

As Passed by the House

**127th General Assembly
Regular Session
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Am. H. B. No. 100

Representative Brinkman

**Cosponsors: Representatives Adams, Bacon, Batchelder, Blessing, Boyd,
Bubp, Chandler, Coley, Combs, Flowers, Gibbs, Goodwin, Hottinger,
Huffman, Hughes, Otterman, Patton, Uecker, Widowfield, Williams, S.,
Zehringer**

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A B I L L

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 applicable filing deadline established under this section, a statement that is required by this section.

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

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

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

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 court of record, and no referee or magistrate serving a court of

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 authority and the reasons for entering into the agreement. The commission or prosecuting authority shall retain the agreement and statement in the commission's or prosecuting authority's office and, in the commission's or prosecuting authority's discretion, may make the agreement, the statement, and any supporting information public, unless the agreement provides otherwise.

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

Sec. 109.981. If a ~~voting~~ member of the bureau of workers' compensation oversight commission board of directors breaches the member's fiduciary duty to the bureau of workers' compensation, the attorney general may maintain a civil action against the board member for harm resulting from that breach. Notwithstanding section 4121.128 of the Revised Code, after being informed of an allegation that the entire ~~oversight commission~~ board has breached its fiduciary duty, the ~~oversight commission~~ board may retain independent legal counsel, including legal counsel provided by the ~~oversight commission's~~ board's fiduciary insurance carrier, to advise the board and to represent the board. The attorney general may recover damages or be granted injunctive relief, which shall

include the enjoinder of specified activities and the removal of 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 695
preservation of the public peace, health, or safety shall state 696
the reasons for the necessity. The emergency rule, in final form 697
and in compliance with division (B)(3) of this section, shall be 698
filed in electronic form with the secretary of state, the director 699
of the legislative service commission, and the joint committee on 700
agency rule review. The emergency rule is effective immediately 701
upon completion of the latest filing, except that if the agency in 702
adopting the emergency rule designates an effective date, or date 703
and time of day, that is later than the effective date and time 704
provided for by division (B)(2) of this section, the emergency 705
rule if filed as required by such division shall become effective 706
at the later date, or later date and time of day, designated by 707
the agency. 708

An emergency rule becomes invalid at the end of the ninetieth 709
day it is in effect. Prior to that date, the agency may file the 710
emergency rule as a nonemergency rule in compliance with division 711
(B)(1) of this section. The agency may not refile the emergency 712
rule in compliance with division (B)(2) of this section so that, 713
upon the emergency rule becoming invalid under such division, the 714
emergency rule will continue in effect without interruption for 715
another ninety-day period. 716

(3) An agency shall file a rule under division (B)(1) or (2) 717
of this section in compliance with the following standards and 718
procedures: 719

(a) The rule shall be numbered in accordance with the 720
numbering system devised by the director for the Ohio 721

administrative code. 722

(b) The rule shall be prepared and submitted in compliance 723
with the rules of the legislative service commission. 724

(c) The rule shall clearly state the date on which it is to 725
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 auditor of state or the auditor of state's designee is not required to file a rule summary and fiscal analysis along with a proposed rule, or proposed rule in revised form, that the auditor of state proposes under section 117.12, 117.19, 117.38, or 117.43 of the Revised Code and files under division (D) or (E) of this section. If, however, the auditor of state or the designee prepares a rule summary and fiscal analysis of the original version of such a proposed rule for purposes of complying with section 121.24 of the Revised Code, the auditor of state or designee shall file the rule summary and fiscal analysis in electronic form along with the original version of the proposed rule filed under division (D) or (E) of this section.

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

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

Except as otherwise provided in division (I) of this section, sections 119.01 to 119.13 of the Revised Code do not apply to the public utilities commission. Sections 119.01 to 119.13 of the

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 licenses. 878
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(B) "License" means any license, permit, certificate, commission, or charter issued by any agency. "License" does not include any arrangement whereby a person, institution, or entity furnishes medicaid services under a provider agreement with the department of job and family services pursuant to Title XIX of the "Social Security Act," 49 Stat. 620 (1935), 42 U.S.C. 301, as amended. 880
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(C) "Rule" means any rule, regulation, or standard, having a general and uniform operation, adopted, promulgated, and enforced by any agency under the authority of the laws governing such agency, and includes any appendix to a rule. "Rule" does not include any internal management rule of an agency unless the internal management rule affects private rights and does not include any guideline adopted pursuant to section 3301.0714 of the Revised Code. 887
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(D) "Adjudication" means the determination by the highest or ultimate authority of an agency of the rights, duties, privileges, benefits, or legal relationships of a specified person, but does not include the issuance of a license in response to an application with respect to which no question is raised, nor other acts of a ministerial nature. 895
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(E) "Hearing" means a public hearing by any agency in compliance with procedural safeguards afforded by sections 119.01 to 119.13 of the Revised Code. 901
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(F) "Person" means a person, firm, corporation, association, or partnership. 904
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(G) "Party" means the person whose interests are the subject of an adjudication by an agency. 906
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(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
the workers' compensation system; 973

(6) Determine whether the information contained in complaints 974
received under section 121.55 of the Revised Code allege facts 975
that give reasonable cause to investigate, and, if so, investigate 976
the complaint to determine if there is reasonable cause to believe 977
that an alleged wrongful act or omission has been committed or is 978
being committed by an officer or employee of the bureau or 979
commission or that activities that may constitute fraud have been 980
or are being committed by a participant. 981

(7) Exercise the same powers and duties as those specified in 982
section 121.43 of the Revised Code for the inspector general. 983

(B) All investigations conducted and reports issued by the 984
deputy inspector general are subject to section 121.44 of the 985
Revised Code. 986

(C) If the inspector general receives a report from the 987
deputy inspector general under division (A)(4) of this section, 988
the inspector general shall report the allegation of fraud to the 989
administrator of workers' compensation or the industrial 990
commission only if the inspector general believes that reporting 991
the allegation has the potential to stop fraud. 992

(D) As used in this section and sections 121.54 and 121.55 of 993
the Revised Code, "participant in the workers' compensation 994
system" means any of the following persons or entities: 995

(1) An employer subject to Chapter 4121., 4123., 4125., 996
4127., or 4131. of the Revised Code; 997

(2) A claimant for compensation or benefits under Chapter 998
4121., 4123., 4127., or 4131. of the Revised Code; 999

(3) A health care provider or managed care organization that provides services under Chapter 4121., 4123., 4127., or 4131. of the Revised Code; 1000
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(4) A person investing the assets of the funds specified in Chapters 4121., 4123., 4127., and 4131. of the Revised Code. 1003
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Sec. 121.54. The members of the industrial commission, bureau of workers' compensation board of directors, workers' compensation audit committee, workers' compensation actuarial committee, and workers' compensation investment committee, and the administrator of workers' compensation, employees of the industrial commission and the bureau of workers' compensation, and any participant in the workers' compensation system shall cooperate with and provide assistance to the deputy inspector general in the performance of any investigation conducted by the deputy inspector general. In particular, those persons shall make their premises, equipment, personnel, books, records, and papers readily available to the deputy inspector general. In the course of an investigation, the deputy inspector general may do any of the following: 1005
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(A) Question any of those persons employed by the industrial commission or the administrator and any other person transacting business with the industrial commission, the board, the audit committee, the actuarial committee, the investment committee, the administrator, or the bureau; 1018
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(B) Question any participant in the workers' compensation system; 1023
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(C) Inspect and copy any books, records, or papers in the possession of a person or participant questioned pursuant to division (A) or (B) of this section, taking care to preserve the confidentiality of information contained in responses to questions or the books, records, or papers that are made confidential by law. 1025
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In performing any investigation, the deputy inspector general shall avoid interfering with the ongoing operations of the entities being investigated, except insofar as is reasonably necessary to successfully complete the investigation.

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

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

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

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

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

The preparation and filing of the complaint described in this section is in addition to any other report of the wrongful act or omission or the activity that may constitute fraud that the person

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 rendered or issued. 1122
1123

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

(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.

(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 1181
tax, after the expiration of the period ending on the later of the 1182
dates specified in divisions (F)(3)(a) and (b) of this section, 1183
provided that such period shall be extended by the period of any 1184
stay to such collection or by any other period to which the 1185
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 acting in a representative capacity, includes sale on behalf of such party by an agent, including a licensed dealer or salesperson.

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

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

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

(b) Any licensed attorney, public accountant, or firm of such attorneys or accountants, whose activities are incidental to the

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 security holders are resident in this state, more than ten per cent of its equity securities are owned beneficially or of record by residents in this state, or more than one thousand of its beneficial or record equity security holders are resident in this state.

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

(Z) "Beneficial owner" includes any person who directly or indirectly through any contract, arrangement, understanding, or relationship has or shares, or otherwise has or shares, the power to vote or direct the voting of a security or the power to dispose of, or direct the disposition of, the security. "Beneficial ownership" includes the right, exercisable within sixty days, to acquire any security through the exercise of any option, warrant, or right, the conversion of any convertible security, or otherwise. Any security subject to any such option, warrant, right, or conversion privilege held by any person shall be deemed to be outstanding for the purpose of computing the percentage of outstanding securities of the class owned by that person, but shall not be deemed to be outstanding for the purpose of computing the percentage of the class owned by any other person. A person shall be deemed the beneficial owner of any security beneficially owned by any relative or spouse or relative of the spouse residing in the home of that person, any trust or estate in which that

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 described in division (X)(1) of this section on behalf of the investment adviser and is subject to the supervision and control of the investment adviser.	1617 1618 1619 1620
(EE) "Excepted person" means a natural person to whom any of the following applies:	1621 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	1641 1642 1643 1644 1645

the investment adviser, provided that, for at least twelve months, 1646
the employee has been performing such nonclerical, nonsecretarial, 1647
or nonadministrative functions or duties for or on behalf of the 1648
investment adviser or performing substantially similar functions 1649
or duties for or on behalf of another company. 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 life insurance policy as collateral for a loan;	1709 1710
(3) The provision of accelerated benefits as defined in section 3915.21 of the Revised Code;	1711 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 bureau <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
Sec. 3345.12. (A) As used in this section and sections	1737

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:

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

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

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

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

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

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

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

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

(9) "Bond proceedings" means the resolutions, trust agreement, indenture, and other agreements and credit enhancement facilities, and amendments and supplements to the foregoing, or any one or more or combination thereof, authorizing, awarding, or providing for the terms and conditions applicable to, or providing

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 institution of higher education, including income, revenues, and receipts from the operation, ownership, or control of facilities, grants, gifts, donations, and pledges and receipts therefrom, receipts from fees and charges, and the proceeds of the sale of obligations, including proceeds of obligations issued to refund obligations previously issued, but excluding any special fee, and receipts therefrom, charged pursuant to division (D) of section 154.21 of the Revised Code.

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

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

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

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

(C) Obligations shall be secured by a pledge of and lien on all or such part of the available receipts of the institution of higher education as it provides for in the bond proceedings, excluding moneys raised by taxation and state appropriations. Such pledge and lien may be made prior to all other expenses, claims,

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 1996
institution of higher education may issue interim receipts or 1997
certificates which shall be exchanged for such definitive 1998
obligations. 1999

(I) Such obligations may be secured additionally by a trust 2000
agreement or indenture between the institution of higher education 2001
and a corporate trustee, which may be any trust company or bank 2002
having the powers of a trust company within or without this state 2003
but authorized to exercise trust powers within this state. Any 2004
such agreement or indenture may contain the resolution authorizing 2005
the issuance of the obligations, any provisions that may be 2006
contained in the bond proceedings as authorized by this section, 2007
and other provisions which are customary or appropriate in an 2008
agreement or indenture of such type, including: 2009

(1) Maintenance of each pledge, trust agreement, and 2010
indenture, or other instrument comprising part of the bond 2011
proceedings until the institution of higher education has fully 2012
paid the bond service charges on the obligations secured thereby, 2013
or provision therefor has been made; 2014

(2) In the event of default in any payments required to be 2015
made by the bond proceedings, or any other agreement of the 2016
institution of higher education made as a part of the contract 2017
under which the obligations were issued, enforcement of such 2018
payments or agreement by mandamus, the appointment of a receiver, 2019
suit in equity, action at law, or any combination of the 2020
foregoing; 2021

(3) The rights and remedies of the holders of obligations and 2022
of the trustee, and provisions for protecting and enforcing them, 2023
including limitations on rights of individual holders of 2024
obligations; 2025

(4) The replacement of any obligations that become mutilated 2026
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 ~~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, requirement, or standard, or any other determination or decision that the bureau is empowered to and does make.

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

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

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

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

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

(B) As used in the Revised Code:

(1) "Industrial commission" means the chairperson of the three-member industrial commission created pursuant to section 4121.02 of the Revised Code when the context refers to the authority vested in the chairperson as the chief executive officer of the three-member industrial commission pursuant to divisions

(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) Hire 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 employees who are members of an employee organization, both for initial appointments and for the filling of vacancies, the list of four names submitted by the nominating committee shall be comprised of four individuals who are members of the executive committee of the largest statewide labor federation.~~

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

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

~~(D) The commission shall also consist of two members, known as the investment expert members. One investment expert member shall be appointed by the treasurer of state and one investment~~

~~expert member shall be jointly appointed by the speaker of the house of representatives and the president of the senate. Each investment expert member shall have the following qualifications:~~

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

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

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

~~Terms of office of the investment expert members shall be for three years, with each term ending on the same day of the same month as did the term that it succeeds. Each member shall hold 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.~~ 2493
2494

~~(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 members shall serve during the session of the general assembly to which they are elected and for as long as they are members of the general assembly. Legislative members shall serve in an advisory capacity to the commission and shall have no voting rights on matters coming before the commission. Membership on the commission by legislative members shall not be deemed as holding a public office.~~ 2495
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~~(F) All members of the ~~commission~~ board shall receive their reasonable and necessary expenses pursuant to section 126.31 of the Revised Code while engaged in the performance of their duties as members. ~~Members appointed by the governor and the investment expert members~~ also shall receive an annual salary not to exceed ~~eighteen~~ sixty thousand dollars in total, payable on the following basis:~~ 2509
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(1) Except as provided in division ~~(F)~~(C)(2) of this section, a member shall receive two thousand five hundred dollars during a month in which the member attends one or more meetings of the ~~commission~~ board and shall receive no payment during a month in which the member attends no meeting of the ~~commission~~ board. 2516
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(2) A member may receive no more than ~~the annual eighteen~~ thirty thousand dollar salary dollars per year to compensate the member for attending meetings of the board, regardless of the number of meetings held by the ~~commission~~ board during a year or 2521
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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

<u>(1) Establish the overall administrative policy for the</u>	2556
<u>bureau for the purposes of this chapter and Chapters 4123., 4125.,</u>	2557
<u>4127., 4131., and 4167. of the Revised Code;</u>	2558
<u>(2) Review progress of the bureau in meeting its cost and</u>	2559
<u>quality objectives and in complying with this chapter and Chapters</u>	2560
<u>4123., 4125., 4127., and 4131., and 4167. of the Revised Code;</u>	2561
(2) Issue <u>(3) Submit an annual report on the cost and quality</u>	2562
objectives of the bureau <u>to the president of the senate, the</u>	2563
speaker of the house of representatives, and the governor, <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
(3)(4) 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
(4)(5) Study issues as requested by the administrator or the	2595
governor;	2596
(5)(6) Contract with an <u>all of the following:</u>	2597
<u>(a) An independent actuarial firm to assist the commission</u>	2598
<u>board</u> in making recommendations to the administrator regarding	2599
premium rates;	2600
(6) Establish objectives, policies, and criteria for the	2601
administration of the investment program that include asset	2602
allocation targets and ranges, risk factors, asset class	2603
benchmarks, time horizons, total return objectives, and	2604
performance evaluation guidelines, and monitor the administrator's	2605
progress in implementing the objectives, policies, and criteria on	2606
a quarterly basis. The commission shall not specify in the	2607
objectives, policies, and criteria that the administrator or	2608
employees of the bureau are prohibited from conducting business	2609
with an investment management firm, any investment management	2610
professional associated with that firm, any third party solicitor	2611
associated with that firm, or any political action committee	2612
controlled by that firm or controlled by an investment management	2613
professional of that firm based on criteria that are more	2614
restrictive than the restrictions described in divisions (Y) and	2615
(Z) of section 3517.13 of the Revised Code. The commission shall	2616

review	2617
<u>(b) An outside investment counsel to assist the workers' compensation investment committee in fulfilling its duties;</u>	2618
<u>(c) An independent fiduciary counsel to assist the board in the performance of its duties.</u>	2620
<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 specified in section 4123.442 of the Revised Code.</u>	2622
<u>(8) Review and publish the objectives, policies, and criteria investment policy no less than annually and shall make copies available to interested parties. The commission shall prohibit</u>	2626
<u>(9) Prohibit, on a prospective basis, any specific investment it finds to be contrary to its the investment objectives, policies, and criteria.</u>	2629
<u>The objectives, policies, and criteria adopted by the commission for the operation of the investment program shall prohibit investing assets of funds, directly or indirectly, in vehicles that target any of the following:</u>	2632
<u>(a) Coins;</u>	2636
<u>(b) Artwork;</u>	2637
<u>(c) Horses;</u>	2638
<u>(d) Jewelry or gems;</u>	2639
<u>(e) Stamps;</u>	2640
<u>(f) Antiques;</u>	2641
<u>(g) Artifacts;</u>	2642
<u>(h) Collectibles;</u>	2643
<u>(i) Memorabilia;</u>	2644

~~(j) Similar unregulated investments that are not commonly
part of an institutional portfolio, that lack liquidity, and that
lack readily determinable valuation policy approved by the board.~~ 2645
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~~(7) Specify in the objectives, policies, and criteria for the
investment program that the administrator is permitted (10) Vote
to open each investment class and allow the administrator to
invest in an investment class only if the ~~commission~~ board, by a
majority vote, opens that class. ~~After the commission opens;~~~~ 2648
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~~(11) After opening a class but prior to the administrator
investing in that class, ~~the commission shall~~ adopt rules
establishing due diligence standards for employees of the bureau
to follow when investing in that class and ~~shall~~ establish
policies and procedures to review and monitor the performance and
value of each investment class. ~~The commission shall submit;~~~~ 2653
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~~(12) Submit a report annually on the performance and value of
each investment class to the governor, the president and minority
leader of the senate, and the speaker and minority leader of the
house of representatives. ~~The commission may vote to close any
investment class.~~~~ 2659
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~~(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
as set by the administrator;~~ 2671
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~~(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 partnership program and the qualified health plan system, as provided in sections 4121.44, 4121.441, and 4121.442 of the Revised Code;

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

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

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

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

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

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

(a) An orientation component for newly appointed members;

<u>(b) A continuing education component for board members who</u>	2706
<u>have served for at least one year;</u>	2707
<u>(c) A curriculum that includes education about each of the</u>	2708
<u>following topics:</u>	2709
<u>(i) Board member duties and responsibilities;</u>	2710
<u>(ii) Compensation and benefits paid pursuant to this chapter</u>	2711
<u>and Chapters 4123., 4127., and 4131. of the Revised Code;</u>	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 commission 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

section 102.02, 102.03, 102.04, 2921.02, 2921.11, 2921.13, 2735
2921.31, 2921.41, 2921.42, 2921.43, or 2921.44 of the Revised Code 2736
shall be deemed vacant. The vacancy shall be filled in the same 2737
manner as the original appointment. A person who has pleaded 2738
guilty to or been convicted of an offense of that nature is 2739
ineligible to be a member of the ~~commission~~ board. A member who 2740
receives a bill of indictment for any of the offenses specified in 2741
this section shall be automatically suspended from the ~~commission~~ 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
position of administrator any person who has, or whose spouse has,
given a contribution to the campaign committee of the governor in
an amount greater than one thousand dollars during the two-year
period immediately preceding the date of the appointment of the
administrator.

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

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

(1) ~~Establish the overall administrative policy of the bureau
for the purposes of this chapter and Chapters 4123., 4127., 4131.,
and 4167. of the Revised Code, and perform~~ Perform all acts and
exercise all authorities and powers, discretionary and otherwise
that are required of or vested in the bureau or any of its
employees in this chapter and Chapters 4123., 4125., 4127., 4131.,
and 4167. of the Revised Code, except the acts and the exercise of
authority and power that is required of and vested in the
~~oversight commission~~ bureau of workers' compensation board of
directors or the industrial commission pursuant to those chapters.
The treasurer of state shall honor all warrants signed by the

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 administrator considers it to be in the best interest of the risk. The administrator, or any other person authorized by the administrator, shall grant the binder upon submission of a request for coverage by the employer. A binder is effective for a period of thirty days from date of issuance and is nonrenewable. Payroll reports and premium charges shall coincide with the effective date of the binder.

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

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

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

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

(a) Assist the administrator in establishing standard medical fees, approving medical procedures, and determining eligibility

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

<u>(1) Recommend to the board an accounting firm to perform the annual audits required under section 4123.47 of the Revised Code;</u>	3115 3116
<u>(2) Recommend an auditing firm for the board to use when conducting audits under section 4121.125 of the Revised Code;</u>	3117 3118
<u>(3) Review the results of each annual audit and management review and, if any problems exist, assess the appropriate course of action to correct those problems and develop an action plan to correct those problems;</u>	3119 3120 3121 3122
<u>(4) Monitor the implementation of any action plans created pursuant to division (A)(3) of this section;</u>	3123 3124
<u>(5) Review all internal audit reports on a regular basis.</u>	3125
<u>(B) There is hereby created the workers' compensation actuarial committee consisting of at least three members. One member shall be the member of the board who is an actuary. The board, by majority vote, shall appoint two additional members of the board to serve on the actuarial committee and may appoint additional members who are not board members, as the board determines necessary. Members of the actuarial committee serve at the pleasure of the board and the board, by majority vote, may remove any member except the member of the committee who is the actuary member of the board. The board, by majority vote, shall determine how often the actuarial committee shall meet and report to the board. If the actuarial committee meets on the same day as the board holds a meeting, no member shall be compensated for more than one meeting held on that day. The actuarial committee shall do both of the following:</u>	3126 3127 3128 3129 3130 3131 3132 3133 3134 3135 3136 3137 3138 3139 3140
<u>(1) Recommend actuarial consultants for the board to use for the funds specified in this chapter and Chapters 4123., 4127., and 4131. of the Revised Code;</u>	3141 3142 3143
<u>(2) Review calculations on rate schedules and performance prepared by the actuarial consultants with whom the board enters</u>	3144 3145

into a contract. 3146

(C)(1) There is hereby created the workers' compensation investment committee consisting of at least four members. Two of the members shall be the members of the board who serve as the investment and securities experts on the board. The board, by majority vote, shall appoint two additional members of the board to serve on the investment committee and may appoint additional members who are not board members. Each additional member the board appoints shall have at least one of the following qualifications: 3147
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(a) Experience managing another state's pension funds or workers' compensation funds; 3156
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(b) Represents an employee organization; 3158

(c) Special expertise that the board determines is needed to make investment decisions. 3159
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Members of the investment committee serve at the pleasure of the board and the board, by majority vote, may remove any member except the members of the committee who are the investment and securities expert members of the board. The board, by majority vote, shall determine how often the investment committee shall meet and report to the board. If the investment committee meets on the same day as the board holds a meeting, no member shall be compensated for more than one meeting held on that day. 3161
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(2) The investment committee shall do all of the following: 3169

(a) Develop the investment policy for the administration of the investment program for the funds specified in this chapter and Chapters 4123., 4127., and 4131. of the Revised Code in accordance with the requirements specified in section 4123.442 of the Revised Code; 3170
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(b) Submit the investment policy developed pursuant to 3175

<u>division (C)(2)(a) of this section to the board for approval;</u>	3176
<u>(c) Monitor implementation by the administrator of workers' compensation and the bureau of workers' compensation chief investment officer of the investment policy approved by the board;</u>	3177
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	3179
<u>(d) Recommend outside investment counsel with whom the board may contract to assist the investment committee in fulfilling its duties;</u>	3180
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	3182
<u>(e) Review the performance of the bureau of workers' compensation chief investment officer and any investment consultants retained by the administrator to assure that the investments of the assets of the funds specified in this chapter and Chapters 4123., 4127., and 4131. of the Revised Code are made in accordance with the investment policy approved by the board and that the best possible return on investment is achieved.</u>	3183
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Sec. 4121.125. (A) The <u>bureau of workers' compensation oversight commission board of directors, based upon recommendations of the workers' compensation actuarial committee,</u> may contract with one or more outside actuarial firms and other professional persons, as the <u>oversight commission board</u> determines necessary, to assist the <u>oversight commission board</u> in measuring the performance of Ohio's workers' compensation system and in comparing Ohio's workers' compensation system to other state and private workers' compensation systems. The <u>oversight commission board</u> , actuarial firm or firms, and professional persons shall make such measurements and comparisons using accepted insurance industry standards, including, but not limited to, standards promulgated by the National Council on Compensation Insurance.	3190
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(B) The <u>oversight commission board</u> may contract with one or more outside firms to conduct management and financial audits of the workers' compensation system, including audits of the reserve fund belonging to the state insurance fund, and to establish	3203
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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

<u>report that is required under division (C)(1) of this section:</u>	3269
<u>(1) A summary of the compensation and benefit provisions evaluated;</u>	3270 3271
<u>(2) A summary of the census data and financial information used in the valuation;</u>	3272 3273
<u>(3) A description of the actuarial assumptions, actuarial cost method, and asset valuation method used in the valuation;</u>	3274 3275
<u>(4) A summary of findings that includes a statement of the actuarial accrued compensation and benefit liabilities and unfunded actuarial accrued compensation and benefit liabilities;</u>	3276 3277 3278
<u>(5) A schedule showing the effect of any changes in the compensation and benefit provisions, actuarial assumptions, or cost methods since the previous annual actuarial valuation report was submitted to the board.</u>	3279 3280 3281 3282
<u>(F) The actuary or person whom the board designates to conduct an actuarial investigation under division (C)(4) of this section shall prepare a report of the actuarial investigation and shall submit the report to the board. The actuary or person shall prepare the report and make any recommended changes in actuarial assumptions in accordance with the actuarial standards of practice promulgated by the actuarial standards board of the American academy of actuaries. The actuary or person shall include all of the following information in the report:</u>	3283 3284 3285 3286 3287 3288 3289 3290 3291
<u>(1) A summary of relevant decrement and economic assumption experience;</u>	3292 3293
<u>(2) Recommended changes in actuarial assumptions to be used in subsequent actuarial valuations required by division (C)(1) of this section;</u>	3294 3295 3296
<u>(3) A measurement of the financial effect of the recommended changes in actuarial assumptions.</u>	3297 3298

(G) The actuary or person whom the board designates to 3299
conduct the actuarial analysis under division (C)(6) of this 3300
section shall prepare a report of the actuarial analysis and shall 3301
submit that report to the board. The actuary or person shall 3302
complete the analysis in accordance with the actuarial standards 3303
of practice promulgated by the actuarial standards board of the 3304
American academy of actuaries. The actuary or person shall include 3305
all of the following information in the report: 3306

(1) A summary of the statutory changes being evaluated; 3307

(2) A description of or reference to the actuarial 3308
assumptions and actuarial cost method used in the report; 3309

(3) A description of the participant group or groups included 3310
in the report; 3311

(4) A statement of the financial impact of the legislation, 3312
including the resulting increase, if any, in employer premiums, in 3313
actuarial accrued liabilities, and, if an increase in actuarial 3314
accrued liabilities is predicted, the per cent of premium increase 3315
that would be required to amortize the increase in those 3316
liabilities as a level per cent of employer premiums over a period 3317
not to exceed thirty years. 3318

(5) A statement of whether the employer premiums paid to the 3319
bureau of workers' compensation after the proposed change is 3320
enacted are expected to be sufficient to satisfy the funding 3321
objectives established by the board. 3322

(H) The board may, at any time, request an actuary to make 3323
any studies or actuarial valuations to determine the adequacy of 3324
the premium rates established by the administrator in accordance 3325
with sections 4123.29 and 4123.34 of the Revised Code, and may 3326
adjust those rates as recommended by the actuary. 3327

(I) The ~~oversight commission~~ board shall have an independent 3328
auditor, at least once every ten years, conduct a fiduciary 3329

performance audit of the investment program of the bureau of 3330
workers' compensation. That audit shall include an audit of the 3331
investment policies ~~of~~ approved by the oversight commission board 3332
and investment procedures of the bureau. The ~~oversight commission~~ 3333
board shall submit a copy of that audit to the auditor of state. 3334

~~(E)~~(J) The ~~bureau of workers' compensation~~ administrator, 3335
with the advice and consent of the ~~oversight commission board~~, 3336
shall employ an internal auditor who shall report directly to the 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 statutory surplus fund pursuant to section 4123.343 of the Revised Code;	3452 3453 3454
(7) Utilization of physician specialist reports;	3455
(8) Determining the percentage of permanent partial disability, temporary partial disability, temporary total disability, violations of specific safety requirements, an award under division (B) of section 4123.57 of the Revised Code, and permanent total disability.	3456 3457 3458 3459 3460
(D) The bureau shall establish, adopt, and implement policy guidelines and bases for decisions involving reimbursement issues including, but not limited to, the adjustment of invoices, the reduction of payments for future services when an internal audit concludes that a health care provider was overpaid or improperly paid for past services, reimbursement fees, or other adjustments to payments. These policy guidelines and bases for decisions, and any changes to the guidelines and bases, shall be set forth in a reimbursement manual and provider bulletins.	3461 3462 3463 3464 3465 3466 3467 3468 3469
Neither the policy guidelines nor the bases set forth in the reimbursement manual or provider bulletins referred to in this division is a rule as defined in section 119.01 of the Revised Code.	3470 3471 3472 3473
(E) With respect to any determination of disability under Chapter 4123. of the Revised Code, when the physician makes a determination based upon statements or information furnished by the claimant or upon subjective evidence, he <u>the physician</u> shall clearly indicate this fact in his <u>the physician's</u> report.	3474 3475 3476 3477 3478
(F) The administrator shall publish the manuals and make copies of all manuals available to interested parties at cost.	3479 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 3614
management techniques; 3615

(10) Antifraud mechanisms; 3616

(11) Standards and criteria for the bureau to utilize in 3617
certifying or recertifying a health care provider or a vendor for 3618
participation in the health partnership program; 3619

(12) Standards and criteria for the bureau to utilize in 3620
penalizing or decertifying a health care provider or a vendor from 3621
participation in the health partnership program. 3622

(B) The administrator shall implement the health partnership 3623
program according to the rules the administrator adopts under this 3624
section for the provision and payment of medical, surgical, 3625
nursing, drug, hospital, and rehabilitation services and supplies 3626
to an employee for an injury or occupational disease that is 3627
compensable under this chapter or Chapter 4123., 4127., or 4131. 3628
of the Revised Code. 3629

Sec. 4121.48. (A) The bureau of workers' compensation shall 3630
operate a long-term care loan fund program. The administrator of 3631
workers' compensation may adopt rules, employ personnel, and do 3632
all things necessary for that purpose. 3633

(B) The administrator shall use the long-term care loan fund 3634

program to make loans without interest to employers that are 3635
nursing homes for the purpose of allowing those employers to 3636
purchase, improve, install, or erect sit-to-stand floor lifts, 3637
ceiling lifts, other lifts, and fast electric beds, and to pay for 3638
the education and training of personnel, in order to implement a 3639
facility policy of no manual lifting of residents by employees. 3640

The administrator, with the advice and consent of the bureau 3641
of workers' compensation oversight commission board of directors, 3642
may adopt rules establishing criteria for loan eligibility, 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 either a person who, prior to 3764
the person's appointment, has received compensation or benefits 3765
under this chapter or Chapter 4123., 4127., or 4131. of the 3766
Revised Code or an attorney specializing in the field of workers' 3767
compensation who represents employees who file claims for 3768
compensation and benefits under those chapters. Of these three 3769
members, at least one shall be a person with investment expertise. 3770

(B) The council also shall consist of the chairperson of the 3771
industrial commission and the administrator of workers' 3772
compensation, who shall be nonvoting ex officio members of the 3773
council. 3774

(C) The president of the senate and the speaker of the house 3775
of representatives shall make the initial appointments required 3776
under divisions (A)(1) and (2) of this section not later than 3777
thirty days after the effective date of this section. The members 3778
of the council who are appointed from the membership of the senate 3779
and the house of representatives shall serve during their terms as 3780
members of the general assembly. Notwithstanding the adjournment 3781
of the general assembly of which the member is a member or the 3782
expiration of the member's term as a member of such general 3783
assembly, a member shall continue in office subsequent to the 3784
expiration date of the member's term on the council until the 3785
member's successor takes office or until a period of sixty days 3786
has elapsed, whichever occurs first. 3787

(D) The president of the senate and the speaker of the house 3788
of representatives shall make the initial appointments required 3789
under division (A)(3) of this section not later than ninety days 3790
after the effective date of this section. Of these initial 3791
appointments to the council, one member shall be appointed for a 3792
term ending one year after the effective date of this section, one 3793
member shall be appointed for a term ending two years after the 3794
effective date of this section, and one member shall be appointed 3795
for a term ending three years after the effective date of this 3796
section. Thereafter, terms shall be for three years, with each 3797
term ending on the same day of the same month as did the term that 3798
it succeeds. Each member appointed under division (A)(3) of this 3799
section shall hold office from the date of appointment until the 3800
end of the term for which the appointment was made. Members may be 3801
reappointed. Any member appointed pursuant to division (A)(3) of 3802
this section to fill a vacancy occurring prior to the expiration 3803
of the term for which the member's predecessor was appointed shall 3804
hold office for the remainder of that term. Each member appointed 3805
pursuant to division (A)(3) of this section shall continue in 3806
office subsequent to the expiration date of the member's term 3807
until the member's successor takes office or until a period of 3808
sixty days has elapsed, whichever occurs first. 3809

(E) Vacancies shall be filled in the manner prescribed for 3810
original appointments. 3811

Sec. 4121.76. Meetings of the workers' compensation council 3812
shall be called in the manner and at the times prescribed by rules 3813
adopted by the council. A majority of the voting members of the 3814
council constitutes a quorum and no action shall be taken by the 3815
council unless approved by at least five voting members. The 3816
council shall organize by selecting a chairperson, 3817
vice-chairperson, and any other officers as it determines are 3818
necessary. The council shall select the chairperson and 3819

vice-chairperson from the members of the council who also are 3820
members of the general assembly, and each of those members shall 3821
serve as chairperson or vice-chairperson during their terms as 3822
members of the general assembly. The council shall rotate the 3823
selection of the chairperson and vice-chairperson between the two 3824
houses. The council shall adopt rules for the conduct of its 3825
business and the election of its officers, and shall establish an 3826
office in Columbus separate from the offices of the bureau of 3827
workers' compensation and the industrial commission. Each member 3828
of the council, before entering upon the member's official duties 3829
shall take and subscribe to an oath of office, to uphold the 3830
Constitution and laws of the United States and this state and to 3831
perform the duties of the office honestly, faithfully, and 3832
impartially. Members of the council appointed pursuant to division 3833
(A)(3) of section 4121.75 of the Revised Code shall serve without 3834
compensation but shall be reimbursed for their actual and 3835
necessary expenses incurred in the performance of their official 3836
duties. Legislative members shall not receive compensation or 3837
expenses. 3838

Sec. 4121.77. The workers' compensation council may do any of 3839
the following: 3840

(A) Appoint a director to manage and direct the duties of the 3841
staff of the council. The director shall be a person who has had 3842
training and experience in areas related to the duties of the 3843
council. 3844

(B) Appoint professional, technical, and clerical employees 3845
as necessary, and employ or hire on a consulting basis persons to 3846
provide actuarial, legal, investment, or other technical services 3847
required for the performance of the council's duties. For purposes 3848
of section 4117.01 of the Revised Code, employees of the council 3849
shall be considered employees of the general assembly. 3850

<u>(C) Fix the compensation of the director and all other</u>	3851
<u>employees of the council;</u>	3852
<u>(D) Require the members of the industrial commission, bureau</u>	3853
<u>of workers' compensation board of directors, workers' compensation</u>	3854
<u>audit committee, workers' compensation actuarial committee, and</u>	3855
<u>workers' compensation investment committee, the administrator of</u>	3856
<u>workers' compensation, and employees of the commission and the</u>	3857
<u>bureau of workers' compensation, and any agency or official of</u>	3858
<u>this state or its political subdivisions to provide the council</u>	3859
<u>with any information necessary to carry out its duties;</u>	3860
<u>(E) Administer oaths and hold public hearings at times and</u>	3861
<u>places within the state as necessary to accomplish the purposes of</u>	3862
<u>sections 4121.75 to 4121.79 of the Revised Code;</u>	3863
<u>(F) Establish regular reporting requirements for any report</u>	3864
<u>that the chairperson of the commission, chairperson of the board,</u>	3865
<u>members of the committees specified in division (D) of this</u>	3866
<u>section, and the administrator are required to submit to the</u>	3867
<u>council;</u>	3868
<u>(G) Request that the auditor of state perform or contract for</u>	3869
<u>the performance of a financial or special audit of the bureau;</u>	3870
<u>(H) Request that the auditor of state perform or contract for</u>	3871
<u>the performance of a special or fiduciary audit of the workers'</u>	3872
<u>compensation system.</u>	3873
<u>Sec. 4121.78. The workers' compensation council shall do all</u>	3874
<u>of the following:</u>	3875
<u>(A) Make an impartial review from time to time of all laws</u>	3876
<u>governing the administration and financing of the workers'</u>	3877
<u>compensation system under this chapter and Chapters 4123., 4125.,</u>	3878
<u>4127., and 4131. of the Revised Code and recommend to the general</u>	3879
<u>assembly any changes it may find desirable with respect to</u>	3880

compensation and benefits, sound financing of the cost of paying 3881
compensation and benefits, the prudent investment of funds, and 3882
the improvement of the language, structure, and organization of 3883
the relevant laws governing the workers' compensation system; 3884

(B) Make an annual report to the governor and general 3885
assembly describing its evaluation and recommendations with 3886
respect to the operations of the industrial commission and the 3887
bureau of workers' compensation and the funds specified in this 3888
chapter and Chapters 4123., 4127., and 4131. of the Revised Code; 3889

(C) Study all changes to this chapter and Chapters 4123., 3890
4125., 4127., and 4131. of the Revised Code proposed to the 3891
general assembly and report to the general assembly on their 3892
probable costs, actuarial implications, and desirability as a 3893
matter of public policy; 3894

(D) Review semiannually the investment policy approved by the 3895
bureau of workers' compensation board of directors pursuant to 3896
section 4121.12 of the Revised Code for the operation of the 3897
investment program of the workers' compensation system, including 3898
a review of asset allocation targets and ranges, risk factors, 3899
asset class benchmarks, time horizons, total return objectives, 3900
relative volatility, and performance evaluation guidelines. 3901

(E) Create a report that summarizes the council's findings in 3902
the review conducted pursuant to division (D) of this section and 3903
submit that report to the governor and general assembly not later 3904
than thirty days after completing the review. 3905

(F) Review, as the council determines necessary, all 3906
financial, actuarial, and fiduciary audits performed on the funds 3907
specified in this chapter and Chapters 4123., 4127., and 4131. of 3908
the Revised Code and the actuarial policies of the bureau of 3909
workers' compensation; 3910

(G) Have prepared by an independent actuary, at least once 3911

every ten years, an actuarial review of the annual actuarial 3912
valuations and quinquennial actuarial investigations prepared by 3913
the bureau of workers' compensation board of directors pursuant to 3914
section 4121.125 of the Revised Code, including a review of the 3915
actuarial assumptions and methods, the data underlying the 3916
valuations and investigations, and the adequacy of employer 3917
premium rates to amortize its unfunded actuarial liability, if 3918
any, and to support the payment of compensation and benefits 3919
pursuant to this chapter and Chapters 4123., 4127., and 4131. of 3920
the Revised Code; 3921

(H) Submit to the governor and the general assembly a report 3922
summarizing the review required under division (G) of this 3923
section; 3924

(I) Have conducted by an independent auditor at least once 3925
every ten years a fiduciary performance audit of the workers' 3926
compensation system, and require the administrator of workers' 3927
compensation to pay the costs associated with that audit; 3928

(J) Review all proposed rules submitted to the council 3929
pursuant to sections 4121.03, 4121.12, and 4121.121 of the Revised 3930
Code, provide each member of the council a copy of those rules, 3931
and submit any recommendations concerning whether those rules 3932
should be approved to the joint committee on agency rule review. 3933

Sec. 4121.79. The compensation of all employees of the 3934
workers' compensation council and other expenses of the council 3935
shall be paid upon vouchers approved by the director and the 3936
chairperson of the council. 3937

The administrator of workers' compensation shall pay the 3938
annual expenses of the council. The council shall prepare and 3939
submit to the administrator on or before the thirtieth day of June 3940
of each year an itemized estimate of the amounts necessary to pay 3941
the expenses of the council during the following year. 3942

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

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

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

(B) No self-insuring employer shall knowingly misrepresent the amount of paid compensation paid by such employer for purposes of the assessments provided under this chapter and Chapter 4121. of the Revised Code as required by section 4123.35 of the Revised Code. Whoever violates this division is liable to the state in an amount determined by the self-insuring employers evaluation board pursuant to division (C) of section 4123.352 of the Revised Code or for an amount the board determines that is not more than ten times the amount of the difference between the assessment paid and the amount of the assessment that should have been paid. The liability to the state under this division may be enforced in a

civil action in the name of the state and all sums collected under 3974
this division shall be paid into the self-insurance assessment 3975
fund created pursuant to division (K) of section 4123.35 of the 3976
Revised Code. 3977

(C) The administrator of workers' compensation, with the 3978
advice and consent of the bureau of workers' compensation 3979
~~oversight commission~~ board of directors, shall adopt rules 3980
establishing criteria for determining both of the following: 3981

(1) The amount of the penalty assessed against an employer 3982
for a violation of division (A) of this section; 3983

(2) Acts or omissions that do not constitute a violation of 3984
division (A) or (B) of this section. 3985

Sec. 4123.29. (A) The administrator of workers' compensation, 3986
subject to the approval of the bureau of workers' compensation 3987
~~oversight commission~~ board of directors, shall do all of the 3988
following: 3989

(1) Classify occupations or industries with respect to their 3990
degree of hazard and determine the risks of the different classes 3991
according to the categories the national council on compensation 3992
insurance establishes that are applicable to employers in this 3993
state; 3994

(2) Fix the rates of premium of the risks of the classes 3995
based upon the total payroll in each of the classes of occupation 3996
or industry sufficiently large to provide a fund for the 3997
compensation provided for in this chapter and to maintain a state 3998
insurance fund from year to year. The administrator shall set the 3999
rates at a level that assures the solvency of the fund. Where the 4000
payroll cannot be obtained or, in the opinion of the 4001
administrator, is not an adequate measure for determining the 4002
premium to be paid for the degree of hazard, the administrator may 4003

determine the rates of premium upon such other basis, consistent 4004
with insurance principles, as is equitable in view of the degree 4005
of hazard, and whenever in this chapter reference is made to 4006
payroll or expenditure of wages with reference to fixing premiums, 4007
the reference shall be construed to have been made also to such 4008
other basis for fixing the rates of premium as the administrator 4009
may determine under this section. 4010

The administrator in setting or revising rates shall furnish 4011
to employers an adequate explanation of the basis for the rates 4012
set. 4013

(3) Develop and make available to employers who are paying 4014
premiums to the state insurance fund alternative premium plans. 4015
Alternative premium plans shall include retrospective rating 4016
plans. The administrator may make available plans under which an 4017
advanced deposit may be applied against a specified deductible 4018
amount per claim. 4019

(4)(a) Offer to insure the obligations of employers under 4020
this chapter under a plan that groups, for rating purposes, 4021
employers, and pools the risk of the employers within the group 4022
provided that the employers meet all of the following conditions: 4023

~~(a)~~(i) All of the employers within the group are members of 4024
an organization that has been in existence for at least two years 4025
prior to the date of application for group coverage; 4026

~~(b)~~(ii) The organization was formed for purposes other than 4027
that of obtaining group workers' compensation under this division; 4028

~~(c)~~(iii) The employers' business in the organization is 4029
substantially similar such that the risks which are grouped are 4030
substantially homogeneous; 4031

~~(d)~~(iv) The group of employers consists of at least one 4032
hundred members or the aggregate workers' compensation premiums of 4033
the members, as determined by the administrator, are expected to 4034

exceed one hundred fifty thousand dollars during the coverage 4035
period; 4036

~~(e)~~(v) The formation and operation of the group program in 4037
the organization will substantially improve accident prevention 4038
and claims handling for the employers in the group; 4039

~~(f)~~(vi) Each employer seeking to enroll in a group for 4040
workers' compensation coverage has an industrial insurance account 4041
in good standing with the bureau of workers' compensation such 4042
that at the time the agreement is processed no outstanding 4043
premiums, penalties, or assessments are due from any of the 4044
employers. 4045

(b) If an organization sponsors more than one employer group 4046
to participate in group plans established under this section, that 4047
organization may submit a single application that supplies all of 4048
the information necessary for each group of employers that the 4049
organization wishes to sponsor. 4050

(c) In providing employer group plans under division (A)(4) 4051
of this section, the administrator shall consider an employer 4052
group as a single employing entity for purposes of retrospective 4053
rating. No employer may be a member of more than one group for the 4054
purpose of obtaining workers' compensation coverage under this 4055
division. 4056

(d) At the time the administrator revises premium rates 4057
pursuant to this section and section 4123.34 of the Revised Code, 4058
if the premium rate of an employer who participates in a group 4059
plan established under this section changes from the rate 4060
established for the previous year, the administrator, in addition 4061
to sending the invoice with the rate revision to that employer, 4062
shall send a copy of that invoice to the third-party administrator 4063
that administers the group plan for that employer's group. 4064

(e) In providing employer group plans under division (A)(4) 4065

of this section, the administrator shall establish a program 4066
designed to mitigate the impact of a significant claim that would 4067
come into the experience of a private, state fund group-rated 4068
employer for the first time and be a contributing factor in that 4069
employer being excluded from a group-rated plan. The administrator 4070
shall establish eligibility criteria and requirements that such 4071
employers must satisfy in order to participate in this program. 4072
For purposes of this program, the administrator shall establish a 4073
discount on premium rates applicable to employers who qualify for 4074
the program. 4075

(f) In no event shall division (A)(4) of this section be 4076
construed as granting to an employer status as a self-insuring 4077
employer. 4078

(g) The administrator shall develop classifications of 4079
occupations or industries that are sufficiently distinct so as not 4080
to group employers in classifications that unfairly represent the 4081
risks of employment with the employer. 4082

(5) Generally promote employer participation in the state 4083
insurance fund through the regular dissemination of information to 4084
all classes of employers describing the advantages and benefits of 4085
opting to make premium payments to the fund. To that end, the 4086
administrator shall regularly make employers aware of the various 4087
workers' compensation premium packages developed and offered 4088
pursuant to this section. 4089

(6) Make available to every employer who is paying premiums 4090
to the state insurance fund a program whereby the employer or the 4091
employer's agent pays to the claimant or on behalf of the claimant 4092
the first five thousand dollars of a compensable workers' 4093
compensation medical-only claim filed by that claimant that is 4094
related to the same injury or occupational disease. If an employer 4095
elects to enter the program, the administrator shall not reimburse 4096
the employer for such amounts paid and shall not charge the first 4097

five thousand dollars of any medical-only claim paid by an 4098
employer to the employer's experience or otherwise use it in merit 4099
rating or determining the risks of any employer for the purpose of 4100
payment of premiums under this chapter. A certified health care 4101
provider shall extend to an employer who participates in this 4102
program the same rates for services rendered to an employee of 4103
that employer as the provider bills the administrator for the same 4104
type of medical claim processed by the bureau. If an employer 4105
elects to enter the program and the employer fails to pay a bill 4106
for a medical-only claim included in the program, the employer 4107
shall be liable for that bill and the employee for whom the 4108
employer failed to pay the bill shall not be liable for that bill. 4109
The administrator shall adopt rules to implement and administer 4110
division (A)(6) of this section. 4111

(B) The administrator, with the advice and consent of the 4112
~~oversight commission~~ board, by rule, may do both of the following: 4113

(1) Grant an employer who makes the employer's semiannual 4114
premium payment at least one month prior to the last day on which 4115
the payment may be made without penalty, a discount as the 4116
administrator fixes from time to time; 4117

(2) Levy a minimum annual administrative charge upon risks 4118
where semiannual premium reports develop a charge less than the 4119
administrator considers adequate to offset administrative costs of 4120
processing. 4121

Sec. 4123.291. (A) An adjudicating committee appointed by the 4122
administrator of workers' compensation to hear any matter 4123
specified in divisions (B)(1) to (7) of this section and shall 4124
hear the matter within sixty days of the date on which an employer 4125
files the request, protest, or petition. An employer desiring to 4126
file a request, protest, or petition regarding any matter 4127
specified in divisions (B)(1) to (7) of this section shall file 4128

the request, protest, or petition to the adjudicating committee on 4129
or before twenty-four months after the administrator sends notice 4130
of the determination about which the employer is filing the 4131
request, protest, or petition. 4132

(B) An employer who is adversely affected by a decision of an 4133
adjudicating committee appointed by the administrator may appeal 4134
the decision of the committee to the administrator or the 4135
administrator's designee. The employer shall file the appeal in 4136
writing within thirty days after the employer receives the 4137
decision of the adjudicating committee. The administrator or the 4138
designee shall hear the appeal and hold a hearing, provided that 4139
the decision of the adjudicating committee relates to one of the 4140
following: 4141

(1) An employer request for a waiver of a default in the 4142
payment of premiums pursuant to section 4123.37 of the Revised 4143
Code; 4144

(2) An employer request for the settlement of liability as a 4145
noncomplying employer under section 4123.75 of the Revised Code; 4146

(3) An employer petition objecting to the assessment of a 4147
premium pursuant to section 4123.37 of the Revised Code and the 4148
rules adopted pursuant to that section; 4149

(4) An employer request for the abatement of penalties 4150
assessed pursuant to section 4123.32 of the Revised Code and the 4151
rules adopted pursuant to that section; 4152

(5) An employer protest relating to an audit finding or a 4153
determination of a manual classification, experience rating, or 4154
transfer or combination of risk experience; 4155

(6) Any decision relating to any other risk premium matter 4156
under Chapters 4121., 4123., and 4131. of the Revised Code; 4157

(7) An employer petition objecting to the amount of security 4158

required under division (C) of section 4125.05 of the Revised Code 4159
and the rules adopted pursuant to that section. 4160

(C) The bureau of workers' compensation board of directors, 4161
based upon recommendations of the workers' compensation actuarial 4162
committee, shall establish the policy for all adjudicating 4163
committee procedures, including, but not limited to, specific 4164
criteria for manual premium rate adjustment. 4165

Sec. 4123.311. (A) The administrator of workers' compensation 4166
may do all of the following: 4167

(1) Utilize direct deposit of funds by electronic transfer 4168
for all disbursements the administrator is authorized to pay under 4169
this chapter and Chapters 4121., 4127., and 4131. of the Revised 4170
Code; 4171

(2) Require any payee to provide a written authorization 4172
designating a financial institution and an account number to which 4173
a payment made according to division (A)(1) of this section is to 4174
be credited, notwithstanding division (B) of section 9.37 of the 4175
Revised Code; 4176

(3) Contract with an agent to do both of the following: 4177

(a) Supply debit cards for claimants to access payments made 4178
to them pursuant to this chapter and Chapters 4121., 4127., and 4179
4131. of the Revised Code; 4180

(b) Credit the debit cards described in division (A)(3)(a) of 4181
this section with the amounts specified by the administrator 4182
pursuant to this chapter and Chapters 4121., 4127., and 4131. of 4183
the Revised Code by utilizing direct deposit of funds by 4184
electronic transfer. 4185

(4) Enter into agreements with financial institutions to 4186
credit the debit cards described in division (A)(3)(a) of this 4187
section with the amounts specified by the administrator pursuant 4188

to this chapter and Chapters 4121., 4127., and 4131. of the Revised Code by utilizing direct deposit of funds by electronic transfer.

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

(C) 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 regarding utilization of the direct deposit of funds by electronic transfer under this section and section 9.37 of the Revised Code.

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

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

~~(B)~~ A rule providing that the premium security deposit collected from any employer entitles the employer to the benefits of this chapter for the remainder of the six months and also for

an additional adjustment period of two months, and, thereafter, if 4220
the employer pays the premium due at the close of any six-month 4221
period, coverage shall be extended for an additional eight-month 4222
period beginning from the end of the six-month period for which 4223
the employer pays the premium due; 4224

~~(C)~~(B) A rule providing for ascertaining the correctness of 4225
any employer's report of estimated or actual expenditure of wages 4226
and the determination and adjustment of proper premiums and the 4227
payment of those premiums by the employer for or during any period 4228
less than eight months and notwithstanding any payment or 4229
determination of premium made when exceptional conditions or 4230
circumstances in the judgment of the administrator justify the 4231
action; 4232

~~(D)~~(C) Such special rules as the administrator considers 4233
necessary to safeguard the fund and that are just in the 4234
circumstances, covering the rates to be applied where one employer 4235
takes over the occupation or industry of another or where an 4236
employer first makes application for state insurance, and the 4237
administrator may require that if any employer transfers a 4238
business in whole or in part or otherwise reorganizes the 4239
business, the successor in interest shall assume, in proportion to 4240
the extent of the transfer, as determined by the administrator, 4241
the employer's account and shall continue the payment of all 4242
contributions due under this chapter; 4243

~~(E)~~(D) A rule providing for all of the following: 4244

(1) If, within two months immediately after the expiration of 4245
the six-month period, an employer fails to file a report of the 4246
employer's actual payroll expenditures for the period, the premium 4247
found to be due from the employer for the period shall be 4248
increased in an amount equal to one per cent of the premium, but 4249
the increase shall not be less than three nor more than fifteen 4250
dollars; 4251

(2) The premium determined by the administrator to be due 4252
from an employer shall be payable on or before the end of the 4253
coverage period established by the premium security deposit, or 4254
within the time specified by the administrator if the period for 4255
which the advance premium has been paid is less than eight months. 4256
If an employer fails to pay the premium when due, the 4257
administrator may add a late fee penalty of not more than thirty 4258
dollars to the premium plus an additional penalty amount as 4259
follows: 4260

(a) For a premium from sixty-one to ninety days past due, the 4261
prime interest rate, multiplied by the premium due; 4262

(b) For a premium from ninety-one to one hundred twenty days 4263
past due, the prime interest rate plus two per cent, multiplied by 4264
the premium due; 4265

(c) For a premium from one hundred twenty-one to one hundred 4266
fifty days past due, the prime interest rate plus four per cent, 4267
multiplied by the premium due; 4268

(d) For a premium from one hundred fifty-one to one hundred 4269
eighty days past due, the prime interest rate plus six per cent, 4270
multiplied by the premium due; 4271

(e) For a premium from one hundred eighty-one to two hundred 4272
ten days past due, the prime interest rate plus eight per cent, 4273
multiplied by the premium due; 4274

(f) For each additional thirty-day period or portion thereof 4275
that a premium remains past due after it has remained past due for 4276
more than two hundred ten days, the prime interest rate plus eight 4277
per cent, multiplied by the premium due. 4278

(3) Notwithstanding the interest rates specified in division 4279
~~(E)~~(D)(2) of this section, at no time shall the additional penalty 4280
amount assessed under division ~~(E)~~(D)(2) of this section exceed 4281
fifteen per cent of the premium due. 4282

(4) An employer may appeal a late fee penalty or additional 4283
penalty to an adjudicating committee pursuant to section 4123.291 4284
of the Revised Code. 4285

For purposes of division ~~(E)~~(D) of this section, "prime 4286
interest rate" means the average bank prime rate, and the 4287
administrator shall determine the prime interest rate in the same 4288
manner as a county auditor determines the average bank prime rate 4289
under section 929.02 of the Revised Code. 4290

(5) If the employer files an appropriate payroll report, 4291
within the time provided by law or within the time specified by 4292
the administrator if the period for which the employer paid an 4293
estimated premium is less than eight months, the employer shall 4294
not be in default and division ~~(E)~~(D)(2) of this section shall not 4295
apply if the employer pays the premiums within fifteen days after 4296
being first notified by the administrator of the amount due. 4297

(6) Any deficiencies in the amounts of the premium security 4298
deposit paid by an employer for any period shall be subject to an 4299
interest charge of six per cent per annum from the date the 4300
premium obligation is incurred. In determining the interest due on 4301
deficiencies in premium security deposit payments, a charge in 4302
each case shall be made against the employer in an amount equal to 4303
interest at the rate of six per cent per annum on the premium 4304
security deposit due but remaining unpaid sixty days after notice 4305
by the administrator. 4306

(7) Any interest charges or penalties provided for in 4307
divisions ~~(E)~~(D)(2) and (6) of this section shall be credited to 4308
the employer's account for rating purposes in the same manner as 4309
premiums. 4310

~~(F)~~(E) A rule providing that each employer, on the occasion 4311
of instituting coverage under this chapter, shall submit a premium 4312
security deposit. The deposit shall be calculated equivalent to 4313

thirty per cent of the semiannual premium obligation of the 4314
employer based upon the employer's estimated expenditure for wages 4315
for the ensuing six-month period plus thirty per cent of an 4316
additional adjustment period of two months but only up to a 4317
maximum of one thousand dollars and not less than ten dollars. The 4318
administrator shall review the security deposit of every employer 4319
who has submitted a deposit which is less than the 4320
one-thousand-dollar maximum. The administrator may require any 4321
such employer to submit additional money up to the maximum of one 4322
thousand dollars that, in the administrator's opinion, reflects 4323
the employer's current payroll expenditure for an eight-month 4324
period. 4325

(F) A rule providing that each employer, on the occasion of 4326
instituting coverage under this chapter, shall submit an 4327
application for coverage that completely provides all of the 4328
information required for the administrator to establish coverage 4329
for that employer, and that the employer's failure to provide all 4330
of the information completely may be grounds for the administrator 4331
to deny coverage for that employer. 4332

(G) A rule providing that, in addition to any other remedies 4333
permitted in this chapter, the administrator may discontinue an 4334
employer's coverage if the employer fails to pay the premium due 4335
on or before the premium's due date. 4336

(H) A rule providing that if after a final adjudication it is 4337
determined that an employer has failed to pay an obligation, 4338
billing, account, or assessment that is greater than one thousand 4339
dollars on or before its due date, the administrator may 4340
discontinue the employer's coverage in addition to any other 4341
remedies permitted in this chapter, and that the administrator 4342
shall not discontinue an employer's coverage pursuant to division 4343
(N) of this section prior to a final adjudication regarding the 4344
employer's failure to pay such obligation, billing, account, or 4345

assessment on or before its due date. 4346

(I) As used in divisions (G) and (H) of this section: 4347

(1) "Employer" has the same meaning as in division (B) of 4348
section 4123.01 of the Revised Code except that "employer" does 4349
not include the state, a state hospital, or a state university or 4350
college. 4351

(2) "State university or college" has the same meaning as in 4352
section 3345.12 of the Revised Code and also includes the Ohio 4353
agricultural research and development center and the Ohio state 4354
university cooperative extension service. 4355

(3) "State hospital" means the Ohio state university hospital 4356
and its ancillary facilities and the medical university of Ohio at 4357
Toledo hospital. 4358

Sec. 4123.321. The bureau of workers' compensation board of 4359
directors, based upon recommendations of the workers' compensation 4360
actuarial committee, shall adopt a rule with respect to the 4361
collection, maintenance, and disbursements of the state insurance 4362
fund providing that in the event there is developed as of any 4363
given rate revision date a surplus of earned premium over all 4364
losses that, in the judgment of the board, is larger than is 4365
necessary adequately to safeguard the solvency of the fund, the 4366
board may return such excess surplus to the subscribers to the 4367
fund in either the form of cash refunds or a reduction of 4368
premiums, regardless of when the premium obligations have accrued. 4369

Sec. 4123.34. It shall be the duty of the bureau of workers' 4370
compensation board of directors and the administrator of workers' 4371
compensation to safeguard and maintain the solvency of the state 4372
insurance fund and all other funds specified in this chapter and 4373
Chapters 4121., 4127., and 4131. of the Revised Code. The 4374
administrator of workers' compensation, in the exercise of the 4375

powers and discretion conferred upon the administrator in section 4376
4123.29 of the Revised Code, shall fix and maintain, with the 4377
advice and consent of the ~~workers' compensation oversight~~ 4378
~~commission~~ board, for each class of occupation or industry, the 4379
lowest possible rates of premium consistent with the maintenance 4380
of a solvent state insurance fund and the creation and maintenance 4381
of a reasonable surplus, after the payment of legitimate claims 4382
for injury, occupational disease, and death that the administrator 4383
authorizes to be paid from the state insurance fund for the 4384
benefit of injured, diseased, and the dependents of killed 4385
employees. In establishing rates, the administrator shall take 4386
into account the necessity of ensuring sufficient money is set 4387
aside in the premium payment security fund to cover any defaults 4388
in premium obligations. The administrator shall observe all of the 4389
following requirements in fixing the rates of premium for the 4390
risks of occupations or industries: 4391

(A) The administrator shall keep an accurate account of the 4392
money paid in premiums by each of the several classes of 4393
occupations or industries, and the losses on account of injuries, 4394
occupational disease, and death of employees thereof, and also 4395
keep an account of the money received from each individual 4396
employer and the amount of losses incurred against the state 4397
insurance fund on account of injuries, occupational disease, and 4398
death of the employees of the employer. 4399

(B) Ten per cent of the money paid into the state insurance 4400
fund shall be set aside for the creation of a surplus until the 4401
surplus amounts to the sum of one hundred thousand dollars, after 4402
which time, whenever necessary in the judgment of the 4403
administrator to guarantee a solvent state insurance fund, a sum 4404
not exceeding five per cent of all the money paid into the state 4405
insurance fund shall be credited to the surplus fund. A revision 4406
of basic rates shall be made annually on the first day of July. 4407

Notwithstanding any provision of the law to the contrary, one 4408
hundred eighty days after the effective date on which 4409
self-insuring employers first may elect under division (D) of 4410
section 4121.66 of the Revised Code to directly pay for 4411
rehabilitation expenses, the administrator shall calculate the 4412
deficit, if any, in the portion of surplus fund that is used for 4413
reimbursement to self-insuring employers for all expenses other 4414
than handicapped reimbursement under section 4123.343 of the 4415
Revised Code. ~~Without regard to whether a self-insuring employer~~ 4416
~~makes the election under division (D) of section 4121.66 of the~~ 4417
~~Revised Code, the administrator shall assess all self-insuring~~ 4418
~~employers the amount the administrator determines necessary to~~ 4419
~~reduce the deficit over a period not to exceed five years from~~ 4420
~~October 20, 1993. After the initial assessment, the administrator~~ 4421
The administrator, from time to time, may determine whether the 4422
surplus fund has such a deficit and may assess all self-insuring 4423
employers who participated in the portion of the surplus fund 4424
during the accrual of the deficit and who during that time period 4425
have not made the election under division (D) of section 4121.66 4426
of the Revised Code the amount the administrator determines 4427
necessary to reduce the deficit. 4428

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

several classes of occupation or industry, which rules shall be 4441
general in their application. 4442

(C) The administrator may apply that form of rating system 4443
~~which~~ that the administrator finds is best calculated to merit 4444
rate or individually rate the risk more equitably, predicated upon 4445
the basis of its individual industrial accident and occupational 4446
disease experience, and may encourage and stimulate accident 4447
prevention. The administrator shall develop fixed and equitable 4448
rules controlling the rating system, which rules shall conserve to 4449
each risk the basic principles of workers' compensation insurance. 4450

(D) The administrator, from the money paid into the state 4451
insurance fund, shall set aside into an account of the state 4452
insurance fund titled a premium payment security fund sufficient 4453
money to pay for any premiums due from an employer and uncollected 4454
that are in excess of the employer's premium security deposit. 4455

The fund shall be in the custody of the treasurer of state. 4456
All investment earnings of the fund shall be deposited in the 4457
fund. Disbursements from the fund shall be made by the bureau of 4458
workers' compensation upon order of the administrator to the state 4459
insurance fund. The use of the moneys held by the premium payment 4460
security fund is restricted to reimbursement to the state 4461
insurance fund of premiums due and uncollected in excess of an 4462
employer's premium security deposit. The moneys constituting the 4463
premium payment security fund shall be maintained without regard 4464
to or reliance upon any other fund. This section does not prevent 4465
the deposit or investment of the premium payment security fund 4466
with any other fund created by this chapter, but the premium 4467
payment security fund is separate and distinct for every other 4468
purpose and a strict accounting thereof shall be maintained. 4469

(E) The administrator may grant discounts on premium rates 4470
for employers who meet either of the following requirements: 4471

(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 amount of remuneration the administrator uses in calculating the premiums shall not exceed an average weekly wage equal to one hundred fifty per cent of the statewide average weekly wage as defined in division (C) of section 4123.62 of the Revised Code.

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

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

Sec. 4123.341. The administrative costs of the industrial commission, the bureau of workers' compensation oversight ~~commission~~ board of directors, and the bureau of workers' compensation shall be those costs and expenses that are incident to the discharge of the duties and performance of the activities of the industrial commission, the ~~oversight commission~~ board, and the bureau under this chapter and Chapters 4121. and 4123., 4125., 4127., 4131., and 4167. of the Revised Code, and all such costs

shall be borne by the state and by other employers amenable to 4503
this chapter as follows: 4504

(A) In addition to the contribution required of the state 4505
under sections 4123.39 and 4123.40 of the Revised Code, the state 4506
shall contribute the sum determined to be necessary under section 4507
4123.342 of the Revised Code. 4508

(B) The director of budget and management may allocate the 4509
state's share of contributions in the manner ~~he~~ the director finds 4510
most equitably apportions the costs. 4511

(C) The counties and taxing districts therein shall 4512
contribute such sum as may be required under section 4123.342 of 4513
the Revised Code. 4514

(D) The private employers shall contribute the sum required 4515
under section 4123.342 of the Revised Code. 4516

Sec. 4123.342. (A) The administrator of workers' compensation 4517
shall allocate among counties and taxing districts therein as a 4518
class, the state and its instrumentalities as a class, private 4519
employers who are insured under the private fund as a class, and 4520
self-insuring employers as a class their fair shares of the 4521
administrative costs which are to be borne by such employers under 4522
division (D) of section 4123.341 of the Revised Code, separately 4523
allocating to each class those costs solely attributable to the 4524
activities of the industrial commission, and those costs solely 4525
attributable to the activities of the bureau of workers' 4526
compensation ~~oversight commission~~ board of directors, and the 4527
bureau of workers' compensation in respect of the class, 4528
allocating to any combination of classes those costs attributable 4529
to the activities of the industrial commission, ~~oversight~~ 4530
~~commission~~ board, or bureau in respect of the classes, and 4531
allocating to all four classes those costs attributable to the 4532
activities of the industrial commission, ~~oversight commission~~ 4533

board, and bureau in respect of all classes. The administrator 4534
shall separately calculate each employer's assessment in the 4535
class, except self-insuring employers, on the basis of the 4536
following three factors: payroll, paid compensation, and paid 4537
medical costs of the employer for those costs solely attributable 4538
to the activities of the ~~oversight commission~~ board and the 4539
bureau. The administrator shall separately calculate each 4540
employer's assessment in the class, except self-insuring 4541
employers, on the basis of the following three factors: payroll, 4542
paid compensation, and paid medical costs of the employer for 4543
those costs solely attributable to the activities of the 4544
industrial commission. The administrator shall separately 4545
calculate each self-insuring employer's assessment in accordance 4546
with section 4123.35 of the Revised Code for those costs solely 4547
attributable to the activities of the ~~oversight commission~~ board 4548
and the bureau. The administrator shall separately calculate each 4549
self-insuring employer's assessment in accordance with section 4550
4123.35 of the Revised Code for those costs solely attributable to 4551
the activities of the industrial commission. In a timely manner, 4552
the industrial commission shall provide to the administrator, the 4553
information necessary for the administrator to allocate and 4554
calculate, with the approval of the chairperson of the industrial 4555
commission, for each class of employer as described in this 4556
division, the costs solely attributable to the activities of the 4557
industrial commission. 4558

(B) The administrator shall divide the administrative cost 4559
assessments collected by the administrator into two administrative 4560
assessment accounts within the state insurance fund. One of the 4561
administrative assessment accounts shall consist of the 4562
administrative cost assessment collected by the administrator for 4563
the industrial commission. The other administrative assessment 4564
account shall consist of the administrative cost assessments 4565
collected by the administrator for the bureau and the ~~workers'~~ 4566

~~compensation oversight commission board~~. The administrator may 4567
invest the administrative cost assessments in these accounts on 4568
behalf of the bureau and the industrial commission as authorized 4569
in section 4123.44 of the Revised Code. In a timely manner, the 4570
administrator shall provide to the industrial commission the 4571
information and reports the commission deems necessary for the 4572
commission to monitor the receipts and the disbursements from the 4573
administrative assessment account for the industrial commission. 4574

(C) The administrator or the administrator's designee shall 4575
transfer moneys as necessary from the administrative assessment 4576
account identified for the bureau and the ~~workers' compensation~~ 4577
~~oversight commission board~~ to the workers' compensation fund for 4578
the use of the bureau and the ~~oversight commission board~~. As 4579
necessary and upon the authorization of the industrial commission, 4580
the administrator or the administrator's designee shall transfer 4581
moneys from the administrative assessment account identified for 4582
the industrial commission to the industrial commission operating 4583
fund created under section 4121.021 of the Revised Code. To the 4584
extent that the moneys collected by the administrator in any 4585
fiscal biennium of the state equal the sum appropriated by the 4586
general assembly for administrative costs of the industrial 4587
commission, ~~oversight commission board~~, and bureau for the 4588
biennium, the moneys shall be paid into the workers' compensation 4589
fund and the industrial commission operating fund of the state and 4590
any remainder shall be retained in the state insurance fund and 4591
applied to reduce the amount collected during the next biennium. 4592
Sections 4123.41, 4123.35, and 4123.37 of the Revised Code apply 4593
to the collection of assessments from public and private employers 4594
respectively, except that for boards of county hospital trustees 4595
that are self-insuring employers, only those provisions applicable 4596
to the collection of assessments for private employers apply. 4597

Sec. 4123.35. (A) Except as provided in this section, every 4598

employer mentioned in division (B)(2) of section 4123.01 of the Revised Code, and every publicly owned utility shall pay semiannually in the months of January and July into the state insurance fund the amount of annual premium the administrator of workers' compensation fixes for the employment or occupation of the employer, the amount of which premium to be paid by each employer to be determined by the classifications, rules, and rates made and published by the administrator. The employer shall pay semiannually a further sum of money into the state insurance fund as may be ascertained to be due from the employer by applying the rules of the administrator, and a receipt or certificate certifying that payment has been made, along with a written notice as is required in section 4123.54 of the Revised Code, shall be mailed immediately to the employer by the bureau of workers' compensation. The receipt or certificate is prima-facie evidence of the payment of the premium, and the proper posting of the notice constitutes the employer's compliance with the notice requirement mandated in section 4123.54 of the Revised Code.

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

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

Division (A) of this section providing for the payment of premiums semiannually does not apply to any employer who was a subscriber to the state insurance fund prior to January 1, 1914, or who may first become a subscriber to the fund in any month

other than January or July. Instead, the semiannual premiums shall 4631
be paid by those employers from time to time upon the expiration 4632
of the respective periods for which payments into the fund have 4633
been made by them. 4634

The administrator shall adopt rules to permit employers to 4635
make periodic payments of the semiannual premium due under this 4636
division. The rules shall include provisions for the assessment of 4637
interest charges, where appropriate, and for the assessment of 4638
penalties when an employer fails to make timely premium payments. 4639
An employer who timely pays the amounts due under this division is 4640
entitled to all of the benefits and protections of this chapter. 4641
Upon receipt of payment, the bureau immediately shall mail a 4642
receipt or certificate to the employer certifying that payment has 4643
been made, which receipt is prima-facie evidence of payment. 4644
Workers' compensation coverage under this chapter continues 4645
uninterrupted upon timely receipt of payment under this division. 4646

Every public employer, except public employers that are 4647
self-insuring employers under this section, shall comply with 4648
sections 4123.38 to 4123.41, and 4123.48 of the Revised Code in 4649
regard to the contribution of moneys to the public insurance fund. 4650

(B) Employers who will abide by the rules of the 4651
administrator and who may be of sufficient financial ability to 4652
render certain the payment of compensation to injured employees or 4653
the dependents of killed employees, and the furnishing of medical, 4654
surgical, nursing, and hospital attention and services and 4655
medicines, and funeral expenses, equal to or greater than is 4656
provided for in sections 4123.52, 4123.55 to 4123.62, and 4123.64 4657
to 4123.67 of the Revised Code, and who do not desire to insure 4658
the payment thereof or indemnify themselves against loss sustained 4659
by the direct payment thereof, upon a finding of such facts by the 4660
administrator, may be granted the privilege to pay individually 4661
compensation, and furnish medical, surgical, nursing, and hospital 4662

services and attention and funeral expenses directly to injured 4663
employees or the dependents of killed employees, thereby being 4664
granted status as a self-insuring employer. The administrator may 4665
charge employers who apply for the status as a self-insuring 4666
employer a reasonable application fee to cover the bureau's costs 4667
in connection with processing and making a determination with 4668
respect to an application. 4669

All employers granted status as self-insuring employers shall 4670
demonstrate sufficient financial and administrative ability to 4671
assure that all obligations under this section are promptly met. 4672
The administrator shall deny the privilege where the employer is 4673
unable to demonstrate the employer's ability to promptly meet all 4674
the obligations imposed on the employer by this section. 4675

(1) The administrator shall consider, but is not limited to, 4676
the following factors, where applicable, in determining the 4677
employer's ability to meet all of the obligations imposed on the 4678
employer by this section: 4679

(a) The employer employs a minimum of five hundred employees 4680
in this state; 4681

(b) The employer has operated in this state for a minimum of 4682
two years, provided that an employer who has purchased, acquired, 4683
or otherwise succeeded to the operation of a business, or any part 4684
thereof, situated in this state that has operated for at least two 4685
years in this state, also shall qualify; 4686

(c) Where the employer previously contributed to the state 4687
insurance fund or is a successor employer as defined by bureau 4688
rules, the amount of the buyout, as defined by bureau rules; 4689

(d) The sufficiency of the employer's assets located in this 4690
state to insure the employer's solvency in paying compensation 4691
directly; 4692

(e) The financial records, documents, and data, certified by 4693

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

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

(g) The employer's proposed plan to inform employees of the change from a state fund insurer to a self-insuring employer, the procedures the employer will follow as a self-insuring employer, and the employees' rights to compensation and benefits; and

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

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

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

(2) When considering the application of a public employer,

except for a board of county commissioners described in division 4725
(G) of section 4123.01 of the Revised Code, a board of a county 4726
hospital, or a publicly owned utility, the administrator shall 4727
verify that the public employer satisfies all of the following 4728
requirements as the requirements apply to that public employer: 4729

(a) For the two-year period preceding application under this 4730
section, the public employer has maintained an unvoted debt 4731
capacity equal to at least two times the amount of the current 4732
annual premium established by the administrator under this chapter 4733
for that public employer for the year immediately preceding the 4734
year in which the public employer makes application under this 4735
section. 4736

(b) For each of the two fiscal years preceding application 4737
under this section, the unreserved and undesignated year-end fund 4738
balance in the public employer's general fund is equal to at least 4739
five per cent of the public employer's general fund revenues for 4740
the fiscal year computed in accordance with generally accepted 4741
accounting principles. 4742

(c) For the five-year period preceding application under this 4743
section, the public employer, to the extent applicable, has 4744
complied fully with the continuing disclosure requirements 4745
established in rules adopted by the United States securities and 4746
exchange commission under 17 C.F.R. 240.15c 2-12. 4747

(d) For the five-year period preceding application under this 4748
section, the public employer has not had its local government fund 4749
distribution withheld on account of the public employer being 4750
indebted or otherwise obligated to the state. 4751

(e) For the five-year period preceding application under this 4752
section, the public employer has not been under a fiscal watch or 4753
fiscal emergency pursuant to section 118.023, 118.04, or 3316.03 4754
of the Revised Code. 4755

(f) For the public employer's fiscal year preceding 4756
application under this section, the public employer has obtained 4757
an annual financial audit as required under section 117.10 of the 4758
Revised Code, which has been released by the auditor of state 4759
within seven months after the end of the public employer's fiscal 4760
year. 4761

(g) On the date of application, the public employer holds a 4762
debt rating of Aa3 or higher according to Moody's investors 4763
service, inc., or a comparable rating by an independent rating 4764
agency similar to Moody's investors service, inc. 4765

(h) The public employer agrees to generate an annual 4766
accumulating book reserve in its financial statements reflecting 4767
an actuarially generated reserve adequate to pay projected claims 4768
under this chapter for the applicable period of time, as 4769
determined by the administrator. 4770

(i) For a public employer that is a hospital, the public 4771
employer shall submit audited financial statements showing the 4772
hospital's overall liquidity characteristics, and the 4773
administrator shall determine, on an individual basis, whether the 4774
public employer satisfies liquidity standards equivalent to the 4775
liquidity standards of other public employers. 4776

(j) Any additional criteria that the administrator adopts by 4777
rule pursuant to division (E) of this section. 4778

The administrator shall not approve the application of a 4779
public employer, except for a board of county commissioners 4780
described in division (G) of section 4123.01 of the Revised Code, 4781
a board of a county hospital, or publicly owned utility, who does 4782
not satisfy all of the requirements listed in division (B)(2) of 4783
this section. 4784

(C) A board of county commissioners described in division (G) 4785
of section 4123.01 of the Revised Code, as an employer, that will 4786

abide by the rules of the administrator and that may be of 4787
sufficient financial ability to render certain the payment of 4788
compensation to injured employees or the dependents of killed 4789
employees, and the furnishing of medical, surgical, nursing, and 4790
hospital attention and services and medicines, and funeral 4791
expenses, equal to or greater than is provided for in sections 4792
4123.52, 4123.55 to 4123.62, and 4123.64 to 4123.67 of the Revised 4793
Code, and that does not desire to insure the payment thereof or 4794
indemnify itself against loss sustained by the direct payment 4795
thereof, upon a finding of such facts by the administrator, may be 4796
granted the privilege to pay individually compensation, and 4797
furnish medical, surgical, nursing, and hospital services and 4798
attention and funeral expenses directly to injured employees or 4799
the dependents of killed employees, thereby being granted status 4800
as a self-insuring employer. The administrator may charge a board 4801
of county commissioners described in division (G) of section 4802
4123.01 of the Revised Code that applies for the status as a 4803
self-insuring employer a reasonable application fee to cover the 4804
bureau's costs in connection with processing and making a 4805
determination with respect to an application. All employers 4806
granted such status shall demonstrate sufficient financial and 4807
administrative ability to assure that all obligations under this 4808
section are promptly met. The administrator shall deny the 4809
privilege where the employer is unable to demonstrate the 4810
employer's ability to promptly meet all the obligations imposed on 4811
the employer by this section. The administrator shall consider, 4812
but is not limited to, the following factors, where applicable, in 4813
determining the employer's ability to meet all of the obligations 4814
imposed on the board as an employer by this section: 4815

(1) The board as an employer employs a minimum of five 4816
hundred employees in this state; 4817

(2) The board has operated in this state for a minimum of two 4818

years;	4819
(3) Where the board previously contributed to the state insurance fund or is a successor employer as defined by bureau rules, the amount of the buyout, as defined by bureau rules;	4820 4821 4822
(4) The sufficiency of the board's assets located in this state to insure the board's solvency in paying compensation directly;	4823 4824 4825
(5) The financial records, documents, and data, certified by a certified public accountant, necessary to provide the board's full financial disclosure. The records, documents, and data include, but are not limited to, balance sheets and profit and loss history for the current year and previous four years.	4826 4827 4828 4829 4830
(6) The board's organizational plan for the administration of the workers' compensation law;	4831 4832
(7) The board's proposed plan to inform employees of the proposed self-insurance, the procedures the board will follow as a self-insuring employer, and the employees' rights to compensation and benefits;	4833 4834 4835 4836
(8) The board has either an account in a financial institution in this state, or if the board maintains an account with a financial institution outside this state, ensures that workers' compensation checks are drawn from the same account as payroll checks or the board clearly indicates that payment will be honored by a financial institution in this state;	4837 4838 4839 4840 4841 4842
(9) The board shall provide the administrator a surety bond in an amount equal to one hundred twenty-five per cent of the projected losses as determined by the administrator.	4843 4844 4845
(D) The administrator shall require a surety bond from all self-insuring employers, issued pursuant to section 4123.351 of the Revised Code, that is sufficient to compel, or secure to	4846 4847 4848

injured employees, or to the dependents of employees killed, the 4849
payment of compensation and expenses, which shall in no event be 4850
less than that paid or furnished out of the state insurance fund 4851
in similar cases to injured employees or to dependents of killed 4852
employees whose employers contribute to the fund, except when an 4853
employee of the employer, who has suffered the loss of a hand, 4854
arm, foot, leg, or eye prior to the injury for which compensation 4855
is to be paid, and thereafter suffers the loss of any other of the 4856
members as the result of any injury sustained in the course of and 4857
arising out of the employee's employment, the compensation to be 4858
paid by the self-insuring employer is limited to the disability 4859
suffered in the subsequent injury, additional compensation, if 4860
any, to be paid by the bureau out of the surplus created by 4861
section 4123.34 of the Revised Code. 4862

(E) In addition to the requirements of this section, the 4863
administrator shall make and publish rules governing the manner of 4864
making application and the nature and extent of the proof required 4865
to justify a finding of fact by the administrator as to granting 4866
the status of a self-insuring employer, which rules shall be 4867
general in their application, one of which rules shall provide 4868
that all self-insuring employers shall pay into the state 4869
insurance fund such amounts as are required to be credited to the 4870
surplus fund in division (B) of section 4123.34 of the Revised 4871
Code. The administrator may adopt rules establishing requirements 4872
in addition to the requirements described in division (B)(2) of 4873
this section that a public employer shall meet in order to qualify 4874
for self-insuring status. 4875

Employers shall secure directly from the bureau central 4876
offices application forms upon which the bureau shall stamp a 4877
designating number. Prior to submission of an application, an 4878
employer shall make available to the bureau, and the bureau shall 4879
review, the information described in division (B)(1) of this 4880

section, and public employers shall make available, and the bureau 4881
shall review, the information necessary to verify whether the 4882
public employer meets the requirements listed in division (B)(2) 4883
of this section. An employer shall file the completed application 4884
forms with an application fee, which shall cover the costs of 4885
processing the application, as established by the administrator, 4886
by rule, with the bureau at least ninety days prior to the 4887
effective date of the employer's new status as a self-insuring 4888
employer. The application form is not deemed complete until all 4889
the required information is attached thereto. The bureau shall 4890
only accept applications that contain the required information. 4891

(F) The bureau shall review completed applications within a 4892
reasonable time. If the bureau determines to grant an employer the 4893
status as a self-insuring employer, the bureau shall issue a 4894
statement, containing its findings of fact, that is prepared by 4895
the bureau and signed by the administrator. If the bureau 4896
determines not to grant the status as a self-insuring employer, 4897
the bureau shall notify the employer of the determination and 4898
require the employer to continue to pay its full premium into the 4899
state insurance fund. The administrator also shall adopt rules 4900
establishing a minimum level of performance as a criterion for 4901
granting and maintaining the status as a self-insuring employer 4902
and fixing time limits beyond which failure of the self-insuring 4903
employer to provide for the necessary medical examinations and 4904
evaluations may not delay a decision on a claim. 4905

(G) The administrator shall adopt rules setting forth 4906
procedures for auditing the program of self-insuring employers. 4907
The bureau shall conduct the audit upon a random basis or whenever 4908
the bureau has grounds for believing that a self-insuring employer 4909
is not in full compliance with bureau rules or this chapter. 4910

The administrator shall monitor the programs conducted by 4911
self-insuring employers, to ensure compliance with bureau 4912

requirements and for that purpose, shall develop and issue to 4913
self-insuring employers standardized forms for use by the 4914
self-insuring employer in all aspects of the self-insuring 4915
employers' direct compensation program and for reporting of 4916
information to the bureau. 4917

The bureau shall receive and transmit to the self-insuring 4918
employer all complaints concerning any self-insuring employer. In 4919
the case of a complaint against a self-insuring employer, the 4920
administrator shall handle the complaint through the 4921
self-insurance division of the bureau. The bureau shall maintain a 4922
file by employer of all complaints received that relate to the 4923
employer. The bureau shall evaluate each complaint and take 4924
appropriate action. 4925

The administrator shall adopt as a rule a prohibition against 4926
any self-insuring employer from harassing, dismissing, or 4927
otherwise disciplining any employee making a complaint, which rule 4928
shall provide for a financial penalty to be levied by the 4929
administrator payable by the offending self-insuring employer. 4930

(H) For the purpose of making determinations as to whether to 4931
grant status as a self-insuring employer, the administrator may 4932
subscribe to and pay for a credit reporting service that offers 4933
financial and other business information about individual 4934
employers. The costs in connection with the bureau's subscription 4935
or individual reports from the service about an applicant may be 4936
included in the application fee charged employers under this 4937
section. 4938

(I) The administrator, notwithstanding other provisions of 4939
this chapter, may permit a self-insuring employer to resume 4940
payment of premiums to the state insurance fund with appropriate 4941
credit modifications to the employer's basic premium rate as such 4942
rate is determined pursuant to section 4123.29 of the Revised 4943
Code. 4944

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

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

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

In determining the total amount due for the total assessment against all self-insuring employers as a class for each fund and the administrative assessment, the administrator shall reduce proportionately the total for each fund and assessment by the amount of money in the self-insurance assessment fund as of the

date of the computation of the assessment. 4977

The administrator shall calculate the assessment for the 4978
portion of the surplus fund under division (B) of section 4123.34 4979
of the Revised Code that is used for handicapped reimbursement in 4980
the same manner as set forth in divisions (J)(1) and (2) of this 4981
section except that the administrator shall calculate the total 4982
assessment for this portion of the surplus fund only on the basis 4983
of those self-insuring employers that retain participation in the 4984
handicapped reimbursement program and the individual self-insuring 4985
employer's proportion of paid compensation shall be calculated 4986
only for those self-insuring employers who retain participation in 4987
the handicapped reimbursement program. The administrator, as the 4988
administrator determines appropriate, may determine the total 4989
assessment for the handicapped portion of the surplus fund in 4990
accordance with sound actuarial principles. 4991

The administrator shall calculate the assessment for the 4992
portion of the surplus fund under division (B) of section 4123.34 4993
of the Revised Code that under division (D) of section 4121.66 of 4994
the Revised Code is used for rehabilitation costs in the same 4995
manner as set forth in divisions (J)(1) and (2) of this section, 4996
except that the administrator shall calculate the total assessment 4997
for this portion of the surplus fund only on the basis of those 4998
self-insuring employers who have not made the election to make 4999
payments directly under division (D) of section 4121.66 of the 5000
Revised Code and an individual self-insuring employer's proportion 5001
of paid compensation only for those self-insuring employers who 5002
have not made that election. 5003

The administrator shall calculate the assessment for the 5004
portion of the surplus fund under division (B) of section 4123.34 5005
of the Revised Code that is used for reimbursement to a 5006
self-insuring employer under division (H) of section 4123.512 of 5007
the Revised Code in the same manner as set forth in divisions 5008

(J)(1) and (2) of this section except that the administrator shall 5009
calculate the total assessment for this portion of the surplus 5010
fund only on the basis of those self-insuring employers that 5011
retain participation in reimbursement to the self-insuring 5012
employer under division (H) of section 4123.512 of the Revised 5013
Code and the individual self-insuring employer's proportion of 5014
paid compensation shall be calculated only for those self-insuring 5015
employers who retain participation in reimbursement to the 5016
self-insuring employer under division (H) of section 4123.512 of 5017
the Revised Code. 5018

An employer who no longer is a self-insuring employer in this 5019
state or who no longer is operating in this state, shall continue 5020
to pay assessments for administrative costs and for the portion of 5021
the surplus fund under division (B) of section 4123.34 of the 5022
Revised Code that is not used for handicapped reimbursement, based 5023
upon paid compensation attributable to claims that occurred while 5024
the employer was a self-insuring employer within this state. 5025

(K) There is hereby created in the state treasury the 5026
self-insurance assessment fund. All investment earnings of the 5027
fund shall be deposited in the fund. The administrator shall use 5028
the money in the self-insurance assessment fund only for 5029
administrative costs as specified in section 4123.341 of the 5030
Revised Code. 5031

(L) Every self-insuring employer shall certify, in affidavit 5032
form subject to the penalty for perjury, to the bureau the amount 5033
of the self-insuring employer's paid compensation for the previous 5034
calendar year. In reporting paid compensation paid for the 5035
previous year, a self-insuring employer shall exclude from the 5036
total amount of paid compensation any reimbursement the 5037
self-insuring employer receives in the previous calendar year from 5038
the surplus fund pursuant to section 4123.512 of the Revised Code 5039
for any paid compensation. The self-insuring employer also shall 5040

exclude from the paid compensation reported any amount recovered 5041
under section 4123.931 of the Revised Code and any amount that is 5042
determined not to have been payable to or on behalf of a claimant 5043
in any final administrative or judicial proceeding. The 5044
self-insuring employer shall exclude such amounts from the paid 5045
compensation reported in the reporting period subsequent to the 5046
date the determination is made. The administrator shall adopt 5047
rules, in accordance with Chapter 119. of the Revised Code, that 5048
provide for all of the following: 5049

(1) Establishing the date by which self-insuring employers 5050
must submit such information and the amount of the assessments 5051
provided for in division (J) of this section for employers who 5052
have been granted self-insuring status within the last calendar 5053
year; 5054

(2) If an employer fails to pay the assessment when due, the 5055
administrator may add a late fee penalty of not more than five 5056
hundred dollars to the assessment plus an additional penalty 5057
amount as follows: 5058

(a) For an assessment from sixty-one to ninety days past due, 5059
the prime interest rate, multiplied by the assessment due; 5060

(b) For an assessment from ninety-one to one hundred twenty 5061
days past due, the prime interest rate plus two per cent, 5062
multiplied by the assessment due; 5063

(c) For an assessment from one hundred twenty-one to one 5064
hundred fifty days past due, the prime interest rate plus four per 5065
cent, multiplied by the assessment due; 5066

(d) For an assessment from one hundred fifty-one to one 5067
hundred eighty days past due, the prime interest rate plus six per 5068
cent, multiplied by the assessment due; 5069

(e) For an assessment from one hundred eighty-one to two 5070
hundred ten days past due, the prime interest rate plus eight per 5071

cent, multiplied by the assessment due; 5072

(f) For each additional thirty-day period or portion thereof 5073
that an assessment remains past due after it has remained past due 5074
for more than two hundred ten days, the prime interest rate plus 5075
eight per cent, multiplied by the assessment due. 5076

(3) An employer may appeal a late fee penalty and penalty 5077
assessment to the administrator. 5078

For purposes of ~~this~~ division (L)(2) of this section, "prime 5079
interest rate" means the average bank prime rate, and the 5080
administrator shall determine the prime interest rate in the same 5081
manner as a county auditor determines the average bank prime rate 5082
under section 929.02 of the Revised Code. 5083

The administrator shall include any assessment and penalties 5084
that remain unpaid for previous assessment periods in the 5085
calculation and collection of any assessments due under this 5086
division or division (J) of this section. 5087

(M) As used in this section, "paid compensation" means all 5088
amounts paid by a self-insuring employer for living maintenance 5089
benefits, all amounts for compensation paid pursuant to sections 5090
4121.63, 4121.67, 4123.56, 4123.57, 4123.58, 4123.59, 4123.60, and 5091
4123.64 of the Revised Code, all amounts paid as wages in lieu of 5092
such compensation, all amounts paid in lieu of such compensation 5093
under a nonoccupational accident and sickness program fully funded 5094
by the self-insuring employer, and all amounts paid by a 5095
self-insuring employer for a violation of a specific safety 5096
standard pursuant to Section 35 of Article II, Ohio Constitution 5097
and section 4121.47 of the Revised Code. 5098

(N) Should any section of this chapter or Chapter 4121. of 5099
the Revised Code providing for self-insuring employers' 5100
assessments based upon compensation paid be declared 5101
unconstitutional by a final decision of any court, then that 5102

section of the Revised Code declared unconstitutional shall revert 5103
back to the section in existence prior to November 3, 1989, 5104
providing for assessments based upon payroll. 5105

(O) The administrator may grant a self-insuring employer the 5106
privilege to self-insure a construction project entered into by 5107
the self-insuring employer that is scheduled for completion within 5108
six years after the date the project begins, and the total cost of 5109
which is estimated to exceed one hundred million dollars or, for 5110
employers described in division (R) of this section, if the 5111
construction project is estimated to exceed twenty-five million 5112
dollars. The administrator may waive such cost and time criteria 5113
and grant a self-insuring employer the privilege to self-insure a 5114
construction project regardless of the time needed to complete the 5115
construction project and provided that the cost of the 5116
construction project is estimated to exceed fifty million dollars. 5117
A self-insuring employer who desires to self-insure a construction 5118
project shall submit to the administrator an application listing 5119
the dates the construction project is scheduled to begin and end, 5120
the estimated cost of the construction project, the contractors 5121
and subcontractors whose employees are to be self-insured by the 5122
self-insuring employer, the provisions of a safety program that is 5123
specifically designed for the construction project, and a 5124
statement as to whether a collective bargaining agreement 5125
governing the rights, duties, and obligations of each of the 5126
parties to the agreement with respect to the construction project 5127
exists between the self-insuring employer and a labor 5128
organization. 5129

A self-insuring employer may apply to self-insure the 5130
employees of either of the following: 5131

(1) All contractors and subcontractors who perform labor or 5132
work or provide materials for the construction project; 5133

(2) All contractors and, at the administrator's discretion, a 5134

substantial number of all the subcontractors who perform labor or 5135
work or provide materials for the construction project. 5136

Upon approval of the application, the administrator shall 5137
mail a certificate granting the privilege to self-insure the 5138
construction project to the self-insuring employer. The 5139
certificate shall contain the name of the self-insuring employer 5140
and the name, address, and telephone number of the self-insuring 5141
employer's representatives who are responsible for administering 5142
workers' compensation claims for the construction project. The 5143
self-insuring employer shall post the certificate in a conspicuous 5144
place at the site of the construction project. 5145

The administrator shall maintain a record of the contractors 5146
and subcontractors whose employees are covered under the 5147
certificate issued to the self-insured employer. A self-insuring 5148
employer immediately shall notify the administrator when any 5149
contractor or subcontractor is added or eliminated from inclusion 5150
under the certificate. 5151

Upon approval of the application, the self-insuring employer 5152
is responsible for the administration and payment of all claims 5153
under this chapter and Chapter 4121. of the Revised Code for the 5154
employees of the contractor and subcontractors covered under the 5155
certificate who receive injuries or are killed in the course of 5156
and arising out of employment on the construction project, or who 5157
contract an occupational disease in the course of employment on 5158
the construction project. For purposes of this chapter and Chapter 5159
4121. of the Revised Code, a claim that is administered and paid 5160
in accordance with this division is considered a claim against the 5161
self-insuring employer listed in the certificate. A contractor or 5162
subcontractor included under the certificate shall report to the 5163
self-insuring employer listed in the certificate, all claims that 5164
arise under this chapter and Chapter 4121. of the Revised Code in 5165
connection with the construction project for which the certificate 5166

is issued. 5167

A self-insuring employer who complies with this division is 5168
entitled to the protections provided under this chapter and 5169
Chapter 4121. of the Revised Code with respect to the employees of 5170
the contractors and subcontractors covered under a certificate 5171
issued under this division for death or injuries that arise out 5172
of, or death, injuries, or occupational diseases that arise in the 5173
course of, those employees' employment on that construction 5174
project, as if the employees were employees of the self-insuring 5175
employer, provided that the self-insuring employer also complies 5176
with this section. No employee of the contractors and 5177
subcontractors covered under a certificate issued under this 5178
division shall be considered the employee of the self-insuring 5179
employer listed in that certificate for any purposes other than 5180
this chapter and Chapter 4121. of the Revised Code. Nothing in 5181
this division gives a self-insuring employer authority to control 5182
the means, manner, or method of employment of the employees of the 5183
contractors and subcontractors covered under a certificate issued 5184
under this division. 5185

The contractors and subcontractors included under a 5186
certificate issued under this division are entitled to the 5187
protections provided under this chapter and Chapter 4121. of the 5188
Revised Code with respect to the contractor's or subcontractor's 5189
employees who are employed on the construction project which is 5190
the subject of the certificate, for death or injuries that arise 5191
out of, or death, injuries, or occupational diseases that arise in 5192
the course of, those employees' employment on that construction 5193
project. 5194

The contractors and subcontractors included under a 5195
certificate issued under this division shall identify in their 5196
payroll records the employees who are considered the employees of 5197
the self-insuring employer listed in that certificate for purposes 5198

of this chapter and Chapter 4121. of the Revised Code, and the 5199
amount that those employees earned for employment on the 5200
construction project that is the subject of that certificate. 5201
Notwithstanding any provision to the contrary under this chapter 5202
and Chapter 4121. of the Revised Code, the administrator shall 5203
exclude the payroll that is reported for employees who are 5204
considered the employees of the self-insuring employer listed in 5205
that certificate, and that the employees earned for employment on 5206
the construction project that is the subject of that certificate, 5207
when determining those contractors' or subcontractors' premiums or 5208
assessments required under this chapter and Chapter 4121. of the 5209
Revised Code. A self-insuring employer issued a certificate under 5210
this division shall include in the amount of paid compensation it 5211
reports pursuant to division (L) of this section, the amount of 5212
paid compensation the self-insuring employer paid pursuant to this 5213
division for the previous calendar year. 5214

Nothing in this division shall be construed as altering the 5215
rights of employees under this chapter and Chapter 4121. of the 5216
Revised Code as those rights existed prior to September 17, 1996. 5217
Nothing in this division shall be construed as altering the rights 5218
devolved under sections 2305.31 and 4123.82 of the Revised Code as 5219
those rights existed prior to September 17, 1996. 5220

As used in this division, "privilege to self-insure a 5221
construction project" means privilege to pay individually 5222
compensation, and to furnish medical, surgical, nursing, and 5223
hospital services and attention and funeral expenses directly to 5224
injured employees or the dependents of killed employees. 5225

(P) A self-insuring employer whose application is granted 5226
under division (O) of this section shall designate a safety 5227
professional to be responsible for the administration and 5228
enforcement of the safety program that is specifically designed 5229
for the construction project that is the subject of the 5230

application. 5231

A self-insuring employer whose application is granted under 5232
division (O) of this section shall employ an ombudsperson for the 5233
construction project that is the subject of the application. The 5234
ombudsperson shall have experience in workers' compensation or the 5235
construction industry, or both. The ombudsperson shall perform all 5236
of the following duties: 5237

(1) Communicate with and provide information to employees who 5238
are injured in the course of, or whose injury arises out of 5239
employment on the construction project, or who contract an 5240
occupational disease in the course of employment on the 5241
construction project; 5242

(2) Investigate the status of a claim upon the request of an 5243
employee to do so; 5244

(3) Provide information to claimants, third party 5245
administrators, employers, and other persons to assist those 5246
persons in protecting their rights under this chapter and Chapter 5247
4121. of the Revised Code. 5248

A self-insuring employer whose application is granted under 5249
division (O) of this section shall post the name of the safety 5250
professional and the ombudsperson and instructions for contacting 5251
the safety professional and the ombudsperson in a conspicuous 5252
place at the site of the construction project. 5253

(Q) The administrator may consider all of the following when 5254
deciding whether to grant a self-insuring employer the privilege 5255
to self-insure a construction project as provided under division 5256
(O) of this section: 5257

(1) Whether the self-insuring employer has an organizational 5258
plan for the administration of the workers' compensation law; 5259

(2) Whether the safety program that is specifically designed 5260

for the construction project provides for the safety of employees 5261
employed on the construction project, is applicable to all 5262
contractors and subcontractors who perform labor or work or 5263
provide materials for the construction project, and has as a 5264
component, a safety training program that complies with standards 5265
adopted pursuant to the "Occupational Safety and Health Act of 5266
1970," 84 Stat. 1590, 29 U.S.C.A. 651, and provides for continuing 5267
management and employee involvement; 5268

(3) Whether granting the privilege to self-insure the 5269
construction project will reduce the costs of the construction 5270
project; 5271

(4) Whether the self-insuring employer has employed an 5272
ombudsperson as required under division (P) of this section; 5273

(5) Whether the self-insuring employer has sufficient surety 5274
to secure the payment of claims for which the self-insuring 5275
employer would be responsible pursuant to the granting of the 5276
privilege to self-insure a construction project under division (O) 5277
of this section. 5278

(R) As used in divisions (O), (P), and (Q), "self-insuring 5279
employer" includes the following employers, whether or not they 5280
have been granted the status of being a self-insuring employer 5281
under division (B) of this section: 5282

(1) A state institution of higher education; 5283

(2) A school district; 5284

(3) A county school financing district; 5285

(4) An educational service center; 5286

(5) A community school established under Chapter 3314. of the 5287
Revised Code. 5288

(S) As used in this section: 5289

(1) "Unvoted debt capacity" means the amount of money that a 5290

public employer may borrow without voter approval of a tax levy; 5291

(2) "State institution of higher education" means the state 5292
universities listed in section 3345.011 of the Revised Code, 5293
community colleges created pursuant to Chapter 3354. of the 5294
Revised Code, university branches created pursuant to Chapter 5295
3355. of the Revised Code, technical colleges created pursuant to 5296
Chapter 3357. of the Revised Code, and state community colleges 5297
created pursuant to Chapter 3358. of the Revised Code. 5298

Sec. 4123.351. (A) The administrator of workers' compensation 5299
shall require every self-insuring employer to pay a contribution, 5300
calculated under this section, to the self-insuring employers' 5301
guaranty fund established pursuant to this section. The fund shall 5302
provide for payment of compensation and benefits to employees of 5303
the self-insuring employer in order to cover any default in 5304
payment by that employer. 5305

(B) The bureau of workers' compensation shall operate the 5306
self-insuring employers' guaranty fund for self-insuring 5307
employers. The administrator annually shall establish the 5308
contributions due from self-insuring employers for the fund at 5309
rates as low as possible but such as will assure sufficient moneys 5310
to guarantee the payment of any claims against the fund. The 5311
bureau's operation of the fund is not subject to sections 3929.10 5312
to 3929.18 of the Revised Code or to regulation by the 5313
superintendent of insurance. 5314

(C) If a self-insuring employer defaults, the bureau shall 5315
recover the amounts paid as a result of the default from the 5316
self-insuring employers' guaranty fund. If a self-insuring 5317
employer defaults and is in compliance with this section for the 5318
payment of contributions to the fund, such self-insuring employer 5319
is entitled to the immunity conferred by section 4123.74 of the 5320
Revised Code for any claim arising during any period the employer 5321

is in compliance with this section. 5322

(D)(1) There is hereby established a self-insuring employers' 5323
guaranty fund, which shall be in the custody of the treasurer of 5324
state and which shall be separate from the other funds established 5325
and administered pursuant to this chapter. The fund shall consist 5326
of contributions and other payments made by self-insuring 5327
employers under this section. All investment earnings of the fund 5328
shall be credited to the fund. The bureau shall make disbursements 5329
from the fund pursuant to this section. 5330

(2) The administrator ~~of workers' compensation~~ has the same 5331
powers to invest any of the surplus or reserve belonging to the 5332
fund as are delegated to ~~him~~ the administrator under section 5333
4123.44 of the Revised Code with respect to the state insurance 5334
fund. The administrator shall apply interest earned solely to the 5335
reduction of assessments for contributions from self-insuring 5336
employers and to the payments required due to defaults. 5337

(3) If the ~~administrator~~ bureau of workers' compensation 5338
board of directors determines that reinsurance of the risks of the 5339
fund is necessary to assure solvency of the fund, ~~he~~ the board 5340
may: 5341

(a) Enter into contracts for the purchase of reinsurance 5342
coverage of the risks of the fund with any company or agency 5343
authorized by law to issue contracts of reinsurance; 5344

(b) ~~Pay~~ Require the administrator to pay the cost of 5345
reinsurance from the fund; 5346

(c) Include the costs of reinsurance as a liability and 5347
estimated liability of the fund. 5348

(E) The administrator, with the advice and consent of the 5349
~~workers' compensation oversight commission~~ board, may adopt rules 5350
pursuant to Chapter 119. of the Revised Code for the 5351
implementation of this section, including a rule, notwithstanding 5352

division (C) of this section, requiring self-insuring employers to 5353
provide security in addition to the contribution to the 5354
self-insuring employers' guaranty fund required by this section. 5355
The additional security required by the rule, as the administrator 5356
determines appropriate, shall be sufficient and adequate to 5357
provide for financial assurance to meet the obligations of 5358
self-insuring employers under this chapter and Chapter 4121. of 5359
the Revised Code. 5360

(F) The purchase of coverage under this section by 5361
self-insuring employers is valid notwithstanding the prohibitions 5362
contained in division (A) of section 4123.82 of the Revised Code 5363
and is in addition to the indemnity contracts that self-insuring 5364
employers may purchase pursuant to division (B) of section 4123.82 5365
of the Revised Code. 5366

(G) The administrator, on behalf of the self-insuring 5367
employers' guaranty fund, has the rights of reimbursement and 5368
subrogation and shall collect from a defaulting self-insuring 5369
employer or other liable person all amounts ~~he~~ the administrator 5370
has paid or reasonably expects to pay from the fund on account of 5371
the defaulting self-insuring employer. 5372

(H) The assessments for contributions, the administration of 5373
the self-insuring employers' guaranty fund, the investment of the 5374
money in the fund, and the payment of liabilities incurred by the 5375
fund do not create any liability upon the state. 5376

Except for a gross abuse of discretion, neither the ~~oversight~~ 5377
~~commission board~~, nor the individual members thereof, nor the 5378
administrator shall incur any obligation or liability respecting 5379
the assessments for contributions, the administration of the 5380
self-insuring employers' guaranty fund, the investment of the 5381
fund, or the payment of liabilities therefrom. 5382

Sec. 4123.37. In this section "amenable employer" ~~means an~~ 5383

~~employer subject to~~ has the same meaning as "employer" as defined 5384
in division (B)(2)(O) of section 4123.01 4123.32 of the Revised 5385
Code. 5386

If the administrator of workers' compensation finds that any 5387
person, firm, or private corporation, including any public service 5388
corporation, is, or has been at any time after January 1, 1923, an 5389
amenable employer and has not complied with section 4123.35 of the 5390
Revised Code the administrator shall determine the period during 5391
which the person, firm, or corporation was an amenable employer 5392
and shall forthwith give notice of the determination to the 5393
employer. Within twenty days thereafter the employer shall furnish 5394
the bureau with the payroll covering the period included in the 5395
determination and, if the employer is an amenable employer at the 5396
time of the determination, shall pay a premium security deposit 5397
for the eight months next succeeding the date of the determination 5398
and shall pay into the state insurance fund the amount of premium 5399
applicable to such payroll. 5400

If the employer does not furnish the payroll and pay the 5401
applicable premium and premium security deposit within the twenty 5402
days, the administrator shall forthwith make an assessment of the 5403
premium due from the employer for the period the administrator 5404
determined the employer to be an amenable employer including the 5405
premium security deposit according to section 4123.32 of the 5406
Revised Code if the employer is an amenable employer at the time 5407
of the determination, basing the assessment upon the information 5408
in the possession of the administrator. 5409

The administrator shall give to the employer assessed written 5410
notice of the assessment. The notice shall be mailed to the 5411
employer at ~~his~~ the employer's residence or usual place of 5412
business by certified mail. Unless the employer to whom the notice 5413
of assessment is directed files with the bureau within twenty days 5414
after receipt thereof, a petition in writing, verified under oath 5415

by the employer, or ~~his~~ the employer's authorized agent having 5416
knowledge of the facts, setting forth with particularity the items 5417
of the assessment objected to, together with the reason for the 5418
objections, the assessment shall become conclusive and the amount 5419
thereof shall be due and payable from the employer so assessed to 5420
the state insurance fund. When a petition objecting to an 5421
assessment is filed the bureau shall assign a time and place for 5422
the hearing of the same and shall notify the petitioner thereof by 5423
certified mail. When an employer files a petition the assessment 5424
made by the administrator shall become due and payable ten days 5425
after notice of the finding made at the hearing has been sent by 5426
certified mail to the party assessed. An appeal may be taken from 5427
any finding to the court of common pleas of Franklin county upon 5428
the execution by the party assessed of a bond to the state in 5429
double the amount found due and ordered paid by the bureau 5430
conditioned that the party will pay any judgment and costs 5431
rendered against it for the premium. 5432

When no petition objecting to an assessment is filed or when 5433
a finding is made affirming or modifying an assessment after 5434
hearing, a certified copy of the assessment as affirmed or 5435
modified may be filed by the administrator in the office of the 5436
clerk of the court of common pleas in any county in which the 5437
employer has property or in which the employer has a place of 5438
business. The clerk, immediately upon the filing of the 5439
assessment, shall enter a judgment for the state against the 5440
employer in the amount shown on the assessment. The judgment may 5441
be filed by the clerk in a loose leaf book entitled "special 5442
judgments for state insurance fund." The judgment shall bear the 5443
same rate of interest, have the same effect as other judgments, 5444
and be given the same preference allowed by law on other judgments 5445
rendered for claims for taxes. An assessment or judgment under 5446
this section shall not be a bar to the adjustment of the 5447
employer's account upon the employer furnishing ~~his~~ the employer's 5448

payroll records to the bureau. 5449

The administrator, for good cause shown, may waive a default 5450
in the payment of premium where the default is of less than sixty 5451
days' duration, and upon payment by the employer of the premium 5452
for the period, ~~he the employer~~ and ~~his the employer's~~ employees 5453
are entitled to all of the benefits and immunities provided by 5454
this chapter. 5455

Sec. 4123.411. (A) For the purpose of carrying out sections 5456
4123.412 to 4123.418 of the Revised Code, the administrator of 5457
workers' compensation, with the advice and consent of the bureau 5458
of workers' compensation oversight commission board of directors, 5459
shall levy an assessment against all employers at a rate, of at 5460
least five but not to exceed ten cents per one hundred dollars of 5461
payroll, such rate to be determined annually for each employer 5462
group listed in divisions (A)(1) to (3) of this section, which 5463
will produce an amount no greater than the amount the 5464
administrator estimates to be necessary to carry out such sections 5465
for the period for which the assessment is levied. In the event 5466
the amount produced by the assessment is not sufficient to carry 5467
out such sections the additional amount necessary shall be 5468
provided from the income produced as a result of investments made 5469
pursuant to section 4123.44 of the Revised Code. 5470

Assessments shall be levied according to the following 5471
schedule: 5472

(1) Private fund employers, except self-insuring 5473
employers--in January and July of each year upon gross payrolls of 5474
the preceding six months; 5475

(2) Counties and taxing district employers therein, except 5476
county hospitals that are self-insuring employers--in January of 5477
each year upon gross payrolls of the preceding twelve months; 5478

(3) The state as an employer--in January, April, July, and 5479
October of each year upon gross payrolls of the preceding three 5480
months. 5481

Amounts assessed in accordance with this section shall be 5482
collected from each employer as prescribed in rules the 5483
administrator adopts. 5484

The moneys derived from the assessment provided for in this 5485
section shall be credited to the disabled workers' relief fund 5486
created by section 4123.412 of the Revised Code. The administrator 5487
shall establish by rule classifications of employers within 5488
divisions (A)(1) to (3) of this section and shall determine rates 5489
for each class so as to fairly apportion the costs of carrying out 5490
sections 4123.412 to 4123.418 of the Revised Code. 5491

(B) For all injuries and disabilities occurring on or after 5492
January 1, 1987, the administrator, for the purposes of carrying 5493
out sections 4123.412 to 4123.418 of the Revised Code, shall levy 5494
an assessment against all employers at a rate per one hundred 5495
dollars of payroll, such rate to be determined annually for each 5496
classification of employer in each employer group listed in 5497
divisions (A)(1) to (3) of this section, which will produce an 5498
amount no greater than the amount the administrator estimates to 5499
be necessary to carry out such sections for the period for which 5500
the assessment is levied. The administrator annually shall 5501
establish the contributions due from employers for the disabled 5502
workers' relief fund at rates as low as possible but that will 5503
assure sufficient moneys to guarantee the payment of any claims 5504
against that fund. 5505

Amounts assessed in accordance with this division shall be 5506
billed at the same time premiums are billed and credited to the 5507
disabled workers' relief fund created by section 4123.412 of the 5508
Revised Code. The administrator shall determine the rates for each 5509
class in the same manner as ~~he~~ the administrator fixes the rates 5510

for premiums pursuant to section 4123.29 of the Revised Code. 5511

(C) For a self-insuring employer, the bureau of workers' 5512
compensation shall pay to employees who are participants 5513
regardless of the date of injury, any amounts due to the 5514
participants under section 4123.414 of the Revised Code and shall 5515
bill the self-insuring employer, semiannually, for all amounts 5516
paid to a participant. 5517

Sec. 4123.44. The ~~voting~~ members of the bureau of workers' 5518
~~compensation oversight commission~~ board of directors, the 5519
administrator of workers' compensation, and the bureau of workers' 5520
compensation chief investment officer are the trustees of the 5521
state insurance fund. The administrator ~~of workers' compensation~~, 5522
in accordance with sections 4121.126 and 4121.127 of the Revised 5523
Code and the investment ~~objectives, policies, and criteria~~ 5524
~~established policy approved by the workers' compensation oversight~~ 5525
~~commission~~ board pursuant to section 4121.12 of the Revised Code, 5526
and in consultation with the bureau of workers' compensation chief 5527
investment officer, may invest any of the surplus or reserve 5528
belonging to the state insurance fund. The administrator and the 5529
bureau of workers' compensation chief investment officer shall not 5530
deviate from the investment policy approved by the board without 5531
the approval of the workers' compensation investment committee and 5532
the board. 5533

The administrator shall not invest in any type of investment 5534
specified in divisions ~~(C)(6)(a)(B)(1)~~ to ~~(j)(10)~~ of section 5535
~~4121.12~~ 4123.442 of the Revised Code. 5536

The administrator and other fiduciaries shall discharge their 5537
duties with respect to the funds with the care, skill, prudence, 5538
and diligence under the circumstances then prevailing that a 5539
prudent person acting in a like capacity and familiar with such 5540
matters would use in the conduct of an enterprise of a like 5541

character and with like aims, and by diversifying the investments 5542
of the assets of the funds so as to minimize the risk of large 5543
losses, unless under the circumstances it is clearly prudent not 5544
to do so. 5545

To facilitate investment of the funds, the administrator may 5546
establish a partnership, trust, limited liability company, 5547
corporation, including a corporation exempt from taxation under 5548
the Internal Revenue Code, 100 Stat. 2085, 26 U.S.C. 1, as 5549
amended, or any other legal entity authorized to transact business 5550
in this state. 5551

When reporting on the performance of investments, the 5552
administrator shall comply with the performance presentation 5553
standards established by the association for investment management 5554
and research. 5555

All investments shall be purchased at current market prices 5556
and the evidences of title to the investments shall be placed in 5557
the custody of the treasurer of state, who is hereby designated as 5558
custodian, or in the custody of the treasurer of state's 5559
authorized agent. Evidences of title of the investments so 5560
purchased may be deposited by the treasurer of state for 5561
safekeeping with an authorized agent selected by the treasurer of 5562
state who is a qualified trustee under section 135.18 of the 5563
Revised Code. The treasurer of state or the agent shall collect 5564
the principal, dividends, distributions, and interest as they 5565
become due and payable and place them when collected into the 5566
state insurance fund. 5567

The treasurer of state shall pay for investments purchased by 5568
the administrator on receipt of written or electronic instructions 5569
from the administrator or the administrator's designated agent 5570
authorizing the purchase, and pending receipt of the evidence of 5571
title of the investment by the treasurer of state or the treasurer 5572
of state's authorized agent. The administrator may sell 5573

investments held by the administrator, and the treasurer of state 5574
or the treasurer of state's authorized agent shall accept payment 5575
from the purchaser and deliver evidence of title of the investment 5576
to the purchaser, on receipt of written or electronic instructions 5577
from the administrator or the administrator's designated agent 5578
authorizing the sale, and pending receipt of the moneys for the 5579
investments. The amount received shall be placed in the state 5580
insurance fund. The administrator and the treasurer of state may 5581
enter into agreements to establish procedures for the purchase and 5582
sale of investments under this division and the custody of the 5583
investments. 5584

No purchase or sale of any investment shall be made under 5585
this section, except as authorized by the administrator. 5586

Any statement of financial position distributed by the 5587
administrator shall include the fair value, as of the statement 5588
date, of all investments held by the administrator under this 5589
section. 5590

When in the judgment of the administrator it is necessary to 5591
provide available funds for the payment of compensation or 5592
benefits under this chapter, the administrator may borrow money 5593
from any available source and pledge as security a sufficient 5594
amount of bonds or other securities in which the state insurance 5595
fund is invested. The aggregate unpaid amount of loans existing at 5596
any one time for money so borrowed shall not exceed ten million 5597
dollars. The bonds or other securities so pledged as security for 5598
such loans to the administrator shall be the sole security for the 5599
payment of the principal and interest of any such loan. The 5600
administrator shall not be personally liable for the payment of 5601
the principal or the interest of any such loan. No such loan shall 5602
be made for a longer period of time than one year. Such loans may 5603
be renewed but no one renewal shall be for a period in excess of 5604
one year. Such loans shall bear such rate of interest as the 5605

administrator determines and in negotiating the loans, the 5606
administrator shall endeavor to secure as favorable interest rates 5607
and terms as circumstances will permit. 5608

The treasurer of state may deliver to the person or 5609
governmental agency making such loan, the bonds or other 5610
securities which are to be pledged by the administrator as 5611
security for such loan, upon receipt by the treasurer of state of 5612
an order of the administrator authorizing such loan. Upon payment 5613
of any such loan by the administrator, the bonds or other 5614
securities pledged as security therefor shall be returned to the 5615
treasurer of state as custodian of such bonds. 5616

The administrator may pledge with the treasurer of state such 5617
amount of bonds or other securities in which the state insurance 5618
fund is invested as is reasonably necessary as security for any 5619
certificates issued, or paid out, by the treasurer of state upon 5620
any warrants drawn by the administrator. 5621

The administrator may secure investment information services, 5622
consulting services, and other like services to facilitate 5623
investment of the surplus and reserve belonging to the state 5624
insurance fund. The administrator shall pay the expense of 5625
securing such services from the state insurance fund. 5626

Sec. 4123.441. (A) The ~~bureau administrator~~ of workers' 5627
compensation, with the advice and consent of the bureau of 5628
workers' compensation ~~oversight commission~~ board of directors 5629
shall employ a person or designate an employee of the bureau of 5630
workers' compensation who is designated as a chartered financial 5631
analyst by the CFA institute and who is licensed by the division 5632
of securities in the department of commerce as a bureau of 5633
workers' compensation chief investment officer to be the chief 5634
investment officer for the bureau of workers' compensation. After 5635
ninety days after ~~the effective date of this section~~ September 29, 5636

2005, the bureau of workers' compensation may not employ a bureau 5637
of workers' compensation chief investment officer, as defined in 5638
section 1707.01 of the Revised Code, who does not hold a valid 5639
bureau of workers' compensation chief investment officer license 5640
issued by the division of securities in the department of 5641
commerce. The ~~oversight commission~~ board shall notify the division 5642
of securities of the department of commerce in writing of its 5643
designation and of any change in its designation within ten 5644
calendