the additional penalty amount assessed under division ~~(E)~~(D)(2) of this section exceed fifteen per cent of the premium due.

(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.

For purposes of division ~~(E)~~(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.

(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 4291  
estimated premium is less than eight months, the employer shall 4292  
not be in default and division ~~(E)~~(D)(2) of this section shall not 4293  
apply if the employer pays the premiums within fifteen days after 4294  
being first notified by the administrator of the amount due. 4295

(6) Any deficiencies in the amounts of the premium security 4296  
deposit paid by an employer for any period shall be subject to an 4297  
interest charge of six per cent per annum from the date the 4298  
premium obligation is incurred. In determining the interest due on 4299  
deficiencies in premium security deposit payments, a charge in 4300  
each case shall be made against the employer in an amount equal to 4301  
interest at the rate of six per cent per annum on the premium 4302  
security deposit due but remaining unpaid sixty days after notice 4303  
by the administrator. 4304

(7) Any interest charges or penalties provided for in 4305  
divisions ~~(E)~~(D)(2) and (6) of this section shall be credited to 4306  
the employer's account for rating purposes in the same manner as 4307  
premiums. 4308

~~(F)~~(E) A rule providing that each employer, on the occasion 4309  
of instituting coverage under this chapter, shall submit a premium 4310  
security deposit. The deposit shall be calculated equivalent to 4311  
thirty per cent of the semiannual premium obligation of the 4312  
employer based upon the employer's estimated expenditure for wages 4313  
for the ensuing six-month period plus thirty per cent of an 4314  
additional adjustment period of two months but only up to a 4315  
maximum of one thousand dollars and not less than ten dollars. The 4316  
administrator shall review the security deposit of every employer 4317  
who has submitted a deposit which is less than the 4318  
one-thousand-dollar maximum. The administrator may require any 4319  
such employer to submit additional money up to the maximum of one 4320  
thousand dollars that, in the administrator's opinion, reflects 4321  
the employer's current payroll expenditure for an eight-month 4322

period. 4323

(F) A rule providing that each employer, on the occasion of instituting coverage under this chapter, shall submit an application for coverage that completely provides all of the information required for the administrator to establish coverage for that employer, and that the employer's failure to provide all of the information completely may be grounds for the administrator to deny coverage for that employer. 4324  
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(G) A rule providing that, in addition to any other remedies permitted in this chapter, the administrator may discontinue an employer's coverage if the employer fails to pay the premium due on or before the premium's due date. 4331  
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(H) A rule providing that if after a final adjudication it is determined that an employer has failed to pay an obligation, billing, account, or assessment that is greater than one thousand dollars on or before its due date, the administrator may discontinue the employer's coverage in addition to any other remedies permitted in this chapter, and that the administrator shall not discontinue an employer's coverage pursuant to division (N) of this section prior to a final adjudication regarding the employer's failure to pay such obligation, billing, account, or assessment on or before its due date. 4335  
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(I) As used in divisions (G) and (H) of this section: 4345

(1) "Employer" has the same meaning as in division (B) of section 4123.01 of the Revised Code except that "employer" does not include the state, a state hospital, or a state university or college. 4346  
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(2) "State university or college" has the same meaning as in section 3345.12 of the Revised Code and also includes the Ohio agricultural research and development center and the Ohio state university cooperative extension service. 4350  
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(3) "State hospital" means the Ohio state university hospital 4354  
and its ancillary facilities and the medical university of Ohio at 4355  
Toledo hospital. 4356

Sec. 4123.321. The bureau of workers' compensation board of 4357  
directors, based upon recommendations of the workers' compensation 4358  
actuarial committee, shall adopt a rule with respect to the 4359  
collection, maintenance, and disbursements of the state insurance 4360  
fund providing that in the event there is developed as of any 4361  
given rate revision date a surplus of earned premium over all 4362  
losses that, in the judgment of the board, is larger than is 4363  
necessary adequately to safeguard the solvency of the fund, the 4364  
board may return such excess surplus to the subscribers to the 4365  
fund in either the form of cash refunds or a reduction of 4366  
premiums, regardless of when the premium obligations have accrued. 4367

Sec. 4123.34. It shall be the duty of the bureau of workers' 4368  
compensation board of directors and the administrator of workers' 4369  
compensation to safeguard and maintain the solvency of the state 4370  
insurance fund and all other funds specified in this chapter and 4371  
Chapters 4121., 4127., and 4131. of the Revised Code. The 4372  
administrator of workers' compensation, in the exercise of the 4373  
powers and discretion conferred upon the administrator in section 4374  
4123.29 of the Revised Code, shall fix and maintain, with the 4375  
advice and consent of the workers' compensation oversight 4376  
commission board, for each class of occupation or industry, the 4377  
lowest possible rates of premium consistent with the maintenance 4378  
of a solvent state insurance fund and the creation and maintenance 4379  
of a reasonable surplus, after the payment of legitimate claims 4380  
for injury, occupational disease, and death that the administrator 4381  
authorizes to be paid from the state insurance fund for the 4382  
benefit of injured, diseased, and the dependents of killed 4383  
employees. In establishing rates, the administrator shall take 4384

into account the necessity of ensuring sufficient money is set 4385  
aside in the premium payment security fund to cover any defaults 4386  
in premium obligations. The administrator shall observe all of the 4387  
following requirements in fixing the rates of premium for the 4388  
risks of occupations or industries: 4389

(A) The administrator shall keep an accurate account of the 4390  
money paid in premiums by each of the several classes of 4391  
occupations or industries, and the losses on account of injuries, 4392  
occupational disease, and death of employees thereof, and also 4393  
keep an account of the money received from each individual 4394  
employer and the amount of losses incurred against the state 4395  
insurance fund on account of injuries, occupational disease, and 4396  
death of the employees of the employer. 4397

(B) Ten per cent of the money paid into the state insurance 4398  
fund shall be set aside for the creation of a surplus until the 4399  
surplus amounts to the sum of one hundred thousand dollars, after 4400  
which time, whenever necessary in the judgment of the 4401  
administrator to guarantee a solvent state insurance fund, a sum 4402  
not exceeding five per cent of all the money paid into the state 4403  
insurance fund shall be credited to the surplus fund. A revision 4404  
of basic rates shall be made annually on the first day of July. 4405

Notwithstanding any provision of the law to the contrary, one 4406  
hundred eighty days after the effective date on which 4407  
self-insuring employers first may elect under division (D) of 4408  
section 4121.66 of the Revised Code to directly pay for 4409  
rehabilitation expenses, the administrator shall calculate the 4410  
deficit, if any, in the portion of surplus fund that is used for 4411  
reimbursement to self-insuring employers for all expenses other 4412  
than handicapped reimbursement under section 4123.343 of the 4413  
Revised Code. ~~Without regard to whether a self-insuring employer~~ 4414  
~~makes the election under division (D) of section 4121.66 of the~~ 4415  
~~Revised Code, the administrator shall assess all self-insuring~~ 4416

~~employers the amount the administrator determines necessary to~~ 4417  
~~reduce the deficit over a period not to exceed five years from~~ 4418  
~~October 20, 1993. After the initial assessment, the administrator~~ 4419  
The administrator, from time to time, may determine whether the 4420  
surplus fund has such a deficit and may assess all self-insuring 4421  
employers who participated in the portion of the surplus fund 4422  
during the accrual of the deficit and who during that time period 4423  
have not made the election under division (D) of section 4121.66 4424  
of the Revised Code the amount the administrator determines 4425  
necessary to reduce the deficit. 4426

Revisions of basic rates shall be in accordance with the 4427  
oldest four of the last five calendar years of the combined 4428  
accident and occupational disease experience of the administrator 4429  
in the administration of this chapter, as shown by the accounts 4430  
kept as provided in this section, excluding the experience of 4431  
employers that are no longer active if the administrator 4432  
determines that the inclusion of those employers would have a 4433  
significant negative impact on the remainder of the employers in a 4434  
particular manual classification; and the administrator shall 4435  
adopt rules, with the advice and consent of the ~~oversight~~ 4436  
~~commission~~ board, governing rate revisions, the object of which 4437  
shall be to make an equitable distribution of losses among the 4438  
several classes of occupation or industry, which rules shall be 4439  
general in their application. 4440

(C) The administrator may apply that form of rating system 4441  
~~which~~ that the administrator finds is best calculated to merit 4442  
rate or individually rate the risk more equitably, predicated upon 4443  
the basis of its individual industrial accident and occupational 4444  
disease experience, and may encourage and stimulate accident 4445  
prevention. The administrator shall develop fixed and equitable 4446  
rules controlling the rating system, which rules shall conserve to 4447  
each risk the basic principles of workers' compensation insurance. 4448

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

The fund shall be in the custody of the treasurer of state. All investment earnings of the fund shall be deposited in the fund. Disbursements from the fund shall be made by the bureau of workers' compensation upon order of the administrator 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 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 shall calculate the employers' premiums based upon the actual remuneration construction industry employees

receive from construction industry employers, provided that the 4480  
amount of remuneration the administrator uses in calculating the 4481  
premiums shall not exceed an average weekly wage equal to one 4482  
hundred fifty per cent of the statewide average weekly wage as 4483  
defined in division (C) of section 4123.62 of the Revised Code. 4484

(2) Division (F)(1) of this section shall not be construed as 4485  
affecting the manner in which benefits to a claimant are awarded 4486  
under this chapter. 4487

(3) As used in division (F) of this section, "construction 4488  
industry" includes any activity performed in connection with the 4489  
erection, alteration, repair, replacement, renovation, 4490  
installation, or demolition of any building, structure, highway, 4491  
or bridge. 4492

**Sec. 4123.341.** The administrative costs of the industrial 4493  
commission, the bureau of workers' compensation oversight 4494  
~~commission~~ board of directors, and the bureau of workers' 4495  
compensation shall be those costs and expenses that are incident 4496  
to the discharge of the duties and performance of the activities 4497  
of the industrial commission, the ~~oversight commission board~~, and 4498  
the bureau under this chapter and Chapters 4121. and 4123., 4125., 4499  
4127., 4131., and 4167. of the Revised Code, and all such costs 4500  
shall be borne by the state and by other employers amenable to 4501  
this chapter as follows: 4502

(A) In addition to the contribution required of the state 4503  
under sections 4123.39 and 4123.40 of the Revised Code, the state 4504  
shall contribute the sum determined to be necessary under section 4505  
4123.342 of the Revised Code. 4506

(B) The director of budget and management may allocate the 4507  
state's share of contributions in the manner ~~he~~ the director finds 4508  
most equitably apportions the costs. 4509

(C) The counties and taxing districts therein shall 4510  
contribute such sum as may be required under section 4123.342 of 4511  
the Revised Code. 4512

(D) The private employers shall contribute the sum required 4513  
under section 4123.342 of the Revised Code. 4514

**Sec. 4123.342.** (A) The administrator of workers' compensation 4515  
shall allocate among counties and taxing districts therein as a 4516  
class, the state and its instrumentalities as a class, private 4517  
employers who are insured under the private fund as a class, and 4518  
self-insuring employers as a class their fair shares of the 4519  
administrative costs which are to be borne by such employers under 4520  
division (D) of section 4123.341 of the Revised Code, separately 4521  
allocating to each class those costs solely attributable to the 4522  
activities of the industrial commission, and those costs solely 4523  
attributable to the activities of the bureau of workers' 4524  
compensation oversight commission board of directors, and the 4525  
bureau of workers' compensation in respect of the class, 4526  
allocating to any combination of classes those costs attributable 4527  
to the activities of the industrial commission, ~~oversight~~ 4528  
~~commission~~ board, or bureau in respect of the classes, and 4529  
allocating to all four classes those costs attributable to the 4530  
activities of the industrial commission, ~~oversight commission~~ 4531  
board, and bureau in respect of all classes. The administrator 4532  
shall separately calculate each employer's assessment in the 4533  
class, except self-insuring employers, on the basis of the 4534  
following three factors: payroll, paid compensation, and paid 4535  
medical costs of the employer for those costs solely attributable 4536  
to the activities of the ~~oversight commission board~~ and the 4537  
bureau. The administrator shall separately calculate each 4538  
employer's assessment in the class, except self-insuring 4539  
employers, on the basis of the following three factors: payroll, 4540  
paid compensation, and paid medical costs of the employer for 4541

those costs solely attributable to the activities of the 4542  
industrial commission. The administrator shall separately 4543  
calculate each self-insuring employer's assessment in accordance 4544  
with section 4123.35 of the Revised Code for those costs solely 4545  
attributable to the activities of the ~~oversight commission~~ board 4546  
and the bureau. The administrator shall separately calculate each 4547  
self-insuring employer's assessment in accordance with section 4548  
4123.35 of the Revised Code for those costs solely attributable to 4549  
the activities of the industrial commission. In a timely manner, 4550  
the industrial commission shall provide to the administrator, the 4551  
information necessary for the administrator to allocate and 4552  
calculate, with the approval of the chairperson of the industrial 4553  
commission, for each class of employer as described in this 4554  
division, the costs solely attributable to the activities of the 4555  
industrial commission. 4556

(B) The administrator shall divide the administrative cost 4557  
assessments collected by the administrator into two administrative 4558  
assessment accounts within the state insurance fund. One of the 4559  
administrative assessment accounts shall consist of the 4560  
administrative cost assessment collected by the administrator for 4561  
the industrial commission. The other administrative assessment 4562  
account shall consist of the administrative cost assessments 4563  
collected by the administrator for the bureau and the ~~workers'~~ 4564  
~~compensation oversight commission~~ board. The administrator may 4565  
invest the administrative cost assessments in these accounts on 4566  
behalf of the bureau and the industrial commission as authorized 4567  
in section 4123.44 of the Revised Code. In a timely manner, the 4568  
administrator shall provide to the industrial commission the 4569  
information and reports the commission deems necessary for the 4570  
commission to monitor the receipts and the disbursements from the 4571  
administrative assessment account for the industrial commission. 4572

(C) The administrator or the administrator's designee shall 4573

transfer moneys as necessary from the administrative assessment 4574  
account identified for the bureau and the ~~workers' compensation~~ 4575  
~~oversight commission board~~ to the workers' compensation fund for 4576  
the use of the bureau and the ~~oversight commission board~~. As 4577  
necessary and upon the authorization of the industrial commission, 4578  
the administrator or the administrator's designee shall transfer 4579  
moneys from the administrative assessment account identified for 4580  
the industrial commission to the industrial commission operating 4581  
fund created under section 4121.021 of the Revised Code. To the 4582  
extent that the moneys collected by the administrator in any 4583  
fiscal biennium of the state equal the sum appropriated by the 4584  
general assembly for administrative costs of the industrial 4585  
commission, ~~oversight commission board~~, and bureau for the 4586  
biennium, the moneys shall be paid into the workers' compensation 4587  
fund and the industrial commission operating fund of the state and 4588  
any remainder shall be retained in the state insurance fund and 4589  
applied to reduce the amount collected during the next biennium. 4590  
Sections 4123.41, 4123.35, and 4123.37 of the Revised Code apply 4591  
to the collection of assessments from public and private employers 4592  
respectively, except that for boards of county hospital trustees 4593  
that are self-insuring employers, only those provisions applicable 4594  
to the collection of assessments for private employers apply. 4595

**Sec. 4123.35.** (A) Except as provided in this section, every 4596  
employer mentioned in division (B)(2) of section 4123.01 of the 4597  
Revised Code, and every publicly owned utility shall pay 4598  
semiannually in the months of January and July into the state 4599  
insurance fund the amount of annual premium the administrator of 4600  
workers' compensation fixes for the employment or occupation of 4601  
the employer, the amount of which premium to be paid by each 4602  
employer to be determined by the classifications, rules, and rates 4603  
made and published by the administrator. The employer shall pay 4604  
semiannually a further sum of money into the state insurance fund 4605

as may be ascertained to be due from the employer by applying the 4606  
rules of the administrator, and a receipt or certificate 4607  
certifying that payment has been made, along with a written notice 4608  
as is required in section 4123.54 of the Revised Code, shall be 4609  
mailed immediately to the employer by the bureau of workers' 4610  
compensation. The receipt or certificate is prima-facie evidence 4611  
of the payment of the premium, and the proper posting of the 4612  
notice constitutes the employer's compliance with the notice 4613  
requirement mandated in section 4123.54 of the Revised Code. 4614

The bureau of workers' compensation shall verify with the 4615  
secretary of state the existence of all corporations and 4616  
organizations making application for workers' compensation 4617  
coverage and shall require every such application to include the 4618  
employer's federal identification number. 4619

An employer as defined in division (B)(2) of section 4123.01 4620  
of the Revised Code who has contracted with a subcontractor is 4621  
liable for the unpaid premium due from any subcontractor with 4622  
respect to that part of the payroll of the subcontractor that is 4623  
for work performed pursuant to the contract with the employer. 4624

Division (A) of this section providing for the payment of 4625  
premiums semiannually does not apply to any employer who was a 4626  
subscriber to the state insurance fund prior to January 1, 1914, 4627  
or who may first become a subscriber to the fund in any month 4628  
other than January or July. Instead, the semiannual premiums shall 4629  
be paid by those employers from time to time upon the expiration 4630  
of the respective periods for which payments into the fund have 4631  
been made by them. 4632

The administrator shall adopt rules to permit employers to 4633  
make periodic payments of the semiannual premium due under this 4634  
division. The rules shall include provisions for the assessment of 4635  
interest charges, where appropriate, and for the assessment of 4636  
penalties when an employer fails to make timely premium payments. 4637

An employer who timely pays the amounts due under this division is 4638  
entitled to all of the benefits and protections of this chapter. 4639  
Upon receipt of payment, the bureau immediately shall mail a 4640  
receipt or certificate to the employer certifying that payment has 4641  
been made, which receipt is prima-facie evidence of payment. 4642  
Workers' compensation coverage under this chapter continues 4643  
uninterrupted upon timely receipt of payment under this division. 4644

Every public employer, except public employers that are 4645  
self-insuring employers under this section, shall comply with 4646  
sections 4123.38 to 4123.41, and 4123.48 of the Revised Code in 4647  
regard to the contribution of moneys to the public insurance fund. 4648

(B) Employers who will abide by the rules of the 4649  
administrator and who may be of sufficient financial ability to 4650  
render certain the payment of compensation to injured employees or 4651  
the dependents of killed employees, and the furnishing of medical, 4652  
surgical, nursing, and hospital attention and services and 4653  
medicines, and funeral expenses, equal to or greater than is 4654  
provided for in sections 4123.52, 4123.55 to 4123.62, and 4123.64 4655  
to 4123.67 of the Revised Code, and who do not desire to insure 4656  
the payment thereof or indemnify themselves against loss sustained 4657  
by the direct payment thereof, upon a finding of such facts by the 4658  
administrator, may be granted the privilege to pay individually 4659  
compensation, and furnish medical, surgical, nursing, and hospital 4660  
services and attention and funeral expenses directly to injured 4661  
employees or the dependents of killed employees, thereby being 4662  
granted status as a self-insuring employer. The administrator may 4663  
charge employers who apply for the status as a self-insuring 4664  
employer a reasonable application fee to cover the bureau's costs 4665  
in connection with processing and making a determination with 4666  
respect to an application. 4667

All employers granted status as self-insuring employers shall 4668  
demonstrate sufficient financial and administrative ability to 4669

assure that all obligations under this section are promptly met. 4670  
The administrator shall deny the privilege where the employer is 4671  
unable to demonstrate the employer's ability to promptly meet all 4672  
the obligations imposed on the employer by this section. 4673

(1) The administrator shall consider, but is not limited to, 4674  
the following factors, where applicable, in determining the 4675  
employer's ability to meet all of the obligations imposed on the 4676  
employer by this section: 4677

(a) The employer employs a minimum of five hundred employees 4678  
in this state; 4679

(b) The employer has operated in this state for a minimum of 4680  
two years, provided that an employer who has purchased, acquired, 4681  
or otherwise succeeded to the operation of a business, or any part 4682  
thereof, situated in this state that has operated for at least two 4683  
years in this state, also shall qualify; 4684

(c) Where the employer previously contributed to the state 4685  
insurance fund or is a successor employer as defined by bureau 4686  
rules, the amount of the buyout, as defined by bureau rules; 4687

(d) The sufficiency of the employer's assets located in this 4688  
state to insure the employer's solvency in paying compensation 4689  
directly; 4690

(e) The financial records, documents, and data, certified by 4691  
a certified public accountant, necessary to provide the employer's 4692  
full financial disclosure. The records, documents, and data 4693  
include, but are not limited to, balance sheets and profit and 4694  
loss history for the current year and previous four years. 4695

(f) The employer's organizational plan for the administration 4696  
of the workers' compensation law; 4697

(g) The employer's proposed plan to inform employees of the 4698  
change from a state fund insurer to a self-insuring employer, the 4699

procedures the employer will follow as a self-insuring employer, 4700  
and the employees' rights to compensation and benefits; and 4701

(h) The employer has either an account in a financial 4702  
institution in this state, or if the employer maintains an account 4703  
with a financial institution outside this state, ensures that 4704  
workers' compensation checks are drawn from the same account as 4705  
payroll checks or the employer clearly indicates that payment will 4706  
be honored by a financial institution in this state. 4707

The administrator may waive the requirements of divisions 4708  
(B)(1)(a) and (b) of this section and the requirement of division 4709  
(B)(1)(e) of this section that the financial records, documents, 4710  
and data be certified by a certified public accountant. The 4711  
administrator shall adopt rules establishing the criteria that an 4712  
employer shall meet in order for the administrator to waive the 4713  
requirement of division (B)(1)(e) of this section. Such rules may 4714  
require additional security of that employer pursuant to division 4715  
(E) of section 4123.351 of the Revised Code. 4716

The administrator shall not grant the status of self-insuring 4717  
employer to the state, except that the administrator may grant the 4718  
status of self-insuring employer to a state institution of higher 4719  
education, excluding its hospitals, that meets the requirements of 4720  
division (B)(2) of this section. 4721

(2) When considering the application of a public employer, 4722  
except for a board of county commissioners described in division 4723  
(G) of section 4123.01 of the Revised Code, a board of a county 4724  
hospital, or a publicly owned utility, the administrator shall 4725  
verify that the public employer satisfies all of the following 4726  
requirements as the requirements apply to that public employer: 4727

(a) For the two-year period preceding application under this 4728  
section, the public employer has maintained an unvoted debt 4729  
capacity equal to at least two times the amount of the current 4730

annual premium established by the administrator under this chapter 4731  
for that public employer for the year immediately preceding the 4732  
year in which the public employer makes application under this 4733  
section. 4734

(b) For each of the two fiscal years preceding application 4735  
under this section, the unreserved and undesignated year-end fund 4736  
balance in the public employer's general fund is equal to at least 4737  
five per cent of the public employer's general fund revenues for 4738  
the fiscal year computed in accordance with generally accepted 4739  
accounting principles. 4740

(c) For the five-year period preceding application under this 4741  
section, the public employer, to the extent applicable, has 4742  
complied fully with the continuing disclosure requirements 4743  
established in rules adopted by the United States securities and 4744  
exchange commission under 17 C.F.R. 240.15c 2-12. 4745

(d) For the five-year period preceding application under this 4746  
section, the public employer has not had its local government fund 4747  
distribution withheld on account of the public employer being 4748  
indebted or otherwise obligated to the state. 4749

(e) For the five-year period preceding application under this 4750  
section, the public employer has not been under a fiscal watch or 4751  
fiscal emergency pursuant to section 118.023, 118.04, or 3316.03 4752  
of the Revised Code. 4753

(f) For the public employer's fiscal year preceding 4754  
application under this section, the public employer has obtained 4755  
an annual financial audit as required under section 117.10 of the 4756  
Revised Code, which has been released by the auditor of state 4757  
within seven months after the end of the public employer's fiscal 4758  
year. 4759

(g) On the date of application, the public employer holds a 4760  
debt rating of Aa3 or higher according to Moody's investors 4761

service, inc., or a comparable rating by an independent rating 4762  
agency similar to Moody's investors service, inc. 4763

(h) The public employer agrees to generate an annual 4764  
accumulating book reserve in its financial statements reflecting 4765  
an actuarially generated reserve adequate to pay projected claims 4766  
under this chapter for the applicable period of time, as 4767  
determined by the administrator. 4768

(i) For a public employer that is a hospital, the public 4769  
employer shall submit audited financial statements showing the 4770  
hospital's overall liquidity characteristics, and the 4771  
administrator shall determine, on an individual basis, whether the 4772  
public employer satisfies liquidity standards equivalent to the 4773  
liquidity standards of other public employers. 4774

(j) Any additional criteria that the administrator adopts by 4775  
rule pursuant to division (E) of this section. 4776

The administrator shall not approve the application of a 4777  
public employer, except for a board of county commissioners 4778  
described in division (G) of section 4123.01 of the Revised Code, 4779  
a board of a county hospital, or publicly owned utility, who does 4780  
not satisfy all of the requirements listed in division (B)(2) of 4781  
this section. 4782

(C) A board of county commissioners described in division (G) 4783  
of section 4123.01 of the Revised Code, as an employer, that will 4784  
abide by the rules of the administrator and that may be of 4785  
sufficient financial ability to render certain the payment of 4786  
compensation to injured employees or the dependents of killed 4787  
employees, and the furnishing of medical, surgical, nursing, and 4788  
hospital attention and services and medicines, and funeral 4789  
expenses, equal to or greater than is provided for in sections 4790  
4123.52, 4123.55 to 4123.62, and 4123.64 to 4123.67 of the Revised 4791  
Code, and that does not desire to insure the payment thereof or 4792

indemnify itself against loss sustained by the direct payment 4793  
thereof, upon a finding of such facts by the administrator, may be 4794  
granted the privilege to pay individually compensation, and 4795  
furnish medical, surgical, nursing, and hospital services and 4796  
attention and funeral expenses directly to injured employees or 4797  
the dependents of killed employees, thereby being granted status 4798  
as a self-insuring employer. The administrator may charge a board 4799  
of county commissioners described in division (G) of section 4800  
4123.01 of the Revised Code that applies for the status as a 4801  
self-insuring employer a reasonable application fee to cover the 4802  
bureau's costs in connection with processing and making a 4803  
determination with respect to an application. All employers 4804  
granted such status shall demonstrate sufficient financial and 4805  
administrative ability to assure that all obligations under this 4806  
section are promptly met. The administrator shall deny the 4807  
privilege where the employer is unable to demonstrate the 4808  
employer's ability to promptly meet all the obligations imposed on 4809  
the employer by this section. The administrator shall consider, 4810  
but is not limited to, the following factors, where applicable, in 4811  
determining the employer's ability to meet all of the obligations 4812  
imposed on the board as an employer by this section: 4813

(1) The board as an employer employs a minimum of five 4814  
hundred employees in this state; 4815

(2) The board has operated in this state for a minimum of two 4816  
years; 4817

(3) Where the board previously contributed to the state 4818  
insurance fund or is a successor employer as defined by bureau 4819  
rules, the amount of the buyout, as defined by bureau rules; 4820

(4) The sufficiency of the board's assets located in this 4821  
state to insure the board's solvency in paying compensation 4822  
directly; 4823

(5) The financial records, documents, and data, certified by 4824  
a certified public accountant, necessary to provide the board's 4825  
full financial disclosure. The records, documents, and data 4826  
include, but are not limited to, balance sheets and profit and 4827  
loss history for the current year and previous four years. 4828

(6) The board's organizational plan for the administration of 4829  
the workers' compensation law; 4830

(7) The board's proposed plan to inform employees of the 4831  
proposed self-insurance, the procedures the board will follow as a 4832  
self-insuring employer, and the employees' rights to compensation 4833  
and benefits; 4834

(8) The board has either an account in a financial 4835  
institution in this state, or if the board maintains an account 4836  
with a financial institution outside this state, ensures that 4837  
workers' compensation checks are drawn from the same account as 4838  
payroll checks or the board clearly indicates that payment will be 4839  
honored by a financial institution in this state; 4840

(9) The board shall provide the administrator a surety bond 4841  
in an amount equal to one hundred twenty-five per cent of the 4842  
projected losses as determined by the administrator. 4843

(D) The administrator shall require a surety bond from all 4844  
self-insuring employers, issued pursuant to section 4123.351 of 4845  
the Revised Code, that is sufficient to compel, or secure to 4846  
injured employees, or to the dependents of employees killed, the 4847  
payment of compensation and expenses, which shall in no event be 4848  
less than that paid or furnished out of the state insurance fund 4849  
in similar cases to injured employees or to dependents of killed 4850  
employees whose employers contribute to the fund, except when an 4851  
employee of the employer, who has suffered the loss of a hand, 4852  
arm, foot, leg, or eye prior to the injury for which compensation 4853  
is to be paid, and thereafter suffers the loss of any other of the 4854

members as the result of any injury sustained in the course of and 4855  
arising out of the employee's employment, the compensation to be 4856  
paid by the self-insuring employer is limited to the disability 4857  
suffered in the subsequent injury, additional compensation, if 4858  
any, to be paid by the bureau out of the surplus created by 4859  
section 4123.34 of the Revised Code. 4860

(E) In addition to the requirements of this section, the 4861  
administrator shall make and publish rules governing the manner of 4862  
making application and the nature and extent of the proof required 4863  
to justify a finding of fact by the administrator as to granting 4864  
the status of a self-insuring employer, which rules shall be 4865  
general in their application, one of which rules shall provide 4866  
that all self-insuring employers shall pay into the state 4867  
insurance fund such amounts as are required to be credited to the 4868  
surplus fund in division (B) of section 4123.34 of the Revised 4869  
Code. The administrator may adopt rules establishing requirements 4870  
in addition to the requirements described in division (B)(2) of 4871  
this section that a public employer shall meet in order to qualify 4872  
for self-insuring status. 4873

Employers shall secure directly from the bureau central 4874  
offices application forms upon which the bureau shall stamp a 4875  
designating number. Prior to submission of an application, an 4876  
employer shall make available to the bureau, and the bureau shall 4877  
review, the information described in division (B)(1) of this 4878  
section, and public employers shall make available, and the bureau 4879  
shall review, the information necessary to verify whether the 4880  
public employer meets the requirements listed in division (B)(2) 4881  
of this section. An employer shall file the completed application 4882  
forms with an application fee, which shall cover the costs of 4883  
processing the application, as established by the administrator, 4884  
by rule, with the bureau at least ninety days prior to the 4885  
effective date of the employer's new status as a self-insuring 4886

employer. The application form is not deemed complete until all 4887  
the required information is attached thereto. The bureau shall 4888  
only accept applications that contain the required information. 4889

(F) The bureau shall review completed applications within a 4890  
reasonable time. If the bureau determines to grant an employer the 4891  
status as a self-insuring employer, the bureau shall issue a 4892  
statement, containing its findings of fact, that is prepared by 4893  
the bureau and signed by the administrator. If the bureau 4894  
determines not to grant the status as a self-insuring employer, 4895  
the bureau shall notify the employer of the determination and 4896  
require the employer to continue to pay its full premium into the 4897  
state insurance fund. The administrator also shall adopt rules 4898  
establishing a minimum level of performance as a criterion for 4899  
granting and maintaining the status as a self-insuring employer 4900  
and fixing time limits beyond which failure of the self-insuring 4901  
employer to provide for the necessary medical examinations and 4902  
evaluations may not delay a decision on a claim. 4903

(G) The administrator shall adopt rules setting forth 4904  
procedures for auditing the program of self-insuring employers. 4905  
The bureau shall conduct the audit upon a random basis or whenever 4906  
the bureau has grounds for believing that a self-insuring employer 4907  
is not in full compliance with bureau rules or this chapter. 4908

The administrator shall monitor the programs conducted by 4909  
self-insuring employers, to ensure compliance with bureau 4910  
requirements and for that purpose, shall develop and issue to 4911  
self-insuring employers standardized forms for use by the 4912  
self-insuring employer in all aspects of the self-insuring 4913  
employers' direct compensation program and for reporting of 4914  
information to the bureau. 4915

The bureau shall receive and transmit to the self-insuring 4916  
employer all complaints concerning any self-insuring employer. In 4917  
the case of a complaint against a self-insuring employer, the 4918

administrator shall handle the complaint through the 4919  
self-insurance division of the bureau. The bureau shall maintain a 4920  
file by employer of all complaints received that relate to the 4921  
employer. The bureau shall evaluate each complaint and take 4922  
appropriate action. 4923

The administrator shall adopt as a rule a prohibition against 4924  
any self-insuring employer from harassing, dismissing, or 4925  
otherwise disciplining any employee making a complaint, which rule 4926  
shall provide for a financial penalty to be levied by the 4927  
administrator payable by the offending self-insuring employer. 4928

(H) For the purpose of making determinations as to whether to 4929  
grant status as a self-insuring employer, the administrator may 4930  
subscribe to and pay for a credit reporting service that offers 4931  
financial and other business information about individual 4932  
employers. The costs in connection with the bureau's subscription 4933  
or individual reports from the service about an applicant may be 4934  
included in the application fee charged employers under this 4935  
section. 4936

(I) The administrator, notwithstanding other provisions of 4937  
this chapter, may permit a self-insuring employer to resume 4938  
payment of premiums to the state insurance fund with appropriate 4939  
credit modifications to the employer's basic premium rate as such 4940  
rate is determined pursuant to section 4123.29 of the Revised 4941  
Code. 4942

(J) On the first day of July of each year, the administrator 4943  
shall calculate separately each self-insuring employer's 4944  
assessments for the safety and hygiene fund, administrative costs 4945  
pursuant to section 4123.342 of the Revised Code, and for the 4946  
portion of the surplus fund under division (B) of section 4123.34 4947  
of the Revised Code that is not used for handicapped 4948  
reimbursement, on the basis of the paid compensation attributable 4949  
to the individual self-insuring employer according to the 4950

following calculation: 4951

(1) The total assessment against all self-insuring employers 4952  
as a class for each fund and for the administrative costs for the 4953  
year that the assessment is being made, as determined by the 4954  
administrator, divided by the total amount of paid compensation 4955  
for the previous calendar year attributable to all amenable 4956  
self-insuring employers; 4957

(2) Multiply the quotient in division (J)(1) of this section 4958  
by the total amount of paid compensation for the previous calendar 4959  
year that is attributable to the individual self-insuring employer 4960  
for whom the assessment is being determined. Each self-insuring 4961  
employer shall pay the assessment that results from this 4962  
calculation, unless the assessment resulting from this calculation 4963  
falls below a minimum assessment, which minimum assessment the 4964  
administrator shall determine on the first day of July of each 4965  
year with the advice and consent of the bureau of workers' 4966  
~~compensation oversight commission~~ board of directors, in which 4967  
event, the self-insuring employer shall pay the minimum 4968  
assessment. 4969

In determining the total amount due for the total assessment 4970  
against all self-insuring employers as a class for each fund and 4971  
the administrative assessment, the administrator shall reduce 4972  
proportionately the total for each fund and assessment by the 4973  
amount of money in the self-insurance assessment fund as of the 4974  
date of the computation of the assessment. 4975

The administrator shall calculate the assessment for the 4976  
portion of the surplus fund under division (B) of section 4123.34 4977  
of the Revised Code that is used for handicapped reimbursement in 4978  
the same manner as set forth in divisions (J)(1) and (2) of this 4979  
section except that the administrator shall calculate the total 4980  
assessment for this portion of the surplus fund only on the basis 4981  
of those self-insuring employers that retain participation in the 4982

handicapped reimbursement program and the individual self-insuring 4983  
employer's proportion of paid compensation shall be calculated 4984  
only for those self-insuring employers who retain participation in 4985  
the handicapped reimbursement program. The administrator, as the 4986  
administrator determines appropriate, may determine the total 4987  
assessment for the handicapped portion of the surplus fund in 4988  
accordance with sound actuarial principles. 4989

The administrator shall calculate the assessment for the 4990  
portion of the surplus fund under division (B) of section 4123.34 4991  
of the Revised Code that under division (D) of section 4121.66 of 4992  
the Revised Code is used for rehabilitation costs in the same 4993  
manner as set forth in divisions (J)(1) and (2) of this section, 4994  
except that the administrator shall calculate the total assessment 4995  
for this portion of the surplus fund only on the basis of those 4996  
self-insuring employers who have not made the election to make 4997  
payments directly under division (D) of section 4121.66 of the 4998  
Revised Code and an individual self-insuring employer's proportion 4999  
of paid compensation only for those self-insuring employers who 5000  
have not made that election. 5001

The administrator shall calculate the assessment for the 5002  
portion of the surplus fund under division (B) of section 4123.34 5003  
of the Revised Code that is used for reimbursement to a 5004  
self-insuring employer under division (H) of section 4123.512 of 5005  
the Revised Code in the same manner as set forth in divisions 5006  
(J)(1) and (2) of this section except that the administrator shall 5007  
calculate the total assessment for this portion of the surplus 5008  
fund only on the basis of those self-insuring employers that 5009  
retain participation in reimbursement to the self-insuring 5010  
employer under division (H) of section 4123.512 of the Revised 5011  
Code and the individual self-insuring employer's proportion of 5012  
paid compensation shall be calculated only for those self-insuring 5013  
employers who retain participation in reimbursement to the 5014

self-insuring employer under division (H) of section 4123.512 of 5015  
the Revised Code. 5016

An employer who no longer is a self-insuring employer in this 5017  
state or who no longer is operating in this state, shall continue 5018  
to pay assessments for administrative costs and for the portion of 5019  
the surplus fund under division (B) of section 4123.34 of the 5020  
Revised Code that is not used for handicapped reimbursement, based 5021  
upon paid compensation attributable to claims that occurred while 5022  
the employer was a self-insuring employer within this state. 5023

(K) There is hereby created in the state treasury the 5024  
self-insurance assessment fund. All investment earnings of the 5025  
fund shall be deposited in the fund. The administrator shall use 5026  
the money in the self-insurance assessment fund only for 5027  
administrative costs as specified in section 4123.341 of the 5028  
Revised Code. 5029

(L) Every self-insuring employer shall certify, in affidavit 5030  
form subject to the penalty for perjury, to the bureau the amount 5031  
of the self-insuring employer's paid compensation for the previous 5032  
calendar year. In reporting paid compensation paid for the 5033  
previous year, a self-insuring employer shall exclude from the 5034  
total amount of paid compensation any reimbursement the 5035  
self-insuring employer receives in the previous calendar year from 5036  
the surplus fund pursuant to section 4123.512 of the Revised Code 5037  
for any paid compensation. The self-insuring employer also shall 5038  
exclude from the paid compensation reported any amount recovered 5039  
under section 4123.931 of the Revised Code and any amount that is 5040  
determined not to have been payable to or on behalf of a claimant 5041  
in any final administrative or judicial proceeding. The 5042  
self-insuring employer shall exclude such amounts from the paid 5043  
compensation reported in the reporting period subsequent to the 5044  
date the determination is made. The administrator shall adopt 5045  
rules, in accordance with Chapter 119. of the Revised Code, that 5046

provide for all of the following: 5047

(1) Establishing the date by which self-insuring employers 5048  
must submit such information and the amount of the assessments 5049  
provided for in division (J) of this section for employers who 5050  
have been granted self-insuring status within the last calendar 5051  
year; 5052

(2) If an employer fails to pay the assessment when due, the 5053  
administrator may add a late fee penalty of not more than five 5054  
hundred dollars to the assessment plus an additional penalty 5055  
amount as follows: 5056

(a) For an assessment from sixty-one to ninety days past due, 5057  
the prime interest rate, multiplied by the assessment due; 5058

(b) For an assessment from ninety-one to one hundred twenty 5059  
days past due, the prime interest rate plus two per cent, 5060  
multiplied by the assessment due; 5061

(c) For an assessment from one hundred twenty-one to one 5062  
hundred fifty days past due, the prime interest rate plus four per 5063  
cent, multiplied by the assessment due; 5064

(d) For an assessment from one hundred fifty-one to one 5065  
hundred eighty days past due, the prime interest rate plus six per 5066  
cent, multiplied by the assessment due; 5067

(e) For an assessment from one hundred eighty-one to two 5068  
hundred ten days past due, the prime interest rate plus eight per 5069  
cent, multiplied by the assessment due; 5070

(f) For each additional thirty-day period or portion thereof 5071  
that an assessment remains past due after it has remained past due 5072  
for more than two hundred ten days, the prime interest rate plus 5073  
eight per cent, multiplied by the assessment due. 5074

(3) An employer may appeal a late fee penalty and penalty 5075  
assessment to the administrator. 5076

For purposes of ~~this~~ division (L)(2) 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.

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

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

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

(O) The administrator may grant a self-insuring employer the privilege to self-insure a construction project entered into by the self-insuring employer that is scheduled for completion within six years after the date the project begins, and the total cost of which is estimated to exceed one hundred million dollars or, for

employers described in division (R) of this section, if the 5109  
construction project is estimated to exceed twenty-five million 5110  
dollars. The administrator may waive such cost and time criteria 5111  
and grant a self-insuring employer the privilege to self-insure a 5112  
construction project regardless of the time needed to complete the 5113  
construction project and provided that the cost of the 5114  
construction project is estimated to exceed fifty million dollars. 5115  
A self-insuring employer who desires to self-insure a construction 5116  
project shall submit to the administrator an application listing 5117  
the dates the construction project is scheduled to begin and end, 5118  
the estimated cost of the construction project, the contractors 5119  
and subcontractors whose employees are to be self-insured by the 5120  
self-insuring employer, the provisions of a safety program that is 5121  
specifically designed for the construction project, and a 5122  
statement as to whether a collective bargaining agreement 5123  
governing the rights, duties, and obligations of each of the 5124  
parties to the agreement with respect to the construction project 5125  
exists between the self-insuring employer and a labor 5126  
organization. 5127

A self-insuring employer may apply to self-insure the 5128  
employees of either of the following: 5129

(1) All contractors and subcontractors who perform labor or 5130  
work or provide materials for the construction project; 5131

(2) All contractors and, at the administrator's discretion, a 5132  
substantial number of all the subcontractors who perform labor or 5133  
work or provide materials for the construction project. 5134

Upon approval of the application, the administrator shall 5135  
mail a certificate granting the privilege to self-insure the 5136  
construction project to the self-insuring employer. The 5137  
certificate shall contain the name of the self-insuring employer 5138  
and the name, address, and telephone number of the self-insuring 5139  
employer's representatives who are responsible for administering 5140

workers' compensation claims for the construction project. The 5141  
self-insuring employer shall post the certificate in a conspicuous 5142  
place at the site of the construction project. 5143

The administrator shall maintain a record of the contractors 5144  
and subcontractors whose employees are covered under the 5145  
certificate issued to the self-insured employer. A self-insuring 5146  
employer immediately shall notify the administrator when any 5147  
contractor or subcontractor is added or eliminated from inclusion 5148  
under the certificate. 5149

Upon approval of the application, the self-insuring employer 5150  
is responsible for the administration and payment of all claims 5151  
under this chapter and Chapter 4121. of the Revised Code for the 5152  
employees of the contractor and subcontractors covered under the 5153  
certificate who receive injuries or are killed in the course of 5154  
and arising out of employment on the construction project, or who 5155  
contract an occupational disease in the course of employment on 5156  
the construction project. For purposes of this chapter and Chapter 5157  
4121. of the Revised Code, a claim that is administered and paid 5158  
in accordance with this division is considered a claim against the 5159  
self-insuring employer listed in the certificate. A contractor or 5160  
subcontractor included under the certificate shall report to the 5161  
self-insuring employer listed in the certificate, all claims that 5162  
arise under this chapter and Chapter 4121. of the Revised Code in 5163  
connection with the construction project for which the certificate 5164  
is issued. 5165

A self-insuring employer who complies with this division is 5166  
entitled to the protections provided under this chapter and 5167  
Chapter 4121. of the Revised Code with respect to the employees of 5168  
the contractors and subcontractors covered under a certificate 5169  
issued under this division for death or injuries that arise out 5170  
of, or death, injuries, or occupational diseases that arise in the 5171  
course of, those employees' employment on that construction 5172

project, as if the employees were employees of the self-insuring 5173  
employer, provided that the self-insuring employer also complies 5174  
with this section. No employee of the contractors and 5175  
subcontractors covered under a certificate issued under this 5176  
division shall be considered the employee of the self-insuring 5177  
employer listed in that certificate for any purposes other than 5178  
this chapter and Chapter 4121. of the Revised Code. Nothing in 5179  
this division gives a self-insuring employer authority to control 5180  
the means, manner, or method of employment of the employees of the 5181  
contractors and subcontractors covered under a certificate issued 5182  
under this division. 5183

The contractors and subcontractors included under a 5184  
certificate issued under this division are entitled to the 5185  
protections provided under this chapter and Chapter 4121. of the 5186  
Revised Code with respect to the contractor's or subcontractor's 5187  
employees who are employed on the construction project which is 5188  
the subject of the certificate, for death or injuries that arise 5189  
out of, or death, injuries, or occupational diseases that arise in 5190  
the course of, those employees' employment on that construction 5191  
project. 5192

The contractors and subcontractors included under a 5193  
certificate issued under this division shall identify in their 5194  
payroll records the employees who are considered the employees of 5195  
the self-insuring employer listed in that certificate for purposes 5196  
of this chapter and Chapter 4121. of the Revised Code, and the 5197  
amount that those employees earned for employment on the 5198  
construction project that is the subject of that certificate. 5199  
Notwithstanding any provision to the contrary under this chapter 5200  
and Chapter 4121. of the Revised Code, the administrator shall 5201  
exclude the payroll that is reported for employees who are 5202  
considered the employees of the self-insuring employer listed in 5203  
that certificate, and that the employees earned for employment on 5204

the construction project that is the subject of that certificate, 5205  
when determining those contractors' or subcontractors' premiums or 5206  
assessments required under this chapter and Chapter 4121. of the 5207  
Revised Code. A self-insuring employer issued a certificate under 5208  
this division shall include in the amount of paid compensation it 5209  
reports pursuant to division (L) of this section, the amount of 5210  
paid compensation the self-insuring employer paid pursuant to this 5211  
division for the previous calendar year. 5212

Nothing in this division shall be construed as altering the 5213  
rights of employees under this chapter and Chapter 4121. of the 5214  
Revised Code as those rights existed prior to September 17, 1996. 5215  
Nothing in this division shall be construed as altering the rights 5216  
devolved under sections 2305.31 and 4123.82 of the Revised Code as 5217  
those rights existed prior to September 17, 1996. 5218

As used in this division, "privilege to self-insure a 5219  
construction project" means privilege to pay individually 5220  
compensation, and to furnish medical, surgical, nursing, and 5221  
hospital services and attention and funeral expenses directly to 5222  
injured employees or the dependents of killed employees. 5223

(P) A self-insuring employer whose application is granted 5224  
under division (O) of this section shall designate a safety 5225  
professional to be responsible for the administration and 5226  
enforcement of the safety program that is specifically designed 5227  
for the construction project that is the subject of the 5228  
application. 5229

A self-insuring employer whose application is granted under 5230  
division (O) of this section shall employ an ombudsperson for the 5231  
construction project that is the subject of the application. The 5232  
ombudsperson shall have experience in workers' compensation or the 5233  
construction industry, or both. The ombudsperson shall perform all 5234  
of the following duties: 5235

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

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

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

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

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

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

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

(3) Whether granting the privilege to self-insure the construction project will reduce the costs of the construction project;	5267 5268 5269
(4) Whether the self-insuring employer has employed an ombudsperson as required under division (P) of this section;	5270 5271
(5) Whether the self-insuring employer has sufficient surety to secure the payment of claims for which the self-insuring employer would be responsible pursuant to the granting of the privilege to self-insure a construction project under division (O) of this section.	5272 5273 5274 5275 5276
(R) As used in divisions (O), (P), and (Q), "self-insuring employer" includes the following employers, whether or not they have been granted the status of being a self-insuring employer under division (B) of this section:	5277 5278 5279 5280
(1) A state institution of higher education;	5281
(2) A school district;	5282
(3) A county school financing district;	5283
(4) An educational service center;	5284
(5) A community school established under Chapter 3314. of the Revised Code.	5285 5286
(S) As used in this section:	5287
(1) "Unvoted debt capacity" means the amount of money that a public employer may borrow without voter approval of a tax levy;	5288 5289
(2) "State institution of higher education" means the state universities listed in section 3345.011 of the Revised Code, community colleges created pursuant to Chapter 3354. of the Revised Code, university branches created pursuant to Chapter 3355. of the Revised Code, technical colleges created pursuant to Chapter 3357. of the Revised Code, and state community colleges created pursuant to Chapter 3358. of the Revised Code.	5290 5291 5292 5293 5294 5295 5296

Sec. 4123.351. (A) The administrator of workers' compensation 5297  
shall require every self-insuring employer to pay a contribution, 5298  
calculated under this section, to the self-insuring employers' 5299  
guaranty fund established pursuant to this section. The fund shall 5300  
provide for payment of compensation and benefits to employees of 5301  
the self-insuring employer in order to cover any default in 5302  
payment by that employer. 5303

(B) The bureau of workers' compensation shall operate the 5304  
self-insuring employers' guaranty fund for self-insuring 5305  
employers. The administrator annually shall establish the 5306  
contributions due from self-insuring employers for the fund at 5307  
rates as low as possible but such as will assure sufficient moneys 5308  
to guarantee the payment of any claims against the fund. The 5309  
bureau's operation of the fund is not subject to sections 3929.10 5310  
to 3929.18 of the Revised Code or to regulation by the 5311  
superintendent of insurance. 5312

(C) If a self-insuring employer defaults, the bureau shall 5313  
recover the amounts paid as a result of the default from the 5314  
self-insuring employers' guaranty fund. If a self-insuring 5315  
employer defaults and is in compliance with this section for the 5316  
payment of contributions to the fund, such self-insuring employer 5317  
is entitled to the immunity conferred by section 4123.74 of the 5318  
Revised Code for any claim arising during any period the employer 5319  
is in compliance with this section. 5320

(D)(1) There is hereby established a self-insuring employers' 5321  
guaranty fund, which shall be in the custody of the treasurer of 5322  
state and which shall be separate from the other funds established 5323  
and administered pursuant to this chapter. The fund shall consist 5324  
of contributions and other payments made by self-insuring 5325  
employers under this section. All investment earnings of the fund 5326  
shall be credited to the fund. The bureau shall make disbursements 5327

from the fund pursuant to this section. 5328

(2) The administrator ~~of workers' compensation~~ has the same 5329  
powers to invest any of the surplus or reserve belonging to the 5330  
fund as are delegated to ~~him~~ the administrator under section 5331  
4123.44 of the Revised Code with respect to the state insurance 5332  
fund. The administrator shall apply interest earned solely to the 5333  
reduction of assessments for contributions from self-insuring 5334  
employers and to the payments required due to defaults. 5335

(3) If the ~~administrator~~ bureau of workers' compensation 5336  
board of directors determines that reinsurance of the risks of the 5337  
fund is necessary to assure solvency of the fund, ~~he~~ the board 5338  
may: 5339

(a) Enter into contracts for the purchase of reinsurance 5340  
coverage of the risks of the fund with any company or agency 5341  
authorized by law to issue contracts of reinsurance; 5342

(b) ~~Pay~~ Require the administrator to pay the cost of 5343  
reinsurance from the fund; 5344

(c) Include the costs of reinsurance as a liability and 5345  
estimated liability of the fund. 5346

(E) The administrator, with the advice and consent of the 5347  
~~workers' compensation oversight commission~~ board, may adopt rules 5348  
pursuant to Chapter 119. of the Revised Code for the 5349  
implementation of this section, including a rule, notwithstanding 5350  
division (C) of this section, requiring self-insuring employers to 5351  
provide security in addition to the contribution to the 5352  
self-insuring employers' guaranty fund required by this section. 5353  
The additional security required by the rule, as the administrator 5354  
determines appropriate, shall be sufficient and adequate to 5355  
provide for financial assurance to meet the obligations of 5356  
self-insuring employers under this chapter and Chapter 4121. of 5357  
the Revised Code. 5358

(F) The purchase of coverage under this section by 5359  
self-insuring employers is valid notwithstanding the prohibitions 5360  
contained in division (A) of section 4123.82 of the Revised Code 5361  
and is in addition to the indemnity contracts that self-insuring 5362  
employers may purchase pursuant to division (B) of section 4123.82 5363  
of the Revised Code. 5364

(G) The administrator, on behalf of the self-insuring 5365  
employers' guaranty fund, has the rights of reimbursement and 5366  
subrogation and shall collect from a defaulting self-insuring 5367  
employer or other liable person all amounts ~~he~~ the administrator 5368  
has paid or reasonably expects to pay from the fund on account of 5369  
the defaulting self-insuring employer. 5370

(H) The assessments for contributions, the administration of 5371  
the self-insuring employers' guaranty fund, the investment of the 5372  
money in the fund, and the payment of liabilities incurred by the 5373  
fund do not create any liability upon the state. 5374

Except for a gross abuse of discretion, neither the ~~oversight~~ 5375  
~~commission board~~, nor the individual members thereof, nor the 5376  
administrator shall incur any obligation or liability respecting 5377  
the assessments for contributions, the administration of the 5378  
self-insuring employers' guaranty fund, the investment of the 5379  
fund, or the payment of liabilities therefrom. 5380

**Sec. 4123.37.** In this section "amenable employer" ~~means an~~ 5381  
~~employer subject to~~ has the same meaning as "employer" as defined 5382  
in division ~~(B)(2)(O)~~ of section ~~4123.01~~ 4123.32 of the Revised 5383  
Code. 5384

If the administrator of workers' compensation finds that any 5385  
person, firm, or private corporation, including any public service 5386  
corporation, is, or has been at any time after January 1, 1923, an 5387  
amenable employer and has not complied with section 4123.35 of the 5388  
Revised Code the administrator shall determine the period during 5389

which the person, firm, or corporation was an amenable employer 5390  
and shall forthwith give notice of the determination to the 5391  
employer. Within twenty days thereafter the employer shall furnish 5392  
the bureau with the payroll covering the period included in the 5393  
determination and, if the employer is an amenable employer at the 5394  
time of the determination, shall pay a premium security deposit 5395  
for the eight months next succeeding the date of the determination 5396  
and shall pay into the state insurance fund the amount of premium 5397  
applicable to such payroll. 5398

If the employer does not furnish the payroll and pay the 5399  
applicable premium and premium security deposit within the twenty 5400  
days, the administrator shall forthwith make an assessment of the 5401  
premium due from the employer for the period the administrator 5402  
determined the employer to be an amenable employer including the 5403  
premium security deposit according to section 4123.32 of the 5404  
Revised Code if the employer is an amenable employer at the time 5405  
of the determination, basing the assessment upon the information 5406  
in the possession of the administrator. 5407

The administrator shall give to the employer assessed written 5408  
notice of the assessment. The notice shall be mailed to the 5409  
employer at ~~his~~ the employer's residence or usual place of 5410  
business by certified mail. Unless the employer to whom the notice 5411  
of assessment is directed files with the bureau within twenty days 5412  
after receipt thereof, a petition in writing, verified under oath 5413  
by the employer, or ~~his~~ the employer's authorized agent having 5414  
knowledge of the facts, setting forth with particularity the items 5415  
of the assessment objected to, together with the reason for the 5416  
objections, the assessment shall become conclusive and the amount 5417  
thereof shall be due and payable from the employer so assessed to 5418  
the state insurance fund. When a petition objecting to an 5419  
assessment is filed the bureau shall assign a time and place for 5420  
the hearing of the same and shall notify the petitioner thereof by 5421

certified mail. When an employer files a petition the assessment 5422  
made by the administrator shall become due and payable ten days 5423  
after notice of the finding made at the hearing has been sent by 5424  
certified mail to the party assessed. An appeal may be taken from 5425  
any finding to the court of common pleas of Franklin county upon 5426  
the execution by the party assessed of a bond to the state in 5427  
double the amount found due and ordered paid by the bureau 5428  
conditioned that the party will pay any judgment and costs 5429  
rendered against it for the premium. 5430

When no petition objecting to an assessment is filed or when 5431  
a finding is made affirming or modifying an assessment after 5432  
hearing, a certified copy of the assessment as affirmed or 5433  
modified may be filed by the administrator in the office of the 5434  
clerk of the court of common pleas in any county in which the 5435  
employer has property or in which the employer has a place of 5436  
business. The clerk, immediately upon the filing of the 5437  
assessment, shall enter a judgment for the state against the 5438  
employer in the amount shown on the assessment. The judgment may 5439  
be filed by the clerk in a loose leaf book entitled "special 5440  
judgments for state insurance fund." The judgment shall bear the 5441  
same rate of interest, have the same effect as other judgments, 5442  
and be given the same preference allowed by law on other judgments 5443  
rendered for claims for taxes. An assessment or judgment under 5444  
this section shall not be a bar to the adjustment of the 5445  
employer's account upon the employer furnishing ~~his~~ the employer's 5446  
payroll records to the bureau. 5447

The administrator, for good cause shown, may waive a default 5448  
in the payment of premium where the default is of less than sixty 5449  
days' duration, and upon payment by the employer of the premium 5450  
for the period, ~~he~~ the employer and ~~his~~ the employer's employees 5451  
are entitled to all of the benefits and immunities provided by 5452  
this chapter. 5453

Sec. 4123.411. (A) For the purpose of carrying out sections 5454  
4123.412 to 4123.418 of the Revised Code, the administrator of 5455  
workers' compensation, with the advice and consent of the bureau 5456  
of workers' compensation oversight commission board of directors, 5457  
shall levy an assessment against all employers at a rate, of at 5458  
least five but not to exceed ten cents per one hundred dollars of 5459  
payroll, such rate to be determined annually for each employer 5460  
group listed in divisions (A)(1) to (3) of this section, which 5461  
will produce an amount no greater than the amount the 5462  
administrator estimates to be necessary to carry out such sections 5463  
for the period for which the assessment is levied. In the event 5464  
the amount produced by the assessment is not sufficient to carry 5465  
out such sections the additional amount necessary shall be 5466  
provided from the income produced as a result of investments made 5467  
pursuant to section 4123.44 of the Revised Code. 5468

Assessments shall be levied according to the following 5469  
schedule: 5470

(1) Private fund employers, except self-insuring 5471  
employers--in January and July of each year upon gross payrolls of 5472  
the preceding six months; 5473

(2) Counties and taxing district employers therein, except 5474  
county hospitals that are self-insuring employers--in January of 5475  
each year upon gross payrolls of the preceding twelve months; 5476

(3) The state as an employer--in January, April, July, and 5477  
October of each year upon gross payrolls of the preceding three 5478  
months. 5479

Amounts assessed in accordance with this section shall be 5480  
collected from each employer as prescribed in rules the 5481  
administrator adopts. 5482

The moneys derived from the assessment provided for in this 5483

section shall be credited to the disabled workers' relief fund 5484  
created by section 4123.412 of the Revised Code. The administrator 5485  
shall establish by rule classifications of employers within 5486  
divisions (A)(1) to (3) of this section and shall determine rates 5487  
for each class so as to fairly apportion the costs of carrying out 5488  
sections 4123.412 to 4123.418 of the Revised Code. 5489

(B) For all injuries and disabilities occurring on or after 5490  
January 1, 1987, the administrator, for the purposes of carrying 5491  
out sections 4123.412 to 4123.418 of the Revised Code, shall levy 5492  
an assessment against all employers at a rate per one hundred 5493  
dollars of payroll, such rate to be determined annually for each 5494  
classification of employer in each employer group listed in 5495  
divisions (A)(1) to (3) of this section, which will produce an 5496  
amount no greater than the amount the administrator estimates to 5497  
be necessary to carry out such sections for the period for which 5498  
the assessment is levied. The administrator annually shall 5499  
establish the contributions due from employers for the disabled 5500  
workers' relief fund at rates as low as possible but that will 5501  
assure sufficient moneys to guarantee the payment of any claims 5502  
against that fund. 5503

Amounts assessed in accordance with this division shall be 5504  
billed at the same time premiums are billed and credited to the 5505  
disabled workers' relief fund created by section 4123.412 of the 5506  
Revised Code. The administrator shall determine the rates for each 5507  
class in the same manner as ~~he~~ the administrator fixes the rates 5508  
for premiums pursuant to section 4123.29 of the Revised Code. 5509

(C) For a self-insuring employer, the bureau of workers' 5510  
compensation shall pay to employees who are participants 5511  
regardless of the date of injury, any amounts due to the 5512  
participants under section 4123.414 of the Revised Code and shall 5513  
bill the self-insuring employer, semiannually, for all amounts 5514  
paid to a participant. 5515

Sec. 4123.44. The ~~voting~~ members of the bureau of workers' 5516  
~~compensation oversight commission~~ board of directors, the 5517  
administrator of workers' compensation, and the bureau of workers' 5518  
compensation chief investment officer are the trustees of the 5519  
state insurance fund. The administrator ~~of workers' compensation~~, 5520  
in accordance with sections 4121.126 and 4121.127 of the Revised 5521  
Code and the investment ~~objectives, policies, and criteria~~ 5522  
~~established~~ policy approved by the ~~workers' compensation oversight~~ 5523  
~~commission~~ board pursuant to section 4121.12 of the Revised Code, 5524  
and in consultation with the bureau of workers' compensation chief 5525  
investment officer, may invest any of the surplus or reserve 5526  
belonging to the state insurance fund. The administrator and the 5527  
bureau of workers' compensation chief investment officer shall not 5528  
deviate from the investment policy approved by the board without 5529  
the approval of the workers' compensation investment committee and 5530  
the board. 5531

The administrator shall not invest in any type of investment 5532  
specified in divisions ~~(G)(6)(a)(B)(1)~~ to ~~(j)(10)~~ of section 5533  
~~4121.12~~ 4123.442 of the Revised Code. 5534

The administrator and other fiduciaries shall discharge their 5535  
duties with respect to the funds with the care, skill, prudence, 5536  
and diligence under the circumstances then prevailing that a 5537  
prudent person acting in a like capacity and familiar with such 5538  
matters would use in the conduct of an enterprise of a like 5539  
character and with like aims, and by diversifying the investments 5540  
of the assets of the funds so as to minimize the risk of large 5541  
losses, unless under the circumstances it is clearly prudent not 5542  
to do so. 5543

To facilitate investment of the funds, the administrator may 5544  
establish a partnership, trust, limited liability company, 5545  
corporation, including a corporation exempt from taxation under 5546

the Internal Revenue Code, 100 Stat. 2085, 26 U.S.C. 1, as 5547  
amended, or any other legal entity authorized to transact business 5548  
in this state. 5549

When reporting on the performance of investments, the 5550  
administrator shall comply with the performance presentation 5551  
standards established by the association for investment management 5552  
and research. 5553

All investments shall be purchased at current market prices 5554  
and the evidences of title to the investments shall be placed in 5555  
the custody of the treasurer of state, who is hereby designated as 5556  
custodian, or in the custody of the treasurer of state's 5557  
authorized agent. Evidences of title of the investments so 5558  
purchased may be deposited by the treasurer of state for 5559  
safekeeping with an authorized agent selected by the treasurer of 5560  
state who is a qualified trustee under section 135.18 of the 5561  
Revised Code. The treasurer of state or the agent shall collect 5562  
the principal, dividends, distributions, and interest as they 5563  
become due and payable and place them when collected into the 5564  
state insurance fund. 5565

The treasurer of state shall pay for investments purchased by 5566  
the administrator on receipt of written or electronic instructions 5567  
from the administrator or the administrator's designated agent 5568  
authorizing the purchase, and pending receipt of the evidence of 5569  
title of the investment by the treasurer of state or the treasurer 5570  
of state's authorized agent. The administrator may sell 5571  
investments held by the administrator, and the treasurer of state 5572  
or the treasurer of state's authorized agent shall accept payment 5573  
from the purchaser and deliver evidence of title of the investment 5574  
to the purchaser, on receipt of written or electronic instructions 5575  
from the administrator or the administrator's designated agent 5576  
authorizing the sale, and pending receipt of the moneys for the 5577  
investments. The amount received shall be placed in the state 5578

insurance fund. The administrator and the treasurer of state may 5579  
enter into agreements to establish procedures for the purchase and 5580  
sale of investments under this division and the custody of the 5581  
investments. 5582

No purchase or sale of any investment shall be made under 5583  
this section, except as authorized by the administrator. 5584

Any statement of financial position distributed by the 5585  
administrator shall include the fair value, as of the statement 5586  
date, of all investments held by the administrator under this 5587  
section. 5588

When in the judgment of the administrator it is necessary to 5589  
provide available funds for the payment of compensation or 5590  
benefits under this chapter, the administrator may borrow money 5591  
from any available source and pledge as security a sufficient 5592  
amount of bonds or other securities in which the state insurance 5593  
fund is invested. The aggregate unpaid amount of loans existing at 5594  
any one time for money so borrowed shall not exceed ten million 5595  
dollars. The bonds or other securities so pledged as security for 5596  
such loans to the administrator shall be the sole security for the 5597  
payment of the principal and interest of any such loan. The 5598  
administrator shall not be personally liable for the payment of 5599  
the principal or the interest of any such loan. No such loan shall 5600  
be made for a longer period of time than one year. Such loans may 5601  
be renewed but no one renewal shall be for a period in excess of 5602  
one year. Such loans shall bear such rate of interest as the 5603  
administrator determines and in negotiating the loans, the 5604  
administrator shall endeavor to secure as favorable interest rates 5605  
and terms as circumstances will permit. 5606

The treasurer of state may deliver to the person or 5607  
governmental agency making such loan, the bonds or other 5608  
securities which are to be pledged by the administrator as 5609  
security for such loan, upon receipt by the treasurer of state of 5610

an order of the administrator authorizing such loan. Upon payment 5611  
of any such loan by the administrator, the bonds or other 5612  
securities pledged as security therefor shall be returned to the 5613  
treasurer of state as custodian of such bonds. 5614

The administrator may pledge with the treasurer of state such 5615  
amount of bonds or other securities in which the state insurance 5616  
fund is invested as is reasonably necessary as security for any 5617  
certificates issued, or paid out, by the treasurer of state upon 5618  
any warrants drawn by the administrator. 5619

The administrator may secure investment information services, 5620  
consulting services, and other like services to facilitate 5621  
investment of the surplus and reserve belonging to the state 5622  
insurance fund. The administrator shall pay the expense of 5623  
securing such services from the state insurance fund. 5624

**Sec. 4123.441.** (A) The ~~bureau administrator~~ of workers' 5625  
compensation, with the advice and consent of the bureau of 5626  
workers' compensation ~~oversight commission~~ board of directors 5627  
shall employ a person or designate an employee of the bureau of 5628  
workers' compensation who is designated as a chartered financial 5629  
analyst by the CFA institute and who is licensed by the division 5630  
of securities in the department of commerce as a bureau of 5631  
workers' compensation chief investment officer to be the chief 5632  
investment officer for the bureau of workers' compensation. After 5633  
ninety days after ~~the effective date of this section~~ September 29, 5634  
2005, the bureau of workers' compensation may not employ a bureau 5635  
of workers' compensation chief investment officer, as defined in 5636  
section 1707.01 of the Revised Code, who does not hold a valid 5637  
bureau of workers' compensation chief investment officer license 5638  
issued by the division of securities in the department of 5639  
commerce. The ~~oversight commission~~ board shall notify the division 5640  
of securities of the department of commerce in writing of its 5641

designation and of any change in its designation within ten 5642  
calendar days after the designation or change. 5643

(B) The bureau of workers' compensation chief investment 5644  
officer shall reasonably supervise employees of the bureau who 5645  
handle investment of assets of funds specified in this chapter and 5646  
Chapters 4121., 4127., and 4131. of the Revised Code with a view 5647  
toward preventing violations of Chapter 1707. of the Revised Code, 5648  
the "Commodity Exchange Act," 42 Stat. 998, 7 U.S.C. 1, the 5649  
"Securities Act of 1933," 48 Stat. 74, 15 U.S.C. 77a, the 5650  
"Securities Exchange Act of 1934," 48 Stat. 881, 15 U.S.C. 78a, 5651  
and the rules and regulations adopted under those statutes. This 5652  
duty of reasonable supervision shall include the adoption, 5653  
implementation, and enforcement of written policies and procedures 5654  
reasonably designed to prevent employees of the bureau who handle 5655  
investment of assets of the funds specified in this chapter and 5656  
Chapters 4121., 4127., and 4131. of the Revised Code, from 5657  
misusing material, nonpublic information in violation of those 5658  
laws, rules, and regulations. 5659

For purposes of this division, no bureau of workers' 5660  
compensation chief investment officer shall be considered to have 5661  
failed to satisfy the officer's duty of reasonable supervision if 5662  
the officer has done all of the following: 5663

(1) Adopted and implemented written procedures, and a system 5664  
for applying the procedures, that would reasonably be expected to 5665  
prevent and detect, insofar as practicable, any violation by 5666  
employees handling investments of assets of the funds specified in 5667  
this chapter and Chapters 4121., 4127., and 4131. of the Revised 5668  
Code; 5669

(2) Reasonably discharged the duties and obligations 5670  
incumbent on the bureau of workers' compensation chief investment 5671  
officer by reason of the established procedures and the system for 5672  
applying the procedures when the officer had no reasonable cause 5673

to believe that there was a failure to comply with the procedures and systems; 5674  
5675

(3) Reviewed, at least annually, the adequacy of the policies and procedures established pursuant to this section and the effectiveness of their implementation. 5676  
5677  
5678

(C) The bureau of workers' compensation chief investment officer shall establish and maintain a policy to monitor and evaluate the effectiveness of securities transactions executed on behalf of the bureau. 5679  
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5681  
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Sec. 4123.442. When developing the investment policy for the investment of the assets of the funds specified in this chapter and Chapters 4121., 4127., and 4131. of the Revised Code, the workers' compensation investment committee shall do all of the following: 5683  
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5685  
5686  
5687

(A) Specify the asset allocation targets and ranges, risk factors, asset class benchmarks, time horizons, total return objectives, and performance evaluation guidelines; 5688  
5689  
5690

(B) Prohibit investing the assets of those funds, directly or indirectly, in vehicles that target any of the following: 5691  
5692

(1) Coins; 5693

(2) Artwork; 5694

(3) Horses; 5695

(4) Jewelry or gems; 5696

(5) Stamps; 5697

(6) Antiques; 5698

(7) Artifacts; 5699

(8) Collectibles; 5700

(9) Memorabilia; 5701

(10) Similar unregulated investments that are not commonly 5702  
part of an institutional portfolio, that lack liquidity, and that 5703  
lack readily determinable valuation. 5704

(C) Specify that the administrator of workers' compensation 5705  
may invest in an investment class only if the bureau of workers' 5706  
compensation board of directors, by a majority vote, opens that 5707  
class; 5708

(D) Prohibit investing the assets of those funds in any class 5709  
of investments the board, by majority vote, closed, or any 5710  
specific investment in which the board prohibits the administrator 5711  
from investing; 5712

(E) Not specify in the investment policy that the 5713  
administrator or employees of the bureau of workers' compensation 5714  
are prohibited from conducting business with an investment 5715  
management firm, any investment management professional associated 5716  
with that firm, any third party solicitor associated with that 5717  
firm, or any political action committee controlled by that firm or 5718  
controlled by an investment management professional of that firm 5719  
based on criteria that are more restrictive than the restrictions 5720  
described in divisions (Y) and (Z) of section 3517.13 of the 5721  
Revised Code. 5722

**Sec. 4123.47.** (A) The administrator of workers' compensation 5723  
shall have actuarial audits of the state insurance fund and all 5724  
other funds specified in this chapter and Chapters 4121., 4127., 5725  
and 4131. of the Revised Code made at least once each year. The 5726  
audits shall be made and certified by recognized insurance 5727  
actuaries who shall be selected ~~as the administrator determines by~~ 5728  
the bureau of workers' compensation board of directors. The audits 5729  
shall cover the premium rates, classifications, and all other 5730  
matters involving the administration of the state insurance fund 5731  
and all other funds specified in this chapter and Chapters 4121., 5732

4127., and 4131. of the Revised Code. The expense of the audits 5733  
shall be paid from the state insurance fund. The administrator 5734  
shall make copies of the audits available to the workers' 5735  
compensation audit committee at no charge and to the public at 5736  
cost. 5737

(B) The auditor of state annually shall conduct an audit of 5738  
the administration of this chapter by the industrial commission 5739  
and the bureau of workers' compensation and the safety and hygiene 5740  
fund. The cost of the audit shall be charged to the administrative 5741  
costs of the bureau as defined in section 4123.341 of the Revised 5742  
Code. The audit shall include audits of all fiscal activities, 5743  
claims processing and handling, and employer premium collections. 5744  
The auditor shall prepare a report of the audit together with 5745  
recommendations and transmit copies of the report to the 5746  
industrial commission, ~~the workers' compensation oversight~~ 5747  
~~commission~~ board, the administrator, the governor, and to the 5748  
general assembly. The auditor shall make copies of the report 5749  
available to the public at cost. 5750

(C) The administrator may retain the services of a recognized 5751  
actuary on a consulting basis for the purpose of evaluating the 5752  
actuarial soundness of premium rates and classifications and all 5753  
other matters involving the administration of the state insurance 5754  
fund. The expense of services provided by the actuary shall be 5755  
paid from the state insurance fund. 5756

**Sec. 4123.50.** (A) Each member of a firm, and the president, 5757  
secretary, general manager, or managing agent of each private 5758  
corporation, including any public service corporation mentioned in 5759  
section 4123.01 of the Revised Code or publicly owned utility, 5760  
shall cause the firm or corporation to comply with section 4123.35 5761  
of the Revised Code and, for self-insuring employers, to comply 5762  
with the assessment based upon paid compensation provisions of 5763

this chapter and Chapter 4121. of the Revised Code. No person 5764  
mentioned in section 4123.01 of the Revised Code and no member of 5765  
the firms and no officer of the corporations or publicly owned 5766  
utilities referred to in this section shall fail to comply with 5767  
section 4123.35 of the Revised Code and, for self-insuring 5768  
employers, to comply with the assessment based upon paid 5769  
compensation provisions of this chapter and Chapter 4121. of the 5770  
Revised Code. All fines collected for a violation of this section 5771  
shall be paid to the general fund of the political subdivision 5772  
where the case is prosecuted. 5773

(B) The administrator of workers' compensation, with the 5774  
advice and consent of the bureau of workers' compensation 5775  
~~oversight commission~~ board of directors, shall adopt rules 5776  
governing treatment of employers found in violation of division 5777  
(A) of this section. The rules shall cover enforcement and 5778  
prosecution procedures and methods and grounds for settlement of 5779  
liability of a noncomplying employer. 5780

**Sec. 4123.511.** (A) Within seven days after receipt of any 5781  
claim under this chapter, the bureau of workers' compensation 5782  
shall notify the claimant and the employer of the claimant of the 5783  
receipt of the claim and of the facts alleged therein. If the 5784  
bureau receives from a person other than the claimant written or 5785  
facsimile information or information communicated verbally over 5786  
the telephone indicating that an injury or occupational disease 5787  
has occurred or been contracted which may be compensable under 5788  
this chapter, the bureau shall notify the employee and the 5789  
employer of the information. If the information is provided 5790  
verbally over the telephone, the person providing the information 5791  
shall provide written verification of the information to the 5792  
bureau according to division (E) of section 4123.84 of the Revised 5793  
Code. The receipt of the information in writing or facsimile, or 5794  
if initially by telephone, the subsequent written verification, 5795

and the notice by the bureau shall be considered an application 5796  
for compensation under section 4123.84 or 4123.85 of the Revised 5797  
Code, provided that the conditions of division (E) of section 5798  
4123.84 of the Revised Code apply to information provided verbally 5799  
over the telephone. Upon receipt of a claim, the bureau shall 5800  
advise the claimant of the claim number assigned and the 5801  
claimant's right to representation in the processing of a claim or 5802  
to elect no representation. If the bureau determines that a claim 5803  
is determined to be a compensable lost-time claim, the bureau 5804  
shall notify the claimant and the employer of the availability of 5805  
rehabilitation services. No bureau or industrial commission 5806  
employee shall directly or indirectly convey any information in 5807  
derogation of this right. This section shall in no way abrogate 5808  
the bureau's responsibility to aid and assist a claimant in the 5809  
filing of a claim and to advise the claimant of the claimant's 5810  
rights under the law. 5811

The administrator of workers' compensation shall assign all 5812  
claims and investigations to the bureau service office from which 5813  
investigation and determination may be made most expeditiously. 5814

The bureau shall investigate the facts concerning an injury 5815  
or occupational disease and ascertain such facts in whatever 5816  
manner is most appropriate and may obtain statements of the 5817  
employee, employer, attending physician, and witnesses in whatever 5818  
manner is most appropriate. 5819

The administrator ~~of workers' compensation~~, with the advice 5820  
and consent of the bureau of workers' compensation oversight 5821  
~~commission~~ board of directors, may adopt rules that identify 5822  
specified medical conditions that have a historical record of 5823  
being allowed whenever included in a claim. The administrator may 5824  
grant immediate allowance of any medical condition identified in 5825  
those rules upon the filing of a claim involving that medical 5826  
condition and may make immediate payment of medical bills for any 5827

medical condition identified in those rules that is included in a 5828  
claim. If an employer contests the allowance of a claim involving 5829  
any medical condition identified in those rules, and the claim is 5830  
disallowed, payment for the medical condition included in that 5831  
claim shall be charged to and paid from the surplus fund created 5832  
under section 4123.34 of the Revised Code. 5833

(B)(1) Except as provided in division (B)(2) of this section, 5834  
in claims other than those in which the employer is a 5835  
self-insuring employer, if the administrator determines under 5836  
division (A) of this section that a claimant is or is not entitled 5837  
to an award of compensation or benefits, the administrator shall 5838  
issue an order no later than twenty-eight days after the sending 5839  
of the notice under division (A) of this section, granting or 5840  
denying the payment of the compensation or benefits, or both as is 5841  
appropriate to the claimant. Notwithstanding the time limitation 5842  
specified in this division for the issuance of an order, if a 5843  
medical examination of the claimant is required by statute, the 5844  
administrator promptly shall schedule the claimant for that 5845  
examination and shall issue an order no later than twenty-eight 5846  
days after receipt of the report of the examination. The 5847  
administrator shall notify the claimant and the employer of the 5848  
claimant and their respective representatives in writing of the 5849  
nature of the order and the amounts of compensation and benefit 5850  
payments involved. The employer or claimant may appeal the order 5851  
pursuant to division (C) of this section within fourteen days 5852  
after the date of the receipt of the order. The employer and 5853  
claimant may waive, in writing, their rights to an appeal under 5854  
this division. 5855

(2) Notwithstanding the time limitation specified in division 5856  
(B)(1) of this section for the issuance of an order, if the 5857  
employer certifies a claim for payment of compensation or 5858  
benefits, or both, to a claimant, and the administrator has 5859

completed the investigation of the claim, the payment of benefits 5860  
or compensation, or both, as is appropriate, shall commence upon 5861  
the later of the date of the certification or completion of the 5862  
investigation and issuance of the order by the administrator, 5863  
provided that the administrator shall issue the order no later 5864  
than the time limitation specified in division (B)(1) of this 5865  
section. 5866

(3) If an appeal is made under division (B)(1) or (2) of this 5867  
section, the administrator shall forward the claim file to the 5868  
appropriate district hearing officer within seven days of the 5869  
appeal. In contested claims other than state fund claims, the 5870  
administrator shall forward the claim within seven days of the 5871  
administrator's receipt of the claim to the industrial commission, 5872  
which shall refer the claim to an appropriate district hearing 5873  
officer for a hearing in accordance with division (C) of this 5874  
section. 5875

(C) If an employer or claimant timely appeals the order of 5876  
the administrator issued under division (B) of this section or in 5877  
the case of other contested claims other than state fund claims, 5878  
the commission shall refer the claim to an appropriate district 5879  
hearing officer according to rules the commission adopts under 5880  
section 4121.36 of the Revised Code. The district hearing officer 5881  
shall notify the parties and their respective representatives of 5882  
the time and place of the hearing. 5883

The district hearing officer shall hold a hearing on a 5884  
disputed issue or claim within forty-five days after the filing of 5885  
the appeal under this division and issue a decision within seven 5886  
days after holding the hearing. The district hearing officer shall 5887  
notify the parties and their respective representatives in writing 5888  
of the order. Any party may appeal an order issued under this 5889  
division pursuant to division (D) of this section within fourteen 5890  
days after receipt of the order under this division. 5891

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

(E) Upon the filing of a timely appeal of the order of the staff hearing officer issued under division (D) of this section, the commission or a designated staff hearing officer, on behalf of the commission, shall determine whether the commission will hear the appeal. If the commission or the designated staff hearing officer decides to hear the appeal, the commission or the designated staff hearing officer shall notify the parties and their respective representatives in writing of the time and place of the hearing. The commission shall hold the hearing within forty-five days after the filing of the notice of appeal and, within seven days after the conclusion of the hearing, the commission shall issue its order affirming, modifying, or reversing the order issued under division (D) of this section. The commission shall notify the parties and their respective representatives in writing of the order. If the commission or the designated staff hearing officer determines not to hear the appeal, within fourteen days after the filing of the notice of appeal, the commission or the designated staff hearing officer shall issue an order to that effect and notify the parties and their respective representatives in writing of that order.

Except as otherwise provided in this chapter and Chapters 5925  
4121., 4127., and 4131. of the Revised Code, any party may appeal 5926  
an order issued under this division to the court pursuant to 5927  
section 4123.512 of the Revised Code within sixty days after 5928  
receipt of the order, subject to the limitations contained in that 5929  
section. 5930

(F) Every notice of an appeal from an order issued under 5931  
divisions (B), (C), (D), and (E) of this section shall state the 5932  
names of the claimant and employer, the number of the claim, the 5933  
date of the decision appealed from, and the fact that the 5934  
appellant appeals therefrom. 5935

(G) All of the following apply to the proceedings under 5936  
divisions (C), (D), and (E) of this section: 5937

(1) The parties shall proceed promptly and without 5938  
continuances except for good cause; 5939

(2) The parties, in good faith, shall engage in the free 5940  
exchange of information relevant to the claim prior to the conduct 5941  
of a hearing according to the rules the commission adopts under 5942  
section 4121.36 of the Revised Code; 5943

(3) The administrator is a party and may appear and 5944  
participate at all administrative proceedings on behalf of the 5945  
state insurance fund. However, in cases in which the employer is 5946  
represented, the administrator shall neither present arguments nor 5947  
introduce testimony that is cumulative to that presented or 5948  
introduced by the employer or the employer's representative. The 5949  
administrator may file an appeal under this section on behalf of 5950  
the state insurance fund; however, except in cases arising under 5951  
section 4123.343 of the Revised Code, the administrator only may 5952  
appeal questions of law or issues of fraud when the employer 5953  
appears in person or by representative. 5954

(H) Except as provided in section 4121.63 of the Revised Code 5955

and division ~~(J)~~(K) of this section, payments of compensation to a claimant or on behalf of a claimant as a result of any order issued under this chapter shall commence upon the earlier of the following:

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

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

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

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

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

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

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

(J) The administrator shall charge the compensation payments made in accordance with division (H) of this section or medical benefits payments made in accordance with division (I) of this section to an employer's experience immediately after the employer has exhausted the employer's administrative appeals as provided in this section or has waived the employer's right to an

administrative appeal under division (B) of this section, subject 5986  
to the adjustment specified in division (H) of section 4123.512 of 5987  
the Revised Code. 5988

(K) Upon the final administrative or judicial determination 5989  
under this section or section 4123.512 of the Revised Code of an 5990  
appeal of an order to pay compensation, if a claimant is found to 5991  
have received compensation pursuant to a prior order which is 5992  
reversed upon subsequent appeal, the claimant's employer, if a 5993  
self-insuring employer, or the bureau, shall withhold from any 5994  
amount to which the claimant becomes entitled pursuant to any 5995  
claim, past, present, or future, under Chapter 4121., 4123., 5996  
4127., or 4131. of the Revised Code, the amount of previously paid 5997  
compensation to the claimant which, due to reversal upon appeal, 5998  
the claimant is not entitled, pursuant to the following criteria: 5999

(1) No withholding for the first twelve weeks of temporary 6000  
total disability compensation pursuant to section 4123.56 of the 6001  
Revised Code shall be made; 6002

(2) Forty per cent of all awards of compensation paid 6003  
pursuant to sections 4123.56 and 4123.57 of the Revised Code, 6004  
until the amount overpaid is refunded; 6005

(3) Twenty-five per cent of any compensation paid pursuant to 6006  
section 4123.58 of the Revised Code until the amount overpaid is 6007  
refunded; 6008

(4) If, pursuant to an appeal under section 4123.512 of the 6009  
Revised Code, the court of appeals or the supreme court reverses 6010  
the allowance of the claim, then no amount of any compensation 6011  
will be withheld. 6012

The administrator and self-insuring employers, as 6013  
appropriate, are subject to the repayment schedule of this 6014  
division only with respect to an order to pay compensation that 6015  
was properly paid under a previous order, but which is 6016

subsequently reversed upon an administrative or judicial appeal. 6017  
The administrator and self-insuring employers are not subject to, 6018  
but may utilize, the repayment schedule of this division, or any 6019  
other lawful means, to collect payment of compensation made to a 6020  
person who was not entitled to the compensation due to fraud as 6021  
determined by the administrator or the industrial commission. 6022

~~(K)~~(L) If a staff hearing officer or the commission fails to 6023  
issue a decision or the commission fails to refuse to hear an 6024  
appeal within the time periods required by this section, payments 6025  
to a claimant shall cease until the staff hearing officer or 6026  
commission issues a decision or hears the appeal, unless the 6027  
failure was due to the fault or neglect of the employer or the 6028  
employer agrees that the payments should continue for a longer 6029  
period of time. 6030

~~(L)~~(M) Except as otherwise provided in this section or 6031  
section 4123.522 of the Revised Code, no appeal is timely filed 6032  
under this section unless the appeal is filed with the time limits 6033  
set forth in this section. 6034

~~(M)~~(N) No person who is not an employee of the bureau or 6035  
commission or who is not by law given access to the contents of a 6036  
claims file shall have a file in the person's possession. 6037

~~(N)~~(O) Upon application of a party who resides in an area in 6038  
which an emergency or disaster is declared, the industrial 6039  
commission and hearing officers of the commission may waive the 6040  
time frame within which claims and appeals of claims set forth in 6041  
this section must be filed upon a finding that the applicant was 6042  
unable to comply with a filing deadline due to an emergency or a 6043  
disaster. 6044

As used in this division: 6045

(1) "Emergency" means any occasion or instance for which the 6046  
governor of Ohio or the president of the United States publicly 6047

declares an emergency and orders state or federal assistance to 6048  
save lives and protect property, the public health and safety, or 6049  
to lessen or avert the threat of a catastrophe. 6050

(2) "Disaster" means any natural catastrophe or fire, flood, 6051  
or explosion, regardless of the cause, that causes damage of 6052  
sufficient magnitude that the governor of Ohio or the president of 6053  
the United States, through a public declaration, orders state or 6054  
federal assistance to alleviate damage, loss, hardship, or 6055  
suffering that results from the occurrence. 6056

**Sec. 4123.512.** (A) The claimant or the employer may appeal an 6057  
order of the industrial commission made under division (E) of 6058  
section 4123.511 of the Revised Code in any injury or occupational 6059  
disease case, other than a decision as to the extent of disability 6060  
to the court of common pleas of the county in which the injury was 6061  
inflicted or in which the contract of employment was made if the 6062  
injury occurred outside the state, or in which the contract of 6063  
employment was made if the exposure occurred outside the state. If 6064  
no common pleas court has jurisdiction for the purposes of an 6065  
appeal by the use of the jurisdictional requirements described in 6066  
this division, the appellant may use the venue provisions in the 6067  
Rules of Civil Procedure to vest jurisdiction in a court. If the 6068  
claim is for an occupational disease, the appeal shall be to the 6069  
court of common pleas of the county in which the exposure which 6070  
caused the disease occurred. Like appeal may be taken from an 6071  
order of a staff hearing officer made under division (D) of 6072  
section 4123.511 of the Revised Code from which the commission has 6073  
refused to hear an appeal. The appellant shall file the notice of 6074  
appeal with a court of common pleas within sixty days after the 6075  
date of the receipt of the order appealed from or the date of 6076  
receipt of the order of the commission refusing to hear an appeal 6077  
of a staff hearing officer's decision under division (D) of 6078  
section 4123.511 of the Revised Code. The filing of the notice of 6079

the appeal with the court is the only act required to perfect the 6080  
appeal. 6081

If an action has been commenced in a court of a county other 6082  
than a court of a county having jurisdiction over the action, the 6083  
court, upon notice by any party or upon its own motion, shall 6084  
transfer the action to a court of a county having jurisdiction. 6085

Notwithstanding anything to the contrary in this section, if 6086  
the commission determines under section 4123.522 of the Revised 6087  
Code that an employee, employer, or their respective 6088  
representatives have not received written notice of an order or 6089  
decision which is appealable to a court under this section and 6090  
which grants relief pursuant to section 4123.522 of the Revised 6091  
Code, the party granted the relief has sixty days from receipt of 6092  
the order under section 4123.522 of the Revised Code to file a 6093  
notice of appeal under this section. 6094

(B) The notice of appeal shall state the names of the 6095  
claimant and the employer, the number of the claim, the date of 6096  
the order appealed from, and the fact that the appellant appeals 6097  
therefrom. 6098

The administrator of workers' compensation, the claimant, and 6099  
the employer shall be parties to the appeal and the court, upon 6100  
the application of the commission, shall make the commission a 6101  
party. The party filing the appeal shall serve a copy of the 6102  
notice of appeal on the administrator at the central office of the 6103  
bureau of workers' compensation in Columbus. The administrator 6104  
shall notify the employer that if the employer fails to become an 6105  
active party to the appeal, then the administrator may act on 6106  
behalf of the employer and the results of the appeal could have an 6107  
adverse effect upon the employer's premium rates. 6108

(C) The attorney general or one or more of the attorney 6109  
general's assistants or special counsel designated by the attorney 6110

general shall represent the administrator and the commission. In 6111  
the event the attorney general or the attorney general's 6112  
designated assistants or special counsel are absent, the 6113  
administrator or the commission shall select one or more of the 6114  
attorneys in the employ of the administrator or the commission as 6115  
the administrator's attorney or the commission's attorney in the 6116  
appeal. Any attorney so employed shall continue the representation 6117  
during the entire period of the appeal and in all hearings thereof 6118  
except where the continued representation becomes impractical. 6119

(D) Upon receipt of notice of appeal, the clerk of courts 6120  
shall provide notice to all parties who are appellees and to the 6121  
commission. 6122

The claimant shall, within thirty days after the filing of 6123  
the notice of appeal, file a petition containing a statement of 6124  
facts in ordinary and concise language showing a cause of action 6125  
to participate or to continue to participate in the fund and 6126  
setting forth the basis for the jurisdiction of the court over the 6127  
action. Further pleadings shall be had in accordance with the 6128  
Rules of Civil Procedure, provided that service of summons on such 6129  
petition shall not be required and provided that the claimant may 6130  
not dismiss the complaint without the employer's consent if the 6131  
employer is the party that filed the notice of appeal to court 6132  
pursuant to this section. The clerk of the court shall, upon 6133  
receipt thereof, transmit by certified mail a copy thereof to each 6134  
party named in the notice of appeal other than the claimant. Any 6135  
party may file with the clerk prior to the trial of the action a 6136  
deposition of any physician taken in accordance with the 6137  
provisions of the Revised Code, which deposition may be read in 6138  
the trial of the action even though the physician is a resident of 6139  
or subject to service in the county in which the trial is had. The 6140  
bureau of workers' compensation shall pay the cost of the 6141  
stenographic deposition filed in court and of copies of the 6142

stenographic deposition for each party from the surplus fund and 6143  
charge the costs thereof against the unsuccessful party if the 6144  
claimant's right to participate or continue to participate is 6145  
finally sustained or established in the appeal. In the event the 6146  
deposition is taken and filed, the physician whose deposition is 6147  
taken is not required to respond to any subpoena issued in the 6148  
trial of the action. The court, or the jury under the instructions 6149  
of the court, if a jury is demanded, shall determine the right of 6150  
the claimant to participate or to continue to participate in the 6151  
fund upon the evidence adduced at the hearing of the action. 6152

(E) The court shall certify its decision to the commission 6153  
and the certificate shall be entered in the records of the court. 6154  
Appeals from the judgment are governed by the law applicable to 6155  
the appeal of civil actions. 6156

(F) The cost of any legal proceedings authorized by this 6157  
section, including an attorney's fee to the claimant's attorney to 6158  
be fixed by the trial judge, based upon the effort expended, in 6159  
the event the claimant's right to participate or to continue to 6160  
participate in the fund is established upon the final 6161  
determination of an appeal, shall be taxed against the employer or 6162  
the commission if the commission or the administrator rather than 6163  
the employer contested the right of the claimant to participate in 6164  
the fund. The attorney's fee shall not exceed forty-two hundred 6165  
dollars. 6166

(G) If the finding of the court or the verdict of the jury is 6167  
in favor of the claimant's right to participate in the fund, the 6168  
commission and the administrator shall thereafter proceed in the 6169  
matter of the claim as if the judgment were the decision of the 6170  
commission, subject to the power of modification provided by 6171  
section 4123.52 of the Revised Code. 6172

(H) An appeal from an order issued under division (E) of 6173  
section 4123.511 of the Revised Code or any action filed in court 6174

in a case in which an award of compensation or benefits has been 6175  
made shall not stay the payment of compensation or benefits under 6176  
the award or payment of compensation or benefits for subsequent 6177  
periods of total disability during the pendency of the appeal. If, 6178  
in a final administrative or judicial action, it is determined 6179  
that payments of compensation or benefits, or both, made to or on 6180  
behalf of a claimant should not have been made, the amount thereof 6181  
shall be charged to the surplus fund under division ~~(B)~~(A) of 6182  
section 4123.34 of the Revised Code. In the event the employer is 6183  
a state risk, the amount shall not be charged to the employer's 6184  
experience, and the administrator shall adjust the employer's 6185  
account accordingly. In the event the employer is a self-insuring 6186  
employer, the self-insuring employer shall deduct the amount from 6187  
the paid compensation the self-insuring employer reports to the 6188  
administrator under division (L) of section 4123.35 of the Revised 6189  
Code. 6190

A self-insuring employer may elect to pay compensation and 6191  
benefits under this section directly to an employee or an 6192  
employee's dependents by filing an application with the bureau of 6193  
workers' compensation not more than one hundred eighty days and 6194  
not less than ninety days before the first day of the employer's 6195  
next six-month coverage period. If the self-insuring employer 6196  
timely files the application, the application is effective on the 6197  
first day of the employer's next six-month coverage period, 6198  
provided that the administrator shall compute the employer's 6199  
assessment for the surplus fund due with respect to the period 6200  
during which that application was filed without regard to the 6201  
filing of the application. On and after the effective date of the 6202  
employer's election, the self-insuring employer shall pay directly 6203  
to an employee or to an employee's dependents compensation and 6204  
benefits under this section regardless of the date of the injury 6205  
or occupational disease, and the employer shall receive no money 6206  
or credits from the surplus fund on account of those payments and 6207

shall not be required to pay any amounts into the surplus fund on 6208  
account of this section. The election made under this division is 6209  
irrevocable. 6210

All actions and proceedings under this section which are the 6211  
subject of an appeal to the court of common pleas or the court of 6212  
appeals shall be preferred over all other civil actions except 6213  
election causes, irrespective of position on the calendar. 6214

This section applies to all decisions of the commission or 6215  
the administrator on November 2, 1959, and all claims filed 6216  
thereafter are governed by sections 4123.511 and 4123.512 of the 6217  
Revised Code. 6218

Any action pending in common pleas court or any other court 6219  
on January 1, 1986, under this section is governed by former 6220  
sections 4123.514, 4123.515, 4123.516, and 4123.519 and section 6221  
4123.522 of the Revised Code. 6222

Sec. 4123.592. If an injury to an employee causes the 6223  
employee's death, and the incident that resulted in the employee's 6224  
injury occurred through no fault of the employee, the employee's 6225  
employer, or another employee of the employee's employer, death 6226  
benefits shall be paid from the surplus fund created under section 6227  
4123.34 of the Revised Code in accordance with sections 4123.59, 6228  
4123.60, and 4123.61 of the Revised Code. The administrator of 6229  
workers' compensation shall not charge the payment of those 6230  
benefits to the experience of the employee's employer. 6231

The administrator annually shall submit to the general 6232  
assembly a report evaluating the actuarial impact of the payment 6233  
of benefits made pursuant to this section. 6234

**Sec. 4123.66.** (A) In addition to the compensation provided 6235  
for in this chapter, the administrator of workers' compensation 6236  
shall disburse and pay from the state insurance fund the amounts 6237

for medical, nurse, and hospital services and medicine as the 6238  
administrator deems proper and, in case death ensues from the 6239  
injury or occupational disease, the administrator shall disburse 6240  
and pay from the fund reasonable funeral expenses in an amount not 6241  
to exceed fifty-five hundred dollars. The bureau of workers' 6242  
compensation shall reimburse anyone, whether dependent, volunteer, 6243  
or otherwise, who pays the funeral expenses of any employee whose 6244  
death ensues from any injury or occupational disease as provided 6245  
in this section. The administrator may adopt rules, with the 6246  
advice and consent of the bureau of workers' compensation 6247  
~~oversight commission~~ board of directors, with respect to 6248  
furnishing medical, nurse, and hospital service and medicine to 6249  
injured or disabled employees entitled thereto, and for the 6250  
payment therefor. In case an injury or industrial accident that 6251  
injures an employee also causes damage to the employee's 6252  
eyeglasses, artificial teeth or other denture, or hearing aid, or 6253  
in the event an injury or occupational disease makes it necessary 6254  
or advisable to replace, repair, or adjust the same, the bureau 6255  
shall disburse and pay a reasonable amount to repair or replace 6256  
the same. 6257

(B)(1) If an employer or a welfare plan has provided to or on 6258  
behalf of an employee any benefits or compensation for an injury 6259  
or occupational disease and that injury or occupational disease is 6260  
determined compensable under this chapter, the employer or a 6261  
welfare plan may request that the administrator reimburse the 6262  
employer or welfare plan for the amount the employer or welfare 6263  
plan paid to or on behalf of the employee in compensation or 6264  
benefits. The administrator shall reimburse the employer or 6265  
welfare plan for the compensation and benefits paid if, at the 6266  
time the employer or welfare plan provides the benefits or 6267  
compensation to or on behalf of employee, the injury or 6268  
occupational disease had not been determined to be compensable 6269  
under this chapter and if the employee was not receiving 6270

compensation or benefits under this chapter for that injury or 6271  
occupational disease. The administrator shall reimburse the 6272  
employer or welfare plan in the amount that the administrator 6273  
would have paid to or on behalf of the employee under this chapter 6274  
if the injury or occupational disease originally would have been 6275  
determined compensable under this chapter. If the employer is a 6276  
merit-rated employer, the administrator shall adjust the amount of 6277  
premium next due from the employer according to the amount the 6278  
administrator pays the employer. The administrator shall adopt 6279  
rules, in accordance with Chapter 119. of the Revised Code, to 6280  
implement this division. 6281

(2) As used in this division, "welfare plan" has the same 6282  
meaning as in division (1) of 29 U.S.C.A. 1002. 6283

**Sec. 4123.80.** No agreement by an employee to waive an 6284  
employee's rights to compensation under this chapter is valid, 6285  
except that: 6286

(A) An employee who is blind may waive the compensation that 6287  
may become due to the employee for injury or disability in cases 6288  
where the injury or disability may be directly caused by or due to 6289  
the employee's blindness. The administrator of workers' 6290  
compensation, with the advice and consent of the bureau of 6291  
workers' compensation ~~oversight commission~~ board of directors, may 6292  
adopt and enforce rules governing the employment of such persons 6293  
and the inspection of their places of employment. 6294

(B) An employee may waive the employee's rights to 6295  
compensation or benefits as authorized pursuant to division (C)(3) 6296  
of section 4123.01 or section 4123.15 of the Revised Code. 6297

No agreement by an employee to pay any portion of the premium 6298  
paid by the employee's employer into the state insurance fund is 6299  
valid. 6300

Sec. 4123.82. (A) All contracts and agreements are void which 6301  
undertake to indemnify or insure an employer against loss or 6302  
liability for the payment of compensation to workers or their 6303  
dependents for death, injury, or occupational disease occasioned 6304  
in the course of the workers' employment, or which provide that 6305  
the insurer shall pay the compensation, or which indemnify the 6306  
employer against damages when the injury, disease, or death arises 6307  
from the failure to comply with any lawful requirement for the 6308  
protection of the lives, health, and safety of employees, or when 6309  
the same is occasioned by the willful act of the employer or any 6310  
of ~~his~~ the employer's officers or agents, or by which it is agreed 6311  
that the insurer shall pay any such damages. No license or 6312  
authority to enter into any such agreements or issue any such 6313  
policies of insurance shall be granted or issued by any public 6314  
authority in this state. Any corporation organized or admitted 6315  
under the laws of this state to transact liability insurance as 6316  
defined in section 3929.01 of the Revised Code may by amendment of 6317  
its articles of incorporation or by original articles of 6318  
incorporation, provide therein for the authority and purpose to 6319  
make insurance in states, territories, districts, and counties, 6320  
other than the state of Ohio, and in the state of Ohio in respect 6321  
of contracts permitted by division (B) of this section, 6322  
indemnifying employers against loss or liability for payment of 6323  
compensation to workers and employees and their dependents for 6324  
death, injury, or occupational disease occasioned in the course of 6325  
the employment and to insure and indemnify employers against loss, 6326  
expense, and liability by risk of bodily injury or death by 6327  
accident, disability, sickness, or disease suffered by workers and 6328  
employees for which the employer may be liable or has assumed 6329  
liability. 6330

(B) Notwithstanding division (A) of this section: 6331

(1) No contract because of that division is void which 6332

undertakes to indemnify a self-insuring employer against all or 6333  
part of such employer's loss in excess of at least fifty thousand 6334  
dollars from any one disaster or event arising out of the 6335  
employer's liability under this chapter, but no insurance 6336  
corporation shall, directly or indirectly, represent an employer 6337  
in the settlement, adjudication, determination, allowance, or 6338  
payment of claims. The superintendent of insurance shall enforce 6339  
this prohibition by such disciplinary orders directed against the 6340  
offending insurance corporation as the superintendent of insurance 6341  
deems appropriate in the circumstances and the administrator of 6342  
workers' compensation shall enforce this prohibition by such 6343  
disciplinary orders directed against the offending employer as the 6344  
administrator deems appropriate in the circumstances, which orders 6345  
may include revocation of the insurance corporation's right to 6346  
enter into indemnity contracts and revocation of the employer's 6347  
status as a self-insuring employer. 6348

(2) The administrator may enter into a contract of indemnity 6349  
with any such employer upon such terms, payment of such premium, 6350  
and for such amount and form of indemnity as the administrator 6351  
determines and the ~~administrator~~ bureau of workers' compensation 6352  
board of directors may procure reinsurance of the liability of the 6353  
public and private funds under this chapter, or any part of the 6354  
liability in respect of either or both of the funds, upon such 6355  
terms and premiums or other payments from the fund or funds as the 6356  
administrator deems prudent in the maintenance of a solvent fund 6357  
or funds from year to year. When making the finding of fact which 6358  
the administrator is required by section 4123.35 of the Revised 6359  
Code to make with respect to the financial ability of an employer, 6360  
no contract of indemnity, or the ability of the employer to 6361  
procure such a contract, shall be considered as increasing the 6362  
financial ability of the employer. 6363

**Sec. 4123.92.** Upon the request of the industrial commission 6364

or the administrator of workers' compensation, the attorney 6365  
general, or under ~~his~~ the attorney general's direction the 6366  
prosecuting attorney of any county in cases arising within the 6367  
county, shall institute and prosecute the necessary actions or 6368  
proceedings for the enforcement of this chapter, or for the 6369  
recovery of any money due the state insurance fund, or any 6370  
penalty, and shall defend in like manner all suits, actions, or 6371  
proceedings brought against the administrator, the bureau of 6372  
workers' compensation ~~oversight commission~~ board of directors, 6373  
industrial commission, or the members of the ~~oversight commission~~ 6374  
board, or industrial commission in their official capacity. 6375

**Sec. 4125.05.** (A) Not later than thirty days after ~~the~~ 6376  
~~effective date of this section~~ November 5, 2004, or not later than 6377  
thirty days after the formation of a professional employer 6378  
organization, whichever date occurs later, a professional employer 6379  
organization operating in this state shall register with the 6380  
administrator of the bureau of workers' compensation on forms 6381  
provided by the administrator. Following initial registration, 6382  
each professional employer organization shall register with the 6383  
administrator annually on or before the thirty-first day of 6384  
December. 6385

(B) Initial registration and each annual registration renewal 6386  
shall include all of the following: 6387

(1) A list of each of the professional employer 6388  
organization's client employers current as of the date of 6389  
registration for purposes of initial registration or current as of 6390  
the date of annual registration renewal, or within fourteen days 6391  
of adding or releasing a client, that includes the client 6392  
employer's name, address, federal tax identification number, and 6393  
bureau of workers' compensation risk number; 6394

(2) A fee as determined by the administrator; 6395

(3) The name or names under which the professional employer organization conducts business; 6396  
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(4) The address of the professional employer organization's principal place of business and the address of each office it maintains in this state; 6398  
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(5) The professional employer organization's taxpayer or employer identification number; 6401  
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(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. 6403  
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(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. 6409  
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(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 6421  
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by a government entity approved by the administrator. 6427

(3) A professional employer organization may appeal the 6428  
amount of the security required pursuant to rules adopted under 6429  
division (C)(1) of this section in accordance with section 6430  
4123.291 of the Revised Code. 6431

(D) Notwithstanding division (C) of this section, a 6432  
professional employer organization that qualifies for 6433  
self-insurance or retrospective rating under section 4123.29 or 6434  
4123.35 of the Revised Code shall abide by the financial 6435  
disclosure and security requirements pursuant to those sections 6436  
and the rules adopted under those sections in place of the 6437  
requirements specified in division (C) of this section or 6438  
specified in rules adopted pursuant to that division. 6439

(E) Except to the extent necessary for the administrator to 6440  
administer the statutory duties of the administrator and for 6441  
employees of the state to perform their official duties, all 6442  
records, reports, client lists, and other information obtained 6443  
from a professional employer organization under divisions (A) and 6444  
(B) of this section are confidential and shall be considered trade 6445  
secrets and shall not be published or open to public inspection. 6446

(F) The list described in division (B)(1) of this section 6447  
shall be considered a trade secret. 6448

(G) The administrator shall establish the fee described in 6449  
division (B)(2) of this section in an amount that does not exceed 6450  
the cost of the administration of the initial and renewal 6451  
registration process. 6452

**Sec. 4127.07.** Every employer shall contribute to the public 6453  
work-relief employees' compensation fund the amount of money 6454  
determined by the administrator of workers' compensation, with the 6455  
advice and consent of the bureau of workers' compensation 6456

~~oversight commission~~ board of directors. The contributions may be 6457  
made in whole or in part out of any relief funds or any other 6458  
available public funds, regardless of the manner in which the 6459  
funds were raised. The officer of any employer having charge of 6460  
the expenditures of funds for relief purposes, shall set aside and 6461  
maintain as a special fund out of which contributions to the 6462  
work-relief employees' compensation fund may be made, an amount 6463  
equal to the percentage of the work-relief funds as the 6464  
administrator determines on an actuarial basis as is reasonably 6465  
necessary to cover the premium obligations of the employer. The 6466  
manner of determining the contributions and classifications of 6467  
employers, shall be the same as is provided in sections 4123.39 to 6468  
4123.41 and 4123.48 of the Revised Code, and such sections shall 6469  
apply in so far as they are applicable to the employers, but rates 6470  
of premium shall be applied to insure solvency of the public 6471  
work-relief employees' compensation fund at all times. 6472

The state relief commission or any other state agency having 6473  
supervision or control of work-relief employees, either directly 6474  
or through agencies, shall file reports and make payments of 6475  
premiums out of any fund under its control or supervision, in the 6476  
amount and manner, and at the time, as is determined by the 6477  
administrator; and the furnishing of the reports and the payment 6478  
of the premiums by the state agency, for work-relief employees, 6479  
shall relieve the state of the obligations set forth in sections 6480  
4123.40, 4123.41, and 4123.48 of the Revised Code, with respect to 6481  
contributing to the public work-relief employees' compensation 6482  
fund for work-relief employees. 6483

**Sec. 4127.08.** The administrator of workers' compensation, 6484  
under special circumstances and with the advice and consent of the 6485  
bureau of workers' compensation ~~oversight commission~~ board of 6486  
directors, may adjust the rate of disbursements of compensation of 6487  
benefits, which shall not in any instance exceed the maximum 6488

reimbursable relief award established by the state which the 6489  
claimant would have been entitled to had ~~he~~ the claimant not been 6490  
injured. 6491

**Sec. 4131.04.** (A) For the purpose of sections 4131.01 to 6492  
4131.06 of the Revised Code, each subscriber shall pay premiums 6493  
upon the basis and at the intervals determined by the 6494  
administrator of workers' compensation, with the advice and 6495  
consent of the bureau of workers' compensation ~~oversight~~ 6496  
~~commission~~ board of directors. 6497

(B) The administrator shall fix and maintain for each class 6498  
of occupation and type of mining the lowest possible rates of 6499  
premiums consistent with the maintenance of a solvent fund and the 6500  
creation and maintenance of a reasonable surplus after providing 6501  
for payment to maturity of all liabilities insured pursuant to the 6502  
federal act. 6503

(C) The administrator may adjust the rates of premium at any 6504  
time. Each adjustment order shall become effective on the date 6505  
prescribed by ~~him~~ the administrator. 6506

(D) The administrator, by rule, may prescribe procedures for 6507  
subscription, payroll reporting, premium payment, termination of 6508  
subscription, reinstatement, and all other matters pertinent to 6509  
subscriber participation in the coal-workers pneumoconiosis fund. 6510

(E) In addition to premiums required to be paid into the 6511  
fund, the administrator, with the advice and consent of the 6512  
~~oversight commission~~ board, shall fix and may adjust at any time 6513  
an additional premium for the cost of administering the fund. The 6514  
additional premium shall be paid by each subscriber as a part of 6515  
the subscriber's total premium payment. 6516

**Sec. 4131.06.** (A) The collection of premiums, the 6517  
administration and investment of the coal-workers pneumoconiosis 6518

fund, and the payment of benefits therefrom shall not create any 6519  
liability upon the state. 6520

(B) Except for a gross abuse of discretion, the industrial 6521  
commission and the individual members thereof, the bureau of 6522  
workers' compensation ~~oversight commission~~ board of directors and 6523  
the individual members thereof, and the administrator of workers' 6524  
compensation shall not incur any obligation or liability 6525  
respecting the collection of premiums, the administration or 6526  
investment of the fund, or the payment of benefits therefrom. 6527

**Sec. 4131.13.** (A) For the relief of persons who are entitled 6528  
to receive benefits by virtue of the federal act, there is hereby 6529  
established a marine industry fund, which shall be separate from 6530  
the funds established and administered pursuant to Chapter 4123. 6531  
of the Revised Code. The marine industry fund shall consist of 6532  
premiums and other payments thereto by marine industry employers 6533  
who apply to the bureau of workers' compensation for permission to 6534  
subscribe to the fund to insure the payment of benefits required 6535  
by the federal act. 6536

By rule, the administrator of workers' compensation shall 6537  
establish criteria for the acceptance or rejection of applications 6538  
by marine industry employers who apply to subscribe to the fund. 6539

(B) The marine industry fund shall be in the custody of the 6540  
treasurer of state. The bureau shall make disbursements from the 6541  
fund to those persons entitled to payment therefrom and in the 6542  
amounts required pursuant to the federal act. The auditor of state 6543  
annually shall complete a fiscal audit of the fund. All investment 6544  
earnings of the fund shall be credited to the fund. 6545

(C) The administrator shall have the same powers to invest 6546  
any of the surplus or reserve belonging to the marine industry 6547  
fund as are delegated to him under section 4123.44 of the Revised 6548  
Code with respect to the state insurance fund. 6549

(D) If the ~~administrator~~ bureau of workers' compensation 6550  
board of directors determines that reinsurance of the risks of the 6551  
marine industry fund is necessary to assure solvency of the fund, 6552  
~~he~~ the board may: 6553

(1) Enter into contracts for the purchase of reinsurance 6554  
coverage of the risks of the fund with any company or agency 6555  
authorized by law to issue contracts of reinsurance; 6556

(2) ~~Pay~~ Require the administrator to pay the cost of 6557  
reinsurance from the fund; 6558

(3) Include the costs of reinsurance as a liability and 6559  
estimated liability of the fund. 6560

(E) For the purpose of maintaining the solvency of the marine 6561  
industry fund, the administrator may borrow money from the state 6562  
insurance fund as is necessary. Money borrowed from the state 6563  
insurance fund shall be repaid from the marine industry fund 6564  
together with an appropriate interest rate not to exceed the 6565  
average yield of fixed income investments of the state insurance 6566  
fund for the six-month period ended on the last day of the month 6567  
preceding the month in which the money is borrowed. Loans made 6568  
pursuant to this division are a proper investment of the surplus 6569  
or reserve of the state insurance fund. 6570

(F) In no event shall any of the assets of any of the funds 6571  
created and administered pursuant to Chapter 4123. of the Revised 6572  
Code be disbursed in payment of any cost or obligation of or 6573  
insured by the marine industry fund. This division shall not be 6574  
construed to prohibit as a proper investment loans made from the 6575  
state insurance fund to the marine industry fund pursuant to 6576  
division (E) of this section. 6577

**Sec. 4131.14.** (A) For the purpose of sections 4131.11 to 6578  
4131.16 of the Revised Code, each subscriber shall pay premiums 6579

upon the basis and at the intervals determined by the 6580  
administrator of workers' compensation, with the advice and 6581  
consent of the bureau of workers' compensation ~~oversight~~ 6582  
~~commission~~ board of directors. 6583

(B) The administrator shall fix and maintain for each class 6584  
of occupation and type of business the lowest possible rates of 6585  
premiums consistent with the maintenance of a solvent fund and the 6586  
creation and maintenance of a reasonable surplus after providing 6587  
for payment to maturity of all liabilities insured pursuant to the 6588  
federal act. The administrator, by rule, may provide for merit 6589  
rating of subscribers. 6590

(C) The administrator, with the advice and consent of the 6591  
~~oversight commission~~ board, may adjust the rates of premium at any 6592  
time. Each adjustment order is effective on the date prescribed by 6593  
the administrator. 6594

(D) The administrator, by rule adopted pursuant to Chapter 6595  
119. of the Revised Code, may prescribe procedures for 6596  
subscription, payroll reporting, premium payment, payment of an 6597  
advance security deposit by subscribers to secure payments of 6598  
premiums when due, termination of subscription, reinstatement, and 6599  
all other matters pertinent to subscriber participation in the 6600  
marine industry fund. 6601

(E) In addition to premiums required to be paid into the 6602  
fund, the administrator, with the advice and consent of the 6603  
~~oversight commission~~ board, shall fix and may adjust at any time 6604  
an additional premium for the cost of administering the fund. The 6605  
additional premium shall be paid by each subscriber as a part of 6606  
the subscriber's total premium payment. 6607

**Sec. 4131.16.** (A) The collection of premiums, the 6608  
administration and investment of the marine industry fund, and the 6609  
payment of benefits therefrom shall not create any liability upon 6610

the state. 6611

(B) Except for a gross abuse of discretion, the industrial 6612  
commission and the individual members thereof, the bureau of 6613  
workers' compensation ~~oversight commission~~ board of directors and 6614  
the individual members thereof, and the administrator of workers' 6615  
compensation shall not incur any obligation or liability 6616  
respecting the collection of premiums, the administration or 6617  
investment of the fund, or the payment of benefits therefrom. 6618

**Sec. 4167.02.** (A) The administrator of worker's compensation 6619  
shall operate and enforce the public employment risk reduction 6620  
program created by this chapter. 6621

(B) The administrator shall do all of the following: 6622

(1) Adopt rules, with the advice and consent of the bureau of 6623  
workers' compensation ~~oversight commission~~ board of directors and 6624  
in accordance with Chapter 119. of the Revised Code, for the 6625  
administration and enforcement of this chapter, including rules 6626  
covering standards the administrator shall follow in issuing an 6627  
emergency temporary Ohio employment risk reduction standard under 6628  
section 4167.08 of the Revised Code and a temporary variance and a 6629  
variance from an Ohio employment risk reduction standard or part 6630  
thereof under section 4167.09 of the Revised Code; 6631

(2) Do all things necessary and appropriate for the 6632  
administration and enforcement of this chapter. 6633

(C) In carrying out the responsibilities of this chapter, the 6634  
administrator may use, with the consent of any federal, state, or 6635  
local agency, the services, facilities, and personnel of such 6636  
agency, with or without reimbursement, and may retain or contract 6637  
with experts, consultants, and organizations for services or 6638  
personnel on such terms as the administrator determines 6639  
appropriate. 6640

Sec. 4167.07. (A) The administrator of workers' compensation, 6641  
with the advice and consent of the bureau of workers' compensation 6642  
~~oversight commission~~ board of directors, shall adopt rules that 6643  
establish employment risk reduction standards. Except as provided 6644  
in division (B) of this section, in adopting these rules, the 6645  
administrator shall do both of the following: 6646

(1) By no later than July 1, 1994, adopt as a rule and an 6648  
Ohio employment risk reduction standard every federal occupational 6649  
safety and health standard then adopted by the United States 6650  
secretary of labor pursuant to the "Occupational Safety and Health 6651  
Act of 1970," 84 Stat. 1590, 29 U.S.C.A. 651, as amended; 6652

(2) By no later than one hundred twenty days after the United 6653  
States secretary of labor adopts, modifies, or revokes any federal 6654  
occupational safety and health standard, by rule do one of the 6655  
following: 6656

(a) Adopt the federal occupational safety and health standard 6657  
as a rule and an Ohio employment risk reduction standard; 6658

(b) Amend the existing rule and Ohio employment risk 6659  
reduction standard to conform to the modification of the federal 6660  
occupational safety and health standard; 6661

(c) Rescind the existing rule and Ohio employment risk 6662  
reduction standard that corresponds to the federal occupational 6663  
safety and health standard the United States secretary of labor 6664  
revoked. 6665

(B) The administrator, with the advice and consent of the 6666  
bureau of workers' compensation ~~oversight commission~~ board of 6667  
directors, may decline to adopt any federal occupational safety 6668  
and health standard as a rule and an Ohio employment risk 6669  
reduction standard or to modify or rescind any existing rule and 6670

Ohio employment risk reduction standard to conform to any federal 6671  
occupational safety and health standard modified or revoked by the 6672  
United States secretary of labor or may adopt as a rule and an 6673  
Ohio employment risk reduction standard any occupational safety 6674  
and health standard that is not covered under the federal law or 6675  
that differs from one adopted or modified by the United States 6676  
secretary of labor, if the administrator determines that existing 6677  
rules and Ohio employment risk reduction standards provide 6678  
protection at least as effective as that which would be provided 6679  
by the existing, new, or modified federal occupational safety and 6680  
health standard or if the administrator determines that local 6681  
conditions warrant a different standard from that of the existing 6682  
federal occupational safety and health standard or from standards 6683  
the United States secretary of labor adopts, modifies, or revokes. 6684

(C) In adopting, modifying, or rescinding any rule or Ohio 6685  
employment risk reduction standard dealing with toxic materials or 6686  
harmful physical agents, the administrator, with the advice and 6687  
consent of the bureau of workers' compensation oversight 6688  
~~commission~~ board of directors, shall do all of the following: 6689

(1) Set the employment risk reduction standard to most 6690  
adequately assure, to the extent technologically feasible and on 6691  
the basis of the best available evidence, that no public employee 6692  
will suffer material impairment of health or functional capacity 6693  
as a result of the hazards dealt with by the rule or Ohio 6694  
employment risk reduction standard for the period of the public 6695  
employee's working life; 6696

(2) Base the development of these rules and Ohio employment 6697  
risk reduction standards on research, demonstrations, experiments, 6698  
and other information as is appropriate and upon the technological 6699  
feasibility of the rule and standard, using the latest available 6700  
scientific data in the field and the experience gained in the 6701  
workplace under this chapter and other health and safety laws, to 6702

establish the highest degree of safety and health for the public 6703  
employee; 6704

(3) Whenever practicable, express the rule and Ohio 6705  
employment risk reduction standard in terms of objective criteria 6706  
and of the performance desired; 6707

(4) Prescribe the use of labels or other appropriate forms of 6708  
warning as are necessary to ensure that public employees are 6709  
apprised of all hazards to which they are exposed, relevant 6710  
symptoms and appropriate emergency treatment, and proper 6711  
conditions and precautions of safe use or exposure where 6712  
appropriate; 6713

(5) Prescribe suitable protective equipment and control 6714  
procedures to be used in connection with the hazards; 6715

(6) Provide for measuring or monitoring public employee 6716  
exposure in a manner necessary for the protection of the public 6717  
employees; 6718

(7) Where appropriate, prescribe the type and frequency of 6719  
medical examinations or other tests the public employer shall make 6720  
available, at the cost of the public employer, to the public 6721  
employees exposed to the hazards in order to determine any adverse 6722  
effect from the exposure. 6723

(D) In determining the priority for adopting rules and Ohio 6724  
employment risk reduction standards under this section, the 6725  
administrator shall give due regard to the urgency of need and 6726  
recommendations of the department of health regarding that need 6727  
for mandatory employment risk reduction standards for particular 6728  
trades, crafts, occupations, services, and workplaces. 6729

(E)(1) Except for rules adopted under division (A) of this 6730  
section, the administrator, with the advice and consent of the 6731  
bureau of workers' compensation oversight commission board of 6732  
directors, shall adopt all rules under this section in accordance 6733

with Chapter 119. of the Revised Code, provided that 6734  
notwithstanding that chapter, the administrator may delay the 6735  
effective date of any rule or Ohio employment risk reduction 6736  
standard for the period the administrator determines necessary to 6737  
ensure that affected public employers and public employees will be 6738  
informed of the adoption, modification, or rescission of the rule 6739  
and Ohio employment risk reduction standard and have the 6740  
opportunity to familiarize themselves with the specific 6741  
requirements of the rule and standard. In no case, however, shall 6742  
the administrator delay the effective date of a rule adopted 6743  
pursuant to Chapter 119. of the Revised Code in excess of ninety 6744  
days beyond the otherwise required effective date. 6745

(2) In regard to the rules for which the administrator does 6746  
not have to comply with Chapter 119. of the Revised Code, the 6747  
administrator shall file two certified copies of the rules and 6748  
Ohio employment risk reduction standards adopted with the 6749  
secretary of state and the director of the legislative service 6750  
commission. 6751

**Sec. 4167.08.** (A) In the event of an emergency or unusual 6752  
situation, the administrator of workers' compensation shall issue 6753  
an emergency temporary Ohio employment risk reduction standard to 6754  
take immediate effect upon publication in newspapers of general 6755  
circulation in Cleveland, Columbus, Cincinnati, and Toledo if the 6756  
administrator finds both of the following: 6757

(1) Public employees are exposed to grave danger from 6758  
exposure to substances or agents determined to be toxic or 6759  
physically harmful or from new hazards; 6760

(2) The emergency temporary Ohio employment risk reduction 6761  
standard is necessary to protect employees from the danger. 6762

(B)(1) Except as provided in division (B)(2) of this section 6763  
an emergency temporary Ohio employment risk reduction standard 6764

issued by the administrator under division (A) of this section 6765  
shall be in effect no longer than fifteen days, unless the 6766  
~~commission~~ bureau of workers' compensation board of directors 6767  
approves the emergency temporary Ohio employment risk reduction 6768  
standard as issued by the administrator, in which case, the 6769  
emergency temporary Ohio employment risk reduction standard shall 6770  
be in effect no longer than one hundred twenty days after the date 6771  
the administrator issues it. 6772

(2) The administrator may renew an emergency temporary Ohio 6773  
employment risk reduction standard that has been approved by the 6774  
~~workers' compensation oversight commission~~ board for an additional 6775  
time period not to exceed one hundred days if the administrator 6776  
finds that the conditions identified in divisions (A)(1) and (2) 6777  
of this section continue to exist. 6778

On or before the expiration date of the emergency temporary 6779  
Ohio employment risk reduction standard or renewal thereof, if the 6780  
conditions identified in divisions (A)(1) and (2) of this section 6781  
continue to exist, the administrator, with the advice and consent 6782  
of the ~~oversight commission~~ board, shall adopt a permanent Ohio 6783  
employment risk reduction standard pursuant to section 4167.07 of 6784  
the Revised Code as a rule to replace the emergency temporary Ohio 6785  
employment risk reduction standard. 6786

**Sec. 4167.09.** (A) Any public employer affected by a proposed 6787  
rule or Ohio employment risk reduction standard or any provision 6788  
of a standard proposed under section 4167.07 or 4167.08 of the 6789  
Revised Code may apply to the administrator of workers' 6790  
compensation for an order granting a temporary variance from the 6791  
standard or provision. The application for the order and any 6792  
extension of the order shall contain a reasonable application fee, 6793  
as determined by the bureau of workers' compensation ~~oversight~~ 6794  
~~commission~~ board of directors, and all of the following 6795

information:	6796
(1) A specification of the Ohio public employment risk reduction standard or provision of it from which the public employer seeks the temporary variance;	6797 6798 6799
(2) A representation by the public employer, supported by representations from qualified persons having firsthand knowledge of the facts represented, that the public employer is unable to comply with the Ohio employment risk reduction standard or provision of it and a detailed statement of the reasons for the inability to comply;	6800 6801 6802 6803 6804 6805
(3) A statement of the steps that the public employer has taken and will take, with dates specified, to protect employees against the hazard covered by the standard;	6806 6807 6808
(4) A statement of when the public employer expects to be able to comply fully with the Ohio employment risk reduction standard and what steps the public employer has taken and will take, with dates specified, to come into full compliance with the standard;	6809 6810 6811 6812 6813
(5) A certification that the public employer has informed the public employer's public employees of the application by giving a copy of the application to the public employee representative, if any, and by posting a statement giving a summary of the application and specifying where a copy of the application may be examined at the place or places where notices to public employees are normally posted, and by any other appropriate means of public employee notification. The public employer also shall inform the public employer's public employees of their rights to a hearing under section 4167.15 of the Revised Code. The certification also shall contain a description of how public employees have been informed of the application and of their rights to a hearing.	6814 6815 6816 6817 6818 6819 6820 6821 6822 6823 6824 6825
(B) The administrator shall issue an order providing for a	6826

temporary variance if the public employer files an application 6827  
that meets the requirements of division (A) of this section and 6828  
establishes that all of the following pertaining to the public 6829  
employer are true: 6830

(1) The public employer is unable to comply with the Ohio 6831  
employment risk reduction standard or a provision of it by its 6832  
effective date because of the unavailability of professional or 6833  
technical personnel or of materials and equipment needed to come 6834  
into compliance with the Ohio employment risk reduction standard 6835  
or provision of it or because necessary construction or alteration 6836  
of facilities cannot be completed by the effective date of the 6837  
standard. 6838

(2) The public employer is taking all available steps to 6839  
safeguard the public employer's public employees against the 6840  
hazards covered by the Ohio employment risk reduction standard. 6841

(3) The public employer has an effective program for coming 6842  
into compliance with the Ohio employment risk reduction standard 6843  
as quickly as practicable. 6844

(4) The granting of the variance will not create an imminent 6845  
danger of death or serious physical harm to public employees. 6846

(C)(1) If the administrator issues an order providing for a 6847  
temporary variance under division (B) of this section, the 6848  
administrator shall prescribe the practices, means, methods, 6849  
operations, and processes that the public employer must adopt and 6850  
use while the order is in effect and state in detail the public 6851  
employer's program for coming into compliance with the Ohio 6852  
employment risk reduction standard. The administrator may issue 6853  
the order only after providing notice to affected public employees 6854  
and their public employee representative, if any, and an 6855  
opportunity for a hearing pursuant to section 4167.15 of the 6856  
Revised Code, provided that the administrator may issue one 6857

interim order granting a temporary order to be effective until a 6858  
decision on a hearing is made. Except as provided in division 6859  
(C)(2) of this section, no temporary variance may be in effect for 6860  
longer than the period needed by the public employer to achieve 6861  
compliance with the Ohio employment risk reduction standard or one 6862  
year, whichever is shorter. 6863

(2) The administrator may renew an order issued under 6864  
division (C) of this section up to two times provided that the 6865  
requirements of divisions (A), (B), and (C)(1) of this section and 6866  
section 4167.15 of the Revised Code are met and the public 6867  
employer files an application for renewal with the administrator 6868  
at least ninety days prior to the expiration date of the order. 6869

(D) Any public employer affected by an Ohio employment risk 6870  
reduction standard or any provision of it proposed, adopted, or 6871  
otherwise issued under section 4167.07 or 4167.08 of the Revised 6872  
Code may apply to the administrator for an order granting a 6873  
variance from the standard or provision. The administrator shall 6874  
provide affected public employees and their public employee 6875  
representative, if any, notice of the application and shall 6876  
provide an opportunity for a hearing pursuant to section 4167.15 6877  
of the Revised Code. The administrator shall issue the order 6878  
granting the variance if the public employer files an application 6879  
that meets the requirements of division (B) of this section, and 6880  
after an opportunity for a hearing pursuant to section 4167.15 of 6881  
the Revised Code, and if the public employer establishes to the 6882  
satisfaction of the administrator that the conditions, practices, 6883  
means, methods, operations, or processes used or proposed to be 6884  
used by the public employer will provide employment and places of 6885  
employment to the public employer's public employees that are as 6886  
safe and healthful as those that would prevail if the public 6887  
employer complied with the Ohio employment risk reduction 6888  
standard. The administrator shall prescribe in the order granting 6889

the variance the conditions the public employer must maintain, and 6890  
the practices, means, methods, operations, and processes the 6891  
public employer must adopt and utilize in lieu of the Ohio 6892  
employment risk reduction standard that would otherwise apply. The 6893  
administrator may modify or revoke the order upon application of 6894  
the public employer, public employee, or public employee 6895  
representative, or upon the administrator's own motion in the 6896  
manner prescribed for the issuance of an order under this division 6897  
at any time during six months after the date of issuance of the 6898  
order. 6899

**Sec. 4167.11.** (A) In order to further the purposes of this 6900  
chapter, the administrator of workers' compensation shall develop 6901  
and maintain, for public employers and public employees, an 6902  
effective program of collection, compilation, and analysis of 6903  
employment risk reduction statistics. 6904

(B) To implement and maintain division (A) of this section, 6905  
the administrator, with the advice and consent of the bureau of 6906  
workers' compensation ~~oversight commission~~ board of directors, 6907  
shall adopt rules in accordance with Chapter 119. of the Revised 6908  
Code that extend to all of the following: 6909

(1) Requiring each public employer to make, keep, and 6910  
preserve, and make available to the administrator, reports and 6911  
records regarding the public employer's activities, as determined 6912  
by the rule that are necessary or appropriate for the enforcement 6913  
of this chapter or for developing information regarding the causes 6914  
and prevention of occupational accidents and illnesses. The rule 6915  
shall prescribe which of these reports and records shall or may be 6916  
furnished to public employees and public employee representatives. 6917

(2) Requiring every public employer, through posting of 6918  
notices or other appropriate means, to keep their public employees 6919  
informed of public employees' rights and obligations under this 6920

chapter, including the provisions of applicable Ohio employment 6921  
risk reduction standards; 6922

(3) Requiring public employers to maintain accurate records 6923  
of public employee exposure to potentially toxic materials, 6924  
carcinogenic materials, and harmful physical agents that are 6925  
required to be monitored or measured under rules adopted under the 6926  
guidelines of division (C) of section 4167.07 of the Revised Code. 6927  
The rule shall provide public employees or public employee 6928  
representatives an opportunity to observe the monitoring or 6929  
measuring, and to have access on request to the records thereof, 6930  
and may provide public employees or public employee 6931  
representatives an opportunity to participate in and to undertake 6932  
their own monitoring or measuring. The rules also shall permit 6933  
each current or former public employee to have access to the 6934  
records that indicate their own exposure to toxic materials, 6935  
carcinogenic materials, or harmful agents. 6936

(C) The administrator shall obtain any information under 6937  
division (B) of this section with a minimum burden upon the public 6938  
employer and shall, to the maximum extent feasible, reduce 6939  
unnecessary duplication of efforts in obtaining the information. 6940

**Sec. 4167.14.** (A) Any court of common pleas has jurisdiction, 6941  
upon petition of the administrator of workers' compensation, to 6942  
restrain any conditions or practices in any places of employment 6943  
that present a danger that could reasonably be expected to cause 6944  
death or serious harm or contribute significantly to 6945  
occupationally related illness immediately or before the imminence 6946  
of the danger can be eliminated through the enforcement procedures 6947  
provided in this chapter. Any order issued under this section may 6948  
require that steps be taken as necessary to avoid, correct, or 6949  
remove the imminent danger and prohibit the employment or presence 6950  
of any individual in locations or under conditions where the 6951

imminent danger exists, except individuals whose presence is 6952  
necessary to avoid, correct, or remove the imminent danger. 6953

6954

(B) Upon the filing of a petition under division (A) of this 6955  
section, the court of common pleas may grant injunctive relief or 6956  
a temporary restraining order pending the outcome of an 6957  
enforcement proceeding pursuant to this chapter, except that no 6958  
temporary restraining order issued without notice is effective for 6959  
a period longer than five calendar days. 6960

(C) If the administrator or the administrator's designee 6961  
responsible for inspections determines that the imminent danger as 6962  
described in division (A) of this section is such that immediate 6963  
action is necessary, and further determines that there is not 6964  
sufficient time in light of the nature, severity, and imminence of 6965  
the danger to seek and obtain a temporary restraining order or 6966  
injunction, the administrator or the administrator's designee 6967  
immediately shall file a petition with the court under division 6968  
(A) of this section and issue an order requiring action to be 6969  
taken as is necessary to avoid, correct, or remove the imminent 6970  
danger. 6971

The administrator, with the advice and consent of the bureau 6972  
of workers' compensation oversight commission board of directors, 6973  
shall adopt rules, in accordance with Chapter 119. of the Revised 6974  
Code, to permit a public employer expeditious informal 6975  
reconsideration of any order issued by the administrator under 6976  
this division. Unless the administrator reverses an order pursuant 6977  
to the informal reconsideration, the order remains in effect 6978  
pending the court's determination under this section. If the 6979  
administrator modifies an order pursuant to the informal 6980  
reconsideration, the administrator shall provide the court with 6981  
whom the administrator filed the petition under this section with 6982  
a copy of the modified order. The modified order remains in effect 6983

pending the court's determination under this section. 6984

**Section 101.02.** That existing sections 102.02, 102.06, 6985  
 109.981, 111.15, 119.01, 131.02, 1707.01, 3345.12, 4121.01, 6986  
 4121.03, 4121.12, 4121.121, 4121.122, 4121.125, 4121.126, 6987  
 4121.128, 4121.13, 4121.32, 4121.37, 4121.40, 4121.441, 4121.48, 6988  
 4121.61, 4121.67, 4121.70, 4123.25, 4123.29, 4123.291, 4123.311, 6989  
 4123.32, 4123.34, 4123.341, 4123.342, 4123.35, 4123.351, 4123.37, 6990  
 4123.411, 4123.44, 4123.441, 4123.47, 4123.50, 4123.511, 4123.512, 6991  
 4123.66, 4123.80, 4123.82, 4123.92, 4125.05, 4127.07, 4127.08, 6992  
 4131.04, 4131.06, 4131.13, 4131.14, 4131.16, 4167.02, 4167.07, 6993  
 4167.08, 4167.09, 4167.11, and 4167.14 of the Revised Code are 6994  
 hereby repealed. 6995

**Section 105.01.** That sections 4121.06, 4121.123, and 4121.131 6996  
 of the Revised Code are hereby repealed. 6997

**Section 201.10.** All items in this section are hereby 6998  
 appropriated out of any moneys in the state treasury to the credit 6999  
 of the designated fund. For all appropriations made in this act, 7000  
 those in the first column are for fiscal year 2008, and those in 7001  
 the second column are for fiscal year 2009. 7002

FND AI	AI TITLE	Appropriations		
	BWC BUREAU OF WORKERS' COMPENSATION			7004
	Workers' Compensation Fund Group			7005
023 855-401	William Green Lease	\$ 20,436,600	\$ 20,686,500	7006
	Payments to OBA			
023 855-407	Claims, Risk & Medical	\$ 140,367,719	\$ 140,367,719	7007
	Management			
023 855-408	Fraud Prevention	\$ 11,772,551	\$ 11,772,551	7008
023 855-409	Administrative	\$ 122,962,388	\$ 122,962,388	7009
	Services			
023 855-410	Attorney General	\$ 4,444,085	\$ 4,444,085	7010

	Payments				
822	855-606	Coal Workers' Fund	\$ 91,894	\$ 91,894	7011
823	855-608	Marine Industry	\$ 53,952	\$ 53,952	7012
825	855-605	Disabled Workers	\$ 488,282	\$ 492,500	7013
	Relief Fund				
826	855-609	Safety & Hygiene	\$ 20,734,750	\$ 20,734,750	7014
	Operating				
826	855-610	Safety Grants Program	\$ 4,000,000	\$ 4,000,000	7015
829	855-604	Long Term Care Loan	\$ 2,000,000	\$ 2,000,000	7016
	Program				
TOTAL WCF Workers' Compensation					7017
Fund Group			\$ 327,352,221	\$ 327,606,339	7018
Federal Special Revenue Fund Group					7019
349	855-601	OSHA Enforcement	\$ 1,604,140	\$ 1,604,140	7020
TOTAL FED Federal Special Revenue			\$ 1,604,140	\$ 1,604,140	7021
Fund Group					
TOTAL ALL BUDGET FUND GROUPS			\$ 328,956,361	\$ 329,210,479	7022
WILLIAM GREEN LEASE PAYMENTS					7023
The foregoing appropriation item 855-401, William Green Lease					7024
Payments to OBA, shall be used for lease payments to the Ohio					7025
Building Authority, and these appropriations shall be used to meet					7026
all payments at the times they are required to be made during the					7027
period from July 1, 2007, to June 30, 2009, by the Bureau of					7028
Workers' Compensation to the Ohio Building Authority pursuant to					7029
leases and agreements made under Chapter 152. of the Revised Code					7030
and Section 6 of Am. Sub. H.B. 743 of the 118th General Assembly.					7031
Of the amounts received in Fund 023, appropriation item 855-401,					7032
William Green Lease Payments to OBA, up to \$41,123,100 shall be					7033
restricted for lease rental payments to the Ohio Building					7034
Authority. If it is determined that additional appropriations are					7035
necessary for such purpose, such amounts are hereby appropriated.					7036
Notwithstanding any other provision of law to the contrary,					7037

all tenants of the William Green Building not funded by the 7038  
Workers' Compensation Fund (Fund 023) shall pay their fair share 7039  
of the costs of lease payments to the Workers' Compensation Fund 7040  
(Fund 023) by intrastate transfer voucher. 7041

WORKERS' COMPENSATION FRAUD UNIT 7042

The Workers' Compensation Section Fund (Fund 195) shall 7043  
receive payments from the Bureau of Workers' Compensation at the 7044  
beginning of each quarter of each fiscal year to fund expenses of 7045  
the Workers' Compensation Fraud Unit of the Attorney General's 7046  
Office. Of the foregoing appropriation item 855-410, Attorney 7047  
General Payments, \$796,346 in fiscal year 2008 and \$796,346 in 7048  
fiscal year 2009 shall be used to provide these payments. 7049

SAFETY AND HYGIENE 7050

Notwithstanding section 4121.37 of the Revised Code, the 7051  
Administrator of Workers' Compensation shall transfer moneys from 7052  
the State Insurance Fund so that appropriation item 855-609, 7053  
Safety and Hygiene Operating, is provided \$20,734,750 in fiscal 7054  
year 2008 and \$20,734,750 in fiscal year 2009. 7055

OSHA ON-SITE CONSULTATION PROGRAM 7056

The Bureau of Workers' Compensation may designate a portion 7057  
of appropriation item 855-609, Safety and Hygiene Operating, to be 7058  
used to match federal funding for the federal Occupational Safety 7059  
and Health Administration's (OSHA) on-site consultation program. 7060

VOCATIONAL REHABILITATION 7061

The Bureau of Workers' Compensation and the Rehabilitation 7062  
Services Commission shall enter into an interagency agreement for 7063  
the provision of vocational rehabilitation services and staff to 7064  
mutually eligible clients. The bureau shall provide \$605,407 in 7065  
fiscal year 2008 and \$605,407 in fiscal year 2009 from the State 7066  
Insurance Fund to fund vocational rehabilitation services and 7067

staff in accordance with the interagency agreement. 7068

FUND BALANCE 7069

Any unencumbered cash balance in excess of \$45,000,000 in the 7070  
 Workers' Compensation Fund (Fund 023) on the thirtieth day of June 7071  
 of each fiscal year shall be used to reduce the administrative 7072  
 cost rate charged to employers to cover appropriations for Bureau 7073  
 of Workers' Compensation operations. 7074

HOLDING ACCOUNT 7075

On July 1, 2007, or as soon as possible thereafter, the 7076  
 Director of Budget and Management shall transfer the remaining 7077  
 cash balance in the Camera Center Fund (Fund R46) to the 7078  
 Administrative Fund (Fund 023). After the transfer, the Camera 7079  
 Center Fund is abolished. 7080

**Section \_\_\_\_.** Notwithstanding division (D) of section 4121.03, 7081  
 division (B)(10) of section 4121.121, and section 101.532 of the 7082  
 Revised Code regarding the requirement that the budget for the 7083  
 bureau of workers' compensation and the budget for the industrial 7084  
 commission be enacted in separate bills, all items in this section 7085  
 are hereby appropriated out of any moneys in the state treasury to 7086  
 the credit of the designated fund. For all appropriations made in 7087  
 this section, those in the first column are for fiscal year 2008, 7088  
 and those in the second column are for fiscal year 2009. 7089

Appropriations 7090

FND AI	AI TITLE		FY 2008	FY 2009	7091
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OIC INDUSTRIAL COMMISSION 7092

Workers' Compensation Fund Group 7093

5W3	845-321	Operating Expenses	\$	51,778,924	\$	51,778,924	7094
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5W3	845-402	Rent - William Green	\$	6,299,960	\$	6,299,960	7095
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Building

5W3	845-410	Attorney General	\$	3,558,634	\$	3,558,634	7096
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Payments

821 845-605 Program Support	\$	161,847	\$	161,847	7097
TOTAL WCF Workers' Compensation					7098
Fund Group	\$	61,799,365	\$	61,799,365	7099
TOTAL ALL BUDGET FUND GROUPS	\$	61,799,365	\$	61,799,365	7100

RENT - WILLIAM GREEN BUILDING 7101

The foregoing appropriation item 845-402, Rent - William 7102  
Green Building, shall be used for rent and operating expenses for 7103  
the space occupied by the Industrial Commission in the William 7104  
Green Building. 7105

PROGRAM SUPPORT 7106

The foregoing appropriation item 845-605, Program Support, 7107  
shall be used for any expense related to revenues collected and 7108  
deposited in Fund 821, such as the purchase of copiers, copier 7109  
maintenance and related supplies, coin copier expense, coin 7110  
changer purchases, expenses related to conferences that produce 7111  
revenue, publications that produce revenue, and replacement of 7112  
furniture and equipment. 7113

**Section 303.10.** Law contained in the main operating 7114  
appropriations act of the 127th General Assembly that applies 7115  
generally to the appropriations made in that act also applies 7116  
generally to the appropriations made in this act. 7117

**Section 403.03.** That Section 4 of Am. Sub. H.B. 516 of the 7118  
125th General Assembly, as amended by Am. Sub. H.B. 66 and Sub. 7119  
S.B. 124 of the 126th General Assembly, be amended to read as 7120  
follows: 7121

**Sec. 4.** The following agencies shall be retained pursuant to 7122  
division (D) of section 101.83 of the Revised Code and shall 7123  
expire on December 31, 2010: 7124

	REVISED CODE	7125
	OR	
	UNCODIFIED	7126
AGENCY NAME	SECTION	7127
Administrator, Interstate Compact on Mental Health	5119.50	7128
Administrator, Interstate Compact on Placement of Children	5103.20	7129
Advisory Board of Governor's Office of Faith-Based and Community Initiatives	107.12	7131
Advisory Boards to the EPA for Air Pollution	121.13	7132
Advisory Boards to the EPA for Water Pollution	121.13	7133
Advisory Committee of the State Veterinary Medical Licensing Board	4741.03(D)(3)	7134
Advisory Committee on Livestock Exhibitions	901.71	7135
Advisory Council on Amusement Ride Safety	1711.51	7136
Advisory Board of Directors for Prison Labor	5145.162	7137
Advisory Council for Each Wild, Scenic, or Recreational River Area	1517.18	7138
Advisory Councils or Boards for State Departments	107.18 or 121.13	7139
Advisory Group to the Ohio Water Resources Council	1521.19(C)	7140
Alzheimer's Disease Task Force	173.04(F)	7141
AMBER Alert Advisory Committee	5502.521	7142
Apprenticeship Council	4139.02	7143
Armory Board of Control	5911.09	7144
Automated Title Processing Board	4505.09(C)(1)	7145
Banking Commission	1123.01	7146
Board of Directors of the Ohio Health Reinsurance Program	3924.08	7147
Board of Voting Machine Examiners	3506.05(B)	7148
Brain Injury Advisory Committee	3304.231	7149
Capitol Square Review and Advisory Board	105.41	7150
Child Support Guideline Advisory Council	3119.024	7151

Children's Trust Fund Board	3109.15	7152
Citizens Advisory Committee (BMV)	4501.025	7153
Citizen's Advisory Councils (Dept. of Mental Retardation and Developmental Disabilities)	5123.092	7154
Clean Ohio Trail Advisory Board	1519.06	7155
Coastal Resources Advisory Council	1506.12	7156
Commission on African-American Males	4112.12	7157
Commission on Hispanic-Latino Affairs	121.31	7158
Commission on Minority Health	3701.78	7159
Committee on Prescriptive Governance	4723.49	7160
Commodity Advisory Commission	926.32	7161
Community Mental Retardation and Developmental Disabilities Trust Fund Advisory Council	5123.353	7162
Community Oversight Council	3311.77	7163
Compassionate Care Task Force	Section 3, H.B. 474, 124th GA	7164
Continuing Education Committee (for Sheriffs)	109.80	7165
Coordinating Committee, Agricultural Commodity Marketing Programs	924.14	7166
Council on Alcohol and Drug Addiction Services	3793.09	7167
Council on Unreclaimed Strip Mined Lands	1513.29	7168
Council to Advise on the Establishment and Implementation of the Birth Defects Information System	3705.34	7169
County Sheriffs' Standard Car-Marking and Uniform Commission	311.25	7170
Credit Union Council	1733.329	7171
Criminal Sentencing Advisory Committee	181.22	7172
Day-Care Advisory Council	5104.08	7173
Dentist Loan Repayment Advisory Board	3702.92	7174
Development Financing Advisory Council	122.40	7175
Education Commission of the States (Interstate	3301.48	7176

Compact for Education)		
Electrical Safety Inspector Advisory Committee	3783.08	7177
Emergency Response Commission	3750.02	7178
Engineering Experiment Station Advisory Committee	3335.27	7179
Environmental Education Council	3745.21	7180
EPA Advisory Boards or Councils	121.13	7181
Farmland Preservation Advisory Board	901.23	7182
Financial Planning & Supervision Commission for Municipal Corporation, County, or Township	118.05	7183
Financial Planning & Supervision Commission for School District	3316.05	7184
Forestry Advisory Council	1503.40	7185
Governance Authority for a State University or College	3345.75	7186
Governor's Advisory Council on Physical Fitness, Wellness, & Sports	3701.77	7187
Governor's Council on People with Disabilities	3303.41	7188
Governor's Residence Advisory Commission	107.40	7189
Great Lakes Commission (Great Lakes Basin Compact)	6161.01	7190
Gubernatorial Transition Committee	107.29	7191
Head Start Partnership Study Council	Section 41.35, H.B. 95, 125th GA	7192
Hemophilia Advisory Subcommittee	3701.0210	7193
Housing Trust Fund Advisory Committee	175.25	7194
Industrial Commission Nominating Council	4121.04	7195
Industrial Technology and Enterprise Advisory Council	122.29	7196
Infant Hearing Screening Subcommittee	3701.507	7197
Insurance Agent Education Advisory Council	3905.483	7198
Interagency Council on Hispanic/Latino Affairs	121.32(J)	7199
Interstate Mining Commission (Interstate Mining Compact)	1514.30	7200

Interstate Rail Passenger Advisory Council (Interstate High Speed Intercity Rail Passenger Network Compact)	4981.35	7201
Joint Council on MR/DD	101.37	7202
Joint Select Committee on Volume Cap	133.021	7203
Labor-Management Government Advisory Council	4121.70	7204
Legal Rights Service Commission	5123.60	7205
Legislative Task Force on Redistricting, Reapportionment, and Demographic Research	103.51	7206
Maternal and Child Health Council	3701.025	7207
Medically Handicapped Children's Medical Advisory Council	3701.025	7208
Midwest Interstate Passenger Rail Compact Commission (Ohio members)	4981.361	7209
Military Activation Task Force	5902.15	7210
Milk Sanitation Board	917.03	7211
Mine Subsidence Insurance Governing Board	3929.51	7212
Minority Development Financing Board	122.72	7213
Multi-Agency Radio Communications Systems Steering Committee	Sec. 21, H.B. 790, 120th GA	7214
Multidisciplinary Council	3746.03	7215
Muskingum River Advisory Council	1501.25	7216
National Museum of Afro-American History and Culture Planning Committee	149.303	7217
Ohio Advisory Council for the Aging	173.03	7218
Ohio Aerospace & Defense Advisory Council	122.98	7219
Ohio Arts Council	3379.02	7220
Ohio Business Gateway Steering Committee	5703.57	7221
Ohio Cemetery Dispute Resolution Commission	4767.05	7222
Ohio Civil Rights Commission Advisory Agencies and Conciliation Councils	4112.04(B)	7223
Ohio Commercial Insurance Joint Underwriting Association Board Of Governors	3930.03	7224

Ohio Commercial Market Assistance Plan Executive Committee	3930.02	7225
Ohio Commission on Dispute Resolution and Conflict Management	179.02	7226
Ohio Commission to Reform Medicaid	Section 59.29, H.B. 95, 125th GA	7227
Ohio Community Service Council	121.40	7228
Ohio Council for Interstate Adult Offender Supervision	5149.22	7229
Ohio Cultural Facilities Commission	3383.02	7230
Ohio Developmental Disabilities Council	5123.35	7231
Ohio Expositions Commission	991.02	7232
Ohio Family and Children First Cabinet Council	121.37	7233
Ohio Geology Advisory Council	1505.11	7234
Ohio Grape Industries Committee	924.51	7235
Ohio Hepatitis C Advisory Commission	3701.92	7236
Ohio Historic Site Preservation Advisory Board	149.301	7237
Ohio Historical Society Board of Trustees	149.30	7238
Ohio Judicial Conference	105.91	7239
Ohio Lake Erie Commission	1506.21	7240
Ohio Medical Malpractice Commission	Section 4, S.B. 281, 124th GA and Section 3, S.B. 86, 125th GA	7241
Ohio Medical Quality Foundation	3701.89	7242
Ohio Parks and Recreation Council	1541.40	7243
Ohio Peace Officer Training Commission	109.71	7244
Ohio Public Defender Commission	120.01	7245
Ohio Public Library Information Network Board	Sec. 69, H.B. 117, 121st GA,	7246

	as amended by	
	H.B. 284,	
	121st GA	
Ohio Quarter Horse Development Commission	3769.086	7247
Ohio Small Government Capital Improvements Commission	164.02	7248
Ohio Soil and Water Conservation Commission	1515.02	7249
Ohio Standardbred Development Commission	3769.085	7250
Ohio Steel Industry Advisory Council	122.97	7251
Ohio Teacher Education and Licensure Advisory Council	3319.28(D)	7252
Ohio Thoroughbred Racing Advisory Committee	3769.084	7253
Ohio Tuition Trust Authority	3334.03	7254
Ohio University College of Osteopathic Medicine Advisory Committee	3337.10	7255
Ohio Vendors Representative Committee	3304.34	7256
Ohio War Orphans Scholarship Board	5910.02	7257
Ohio Water Advisory Council	1521.031	7258
Ohio Water Resources Council	1521.19	7259
Ohioana Library Association, Martha Kinney Cooper Memorial	3375.62	7260
Oil and Gas Commission	1509.35	7261
Operating Committee, Agricultural Commodity Marketing Programs	924.07	7262
Organized Crime Investigations Commission	177.01	7263
Pharmacy and Therapeutics Committee of the Dept. of Job and Family Services	5111.81	7264
Physician Loan Repayment Advisory Board	3702.81	7265
Power Siting Board	4906.02	7266
Prequalification Review Board	5525.07	7267
Private Water Systems Advisory Council	3701.346	7268
Public Employment Risk Reduction Advisory Commission	4167.02	7269

Public Health Council	3701.33	7270
Public Utilities Commission Nominating Council	4901.021	7271
Public Utility Property Tax Study Committee	5727.85	7272
Radiation Advisory Council	3748.20	7273
Reclamation Commission	1513.05	7274
Recreation and Resources Commission	1501.04	7275
Recycling and Litter Prevention Advisory Council	1502.04	7276
Rehabilitation Services Commission Consumer Advisory Committee	3304.24	7277
Savings & Loans Associations & Savings Banks Board	1181.16	7278
Schools and Ministerial Lands Divestiture Committee	501.041	7279
Second Chance Trust Fund Advisory Committee	2108.17	7280
<del>Services Committee of the Workers' Compensation System</del>	<del>4121.06</del>	7281
Small Business Stationary Source Technical and Environmental Compliance Assistance Council	3704.19	7282
Solid Waste Management Advisory Council	3734.51	7283
State Agency Coordinating Group	1521.19	7284
State Board of Emergency Medical Services Subcommittees	4765.04	7285
State Council of Uniform State Laws	105.21	7286
State Committee for the Purchase of Products and Services Provided by Persons with Severe Disabilities	4115.32	7287
State Criminal Sentencing Commission	181.21	7288
State Fire Commission	3737.81	7289
State Racing Commission	3769.02	7290
State Victims Assistance Advisory Committee	109.91	7291
Student Tuition Recovery Authority	3332.081	7292
Tax Credit Authority	122.17	7293
Technical Advisory Committee to Assist the Director of the Ohio Coal Development Office	1551.35	7294

Technical Advisory Council on Oil and Gas	1509.38	7295
Transportation Review Advisory Council	5512.07	7296
Unemployment Compensation Review Commission	4141.06	7297
Unemployment Compensation Advisory Council	4141.08	7298
Utility Radiological Safety Board	4937.02	7299
Vehicle Management Commission	125.833	7300
Veterans Advisory Committee	5902.02(K)	7301
Volunteer Fire Fighters' Dependents Fund Boards (Private and Public)	146.02	7302
Water and Sewer Commission	1525.11(C)	7303
Waterways Safety Council	1547.73	7304
Wildlife Council	1531.03	7305
<del>Workers' Compensation System Oversight Commission</del>	<del>4121.12</del>	7306
<del>Workers' Compensation Oversight Commission</del>	<del>4121.123</del>	7307
<del>Nominating Committee</del>		

**Section 403.04.** That existing Section 4 of Am. Sub. H.B. 516 of the 125th General Assembly, as amended by Am. Sub. H.B. 66 and Sub. S.B. 124 of the 126th General Assembly, is hereby repealed.

**Section 403.10.** That Section 3 of Am. H.B. 67 of the 126th General Assembly, as amended by Am. Sub. H.B. 66 of the 126th General Assembly, be amended to read as follows:

**Sec. 3.** All items in this section are hereby appropriated out of any moneys in the state treasury to the credit of the designated fund. For all appropriations made in this act, those in the first column are for fiscal year 2006, and those in the second column are for fiscal year 2007.

FND AI	AI TITLE	Appropriations	7319
	BWC BUREAU OF WORKERS' COMPENSATION		7320
	Workers' Compensation Fund Group		7321
023 855-401	William Green Lease	\$ 19,736,600 \$ 20,125,900	7322

		Payments to OBA				
023	855-407	Claims, Risk & Medical	\$	140,052,037	\$	140,052,037
		Management				7323
023	855-408	Fraud Prevention	\$	11,713,797	\$	11,713,797
						7324
023	855-409	Administrative	\$	119,246,553	\$	119,246,553
		Services				7325
023	855-410	Attorney General	\$	4,314,644	\$	4,314,644
						7326
		Payments				
822	855-606	Coal Workers' Fund	\$	91,894	\$	91,894
						7327
823	855-608	Marine Industry	\$	53,952	\$	53,952
						7328
825	855-605	Disabled Workers	\$	693,764	\$	693,764
						7329
		Relief Fund				
826	855-609	Safety & Hygiene	\$	20,130,820	\$	20,130,820
						7330
		Operating				
826	855-610	Safety Grants Program	\$	4,000,000	\$	4,000,000
						7331
		TOTAL WCF Workers' Compensation				7332
		Fund Group	\$	320,034,061	\$	320,423,361
						7333
		Federal Special Revenue Fund Group				7334
349	855-601	OSHA Enforcement	\$	1,527,750	\$	1,604,140
						7335
		TOTAL FED Federal Special Revenue	\$	1,527,750	\$	1,604,140
						7336
		Fund Group				
		TOTAL ALL BUDGET FUND GROUPS	\$	321,561,811	\$	322,027,501
						7337
		WILLIAM GREEN LEASE PAYMENTS				7338
		The foregoing appropriation item 855-401, William Green Lease				7339
		Payments to OBA, shall be used for lease payments to the Ohio				7340
		Building Authority, and these appropriations shall be used to meet				7341
		all payments at the times they are required to be made during the				7342
		period from July 1, 2005, to June 30, 2007, by the Bureau of				7343
		Workers' Compensation to the Ohio Building Authority pursuant to				7344
		leases and agreements made under Chapter 152. of the Revised Code				7345
		and Section 6 of Am. Sub. H.B. 743 of the 118th General Assembly.				7346
		Of the amounts received in Fund 023, appropriation item 855-401,				7347

William Green Lease Payments to OBA, up to \$39,862,500 shall be 7348  
restricted for lease rental payments to the Ohio Building 7349  
Authority. If it is determined that additional appropriations are 7350  
necessary for such purpose, such amounts are hereby appropriated. 7351

Notwithstanding any other provision of law to the contrary, 7352  
all tenants of the William Green Building not funded by the 7353  
Workers' Compensation Fund (Fund 023) shall pay their fair share 7354  
of the costs of lease payments to the Workers' Compensation Fund 7355  
(Fund 023) by intrastate transfer voucher. 7356

~~WORKERS' COMPENSATION OVERSIGHT COMMISSION~~ 7357

~~Of the foregoing appropriation item 855-409, Administrative 7358  
Services, up to \$18,000 per calendar year shall be used to pay the 7359  
annual compensation of each investment expert member of the 7360  
Workers' Compensation Oversight Commission, as provided in 7361  
divisions (D) and (F) of section 4121.12 of the Revised Code. Each 7362  
investment expert member shall also receive reasonable and 7363  
necessary expenses while engaged in the performance of his or her 7364  
duties, as provided in division (F) of section 4121.12 of the 7365  
Revised Code. 7366~~

WORKERS' COMPENSATION FRAUD UNIT 7367

The Workers' Compensation Section Fund (Fund 195) shall 7368  
receive payments from the Bureau of Workers' Compensation at the 7369  
beginning of each quarter of each fiscal year to fund expenses of 7370  
the Workers' Compensation Fraud Unit of the Attorney General's 7371  
Office. Of the foregoing appropriation item 855-410, Attorney 7372  
General Payments, \$773,151 in fiscal year 2006 and \$773,151 in 7373  
fiscal year 2007 shall be used to provide these payments. 7374

SAFETY AND HYGIENE 7375

Notwithstanding section 4121.37 of the Revised Code, the 7376  
Administrator of Workers' Compensation shall transfer moneys from 7377  
the State Insurance Fund so that appropriation item 855-609, 7378

Safety and Hygiene Operating, is provided \$20,130,820 in fiscal 7379  
year 2006 and \$20,130,820 in fiscal year 2007. 7380

LONG-TERM CARE LOAN FUND 7381

Upon the request of the Administrator of the Bureau of 7382  
Workers' Compensation and with the advice and consent of the 7383  
Bureau of Workers' Compensation Oversight Commission, the Director 7384  
of Budget and Management shall transfer cash in the amounts 7385  
requested from the Safety and Hygiene Operating Fund (Fund 826) to 7386  
the Long-Term Care Loan Fund (Fund 829) created in section 4121.48 7387  
of the Revised Code. The amounts transferred are hereby 7388  
appropriated. 7389

OSHA ON-SITE CONSULTATION PROGRAM 7390

The Bureau of Workers' Compensation may designate a portion 7391  
of appropriation item 855-609, Safety and Hygiene Operating, to be 7392  
used to match federal funding for the federal Occupational Safety 7393  
and Health Administration's (OSHA) on-site consultation program. 7394

VOCATIONAL REHABILITATION 7395

The Bureau of Workers' Compensation and the Rehabilitation 7396  
Services Commission shall enter into an interagency agreement for 7397  
the provision of vocational rehabilitation services and staff to 7398  
mutually eligible clients. The bureau shall provide \$587,774 in 7399  
fiscal year 2006 and \$605,407 in fiscal year 2007 from the State 7400  
Insurance Fund to fund vocational rehabilitation services and 7401  
staff in accordance with the interagency agreement. 7402

FUND BALANCE 7403

Any unencumbered cash balance in excess of \$45,000,000 in the 7404  
Workers' Compensation Fund (Fund 023) on the thirtieth day of June 7405  
of each fiscal year shall be used to reduce the administrative 7406  
cost rate charged to employers to cover appropriations for Bureau 7407  
of Workers' Compensation operations. 7408

OSHA ENFORCEMENT FUND TRANSFER 7409

On July 1, 2005, or as soon thereafter as possible, the 7410  
Director of Budget and Management shall transfer the OSHA 7411  
Enforcement Fund (Fund 349) from the Department of Commerce to the 7412  
Bureau of Workers' Compensation. At the request of the Director of 7413  
the Department of Commerce, the Director of Budget and Management 7414  
may cancel encumbrances in this fund from appropriation item 7415  
800-626, OSHA Enforcement, within the budget of the Department of 7416  
Commerce, and reestablish those encumbrances or parts of those 7417  
encumbrances in fiscal year 2006 for the same purpose and to the 7418  
same vendor to appropriation item 855-601, OSHA Enforcement, 7419  
within the budget of the Bureau of Workers' Compensation. As 7420  
determined by the Director of Budget and Management, the 7421  
appropriation authority necessary to reestablish encumbrances or 7422  
parts of encumbrances in fiscal year 2006 for the Bureau of 7423  
Workers' Compensation is hereby granted. 7424

**Section 403.11.** That existing Section 3 of Am. H.B. 67 of the 7425  
126th General Assembly, as amended by Am. Sub. H.B. 66 of the 7426  
126th General Assembly, is hereby repealed. 7427

**Section 512.10.** The governor shall not appoint any individual 7428  
who is a member of the Workers' Compensation Oversight Commission 7429  
on the effective date of this section to serve as a member of the 7430  
Bureau of Workers' Compensation Board of Directors. The Oversight 7431  
Commission is hereby abolished on the date the Governor appoints 7432  
the last member to the Board in accordance with this section. The 7433  
Board shall supersede the Oversight Commission and its members and 7434  
succeed to and have and perform all the duties, powers, and 7435  
obligations pertaining to the duties, powers, and obligations of 7436  
the Oversight Commission and its members. For the purpose of the 7437  
institution, conduct, and completion of matters relating to its 7438  
succession, the Board is deemed to be the continuation of and 7439

successor under law to the Oversight Commission and its members. 7440  
All rules, actions, determinations, commitments, resolutions, 7441  
decisions, and agreements pertaining to those duties, powers, 7442  
obligations, functions, and rights in force or in effect on the 7443  
effective date of this section shall continue in force and effect 7444  
subject to any further lawful action thereon by the Board. 7445  
Wherever the Oversight Commission or its members are referred to 7446  
in any provision of law, or in any agreement or document that 7447  
pertains to those duties, powers, obligations, functions, and 7448  
rights, the reference is to the Board. 7449

All authorized obligations and supplements thereto of the 7450  
Oversight Commission and its members pertaining to the duties, 7451  
powers, and obligations transferred are binding on the Board, and 7452  
nothing in this act impairs the obligations or rights thereunder 7453  
or under any contract. The abolition of the Oversight Commission 7454  
and the transfer of the Oversight Commission's duties, powers, and 7455  
obligations do not affect the validity of agreements or 7456  
obligations made by the Oversight Commission or its members 7457  
pursuant to Chapters 4121., 4123., 4125., 4127., 4131., and 4167. 7458  
of the Revised Code or any other provisions of law. 7459

In connection with the transfer of duties, powers, 7460  
obligations, functions, and rights and abolition of the Oversight 7461  
Commission, all real property and interest therein, documents, 7462  
books, money, papers, records, machinery, furnishings, office 7463  
equipment, furniture, and all other property over which the 7464  
Oversight Commission has control pertaining to the duties, powers, 7465  
and obligations transferred and the rights of the Oversight 7466  
Commission to enforce or receive any of the aforesaid is 7467  
automatically transferred to the Board without necessity for 7468  
further action on the part of the Board. Additionally, all 7469  
appropriations or reappropriations made to the Oversight 7470  
Commission for the purposes of the performance of its duties, 7471

powers, and obligations, are transferred to the Board to the 7472  
extent of the remaining unexpended or unencumbered balance 7473  
thereof, whether allocated or unallocated, and whether obligated 7474  
or unobligated. 7475

**Section 512.20.** The Bureau of Workers' Compensation Board of 7476  
Directors shall appoint the members of the Workers' Compensation 7477  
Audit Committee, Workers' Compensation Actuarial Committee, and 7478  
the Workers' Compensation Investment Committee in accordance with 7479  
section 4121.123 of the Revised Code, as enacted by this act, not 7480  
later than ninety days after the effective date of this section. 7481

**Section 512.30.** On the effective date of this section, the 7482  
Workers' Compensation Oversight Commission Nominating Committee 7483  
and the Services Committee of the Workers' Compensation System are 7484  
hereby abolished. 7485

**Section 512.40.** On the effective date of section 4121.122 of 7486  
the Revised Code, as amended by this act, the Internal Security 7487  
Committee is hereby abolished. 7488

**Section 512.45.** The Workers' Compensation Council shall 7489  
contract with an independent actuary to have that actuary perform 7490  
an actuarial valuation of the assets, liabilities, and funding 7491  
requirements of the funds specified in Chapters 4121., 4123., 7492  
4127., and 4131. of the Revised Code. The actuary with whom the 7493  
Council contracts under this section shall prepare a report of the 7494  
valuation in accordance with the standards of practice promulgated 7495  
by the Actuarial Standards Board of the American Academy of 7496  
Actuaries and shall submit that report to the Council. The actuary 7497  
shall include all of the following information in the report: 7498

(A) A summary of the compensation and benefit provisions 7499  
evaluated; 7500

(B) A summary of the census data and financial information used in the valuation; 7501  
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(C) A description of the actuarial assumptions, actuarial cost method, and asset valuation method used in the valuation; 7503  
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(D) A summary of the findings that includes a statement of the actuarial accrued compensation and benefit liabilities and unfounded actuarial accrued compensation and benefit liabilities. 7505  
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The Council shall submit to the governor and the general assembly a report summarizing the valuation required under this section not later than two years after the effective date of section 4121.75 of the Revised Code, as enacted by this act. 7508  
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**Section 512.50.** (A) The Administrator of Workers' Compensation shall commission a reputable outside consulting firm that the Bureau of Workers' Compensation has not retained to conduct similar reports over the five years prior to the effective date of this section to perform a comprehensive review of the base rate of premiums paid by employers and of all of the rating programs used by the Administrator to determine an employer's premium rate under Chapters 4121., 4123., 4127., and 4131. of the Revised Code. In conducting the review required under this section, the Administrator shall do all of the following: 7512  
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(1) Compare the rates and programs used in this state to the rates and programs used in other states; 7522  
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(2) Study the effect of the rates in reducing the number and severity of workers' compensation claims in this state; 7524  
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(3) Study the effect that saving money has had on safety in workplaces in this state; 7526  
7527

(4) Identify methods of rate setting and reserving that the Administrator could use to make the rate setting and reserving process more transparent for employers and employees. 7528  
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(B) The Administrator shall commission a reputable outside consulting firm that the Bureau has not retained to conduct similar reports over the five years prior to the effective date of this section to perform a comprehensive review of the adequacy of the Surplus Fund created under section 4123.34 of the Revised Code and the general reserving methods used for the State Insurance Fund and all other funds specified in Chapters 4121., 4123., 4127., and 4131. of the Revised Code.

(C) The Administrator shall provide a summary of the reviews required under this section and shall present recommendations based on the review to the General Assembly and the Bureau of Workers' Compensation Board of Directors not later than two years after the effective date of this section.

(D) This section of law, as enacted by this act, is subject to the referendum. Therefore, under Ohio Constitution, Article II, Section 1c and section 1.471 of the Revised Code, this section takes effect on the ninety-first day after this act is filed with the Secretary of State. If, however, a referendum petition is filed against this section of law as enacted by this act, this section of law as enacted, unless rejected at the referendum, takes effect at the earliest time permitted by law.

**Section 512.60.** The Administrator of Workers' Compensation shall not place a limit on the length of time that an employer may participate in the Bureau of Workers' Compensation Drug Free Workplace Program until the Administrator adopts rules in accordance with Chapter 119. of the Revised Code for the purpose of establishing the length of time that an employer may participate in that program.

**Section 512.70.** The Administrator of Workers' Compensation shall not use the Micro Insurance Reserve Analysis System to

determine the reserves for use in establishing premium rates 7561  
assessed for the purposes of Chapter 4121., 4123., 4127., or 4131. 7562  
of the Revised Code after June 30, 2007. A contract between the 7563  
Administrator and a vendor for the System in existence on the 7564  
effective date of this section shall expire in accordance with the 7565  
terms of the contract, and the Administrator shall not renew or 7566  
extend that contract. 7567

**Section 603.10.** The items of law contained in this act, and 7568  
their applications, are severable. If any item of law contained in 7569  
this act, or if any application of any item of law contained in 7570  
this act, is held invalid, the invalidity does not affect other 7571  
items of law contained in this act and their applications that can 7572  
be given effect without the invalid item of law or application. 7573

**Section 606.10.** An item that composes the whole or part of an 7574  
uncodified section contained in this act has no effect after June 7575  
30, 2009, unless the context clearly indicates otherwise. 7576

**Section 609.03.** Except as otherwise specifically provided in 7577  
this act, the codified sections of law amended or enacted in this 7578  
act, and the items of law of which the codified sections of law 7579  
amended or enacted in this act are composed, are subject to the 7580  
referendum. Therefore, under Ohio Constitution, Article II, 7581  
Section 1c and section 1.471 of the Revised Code, the codified 7582  
sections of law amended or enacted by this act, and the items of 7583  
law of which the codified sections of law as amended or enacted by 7584  
this act are composed, take effect on the ninety-first day after 7585  
this act is filed with the Secretary of State. If, however, a 7586  
referendum petition is filed against any such codified section of 7587  
law as amended or enacted by this act, or against any item of law 7588  
of which any such codified section of law as amended or enacted by 7589  
this act is composed, the codified section of law as amended or 7590

enacted, or item of law, unless rejected at the referendum, takes 7591  
effect at the earliest time permitted by law. 7592

**Section 609.05.** Except as otherwise specifically provided in 7593  
this act, the repeal by this act of a codified section of law is 7594  
subject to the referendum. Therefore, under Ohio Constitution, 7595  
Article II, Section 1c and section 1.471 of the Revised Code, the 7596  
repeal by this act of a codified section of law takes effect on 7597  
the ninety-first day after this act is filed with the Secretary of 7598  
State. If, however, a referendum petition is filed against any 7599  
such repeal, the repeal, unless rejected at the referendum, takes 7600  
effect at the earliest time permitted by law. 7601

**Section 612.03.** The codified section of law amended or 7602  
enacted by this act that is listed in this section, and the items 7603  
of law of which such section as amended or enacted by this act are 7604  
composed, are not subject to the referendum. Therefore, under Ohio 7605  
Constitution, Article II, Section 1d and section 1.471 of the 7606  
Revised Code, such section as amended or enacted by this act, and 7607  
the items of law of which such section as amended or enacted by 7608  
this act are composed, go into immediate effect when this act 7609  
becomes law. 7610

Section 4121.12 of the Revised Code. 7611

**Section 612.09.** The repeal and reenactment of section 7612  
4121.123 of the Revised Code is not subject to the referendum. 7613  
Therefore, under Ohio Constitution, Article II, Section 1d and 7614  
section 1.471 of the Revised Code, section 4121.123 of the Revised 7615  
Code takes effect sixty days after the effective date of this 7616  
section. 7617

**Section 615.03.** Except as otherwise provided in Section 7618  
512.50 of this act, the uncodified sections of law contained in 7619

this act, and the items of law of which the uncodified sections of  
law contained in this act are composed, are not subject to the  
referendum. Therefore, under Ohio Constitution, Article II,  
Section 1d and section 1.471 of the Revised Code, the uncodified  
sections of law contained in this act, and the items of law of  
which the uncodified sections of law contained in this act are  
composed, go into immediate effect when this act becomes law.

**Section 618.03.** Section 4 of Am. Sub. H.B. 516 of the 125th  
General Assembly is presented in this act as a composite of the  
section as amended by both Am. Sub. H.B. 66 and Sub. S.B. 124 of  
the 126th General Assembly. The General Assembly, applying the  
principle stated in division (B) of section 1.52 of the Revised  
Code that amendments are to be harmonized if reasonably capable of  
simultaneous operation, finds that the composite is the resulting  
version of the section in effect prior to the effective date of  
the section as presented in this act.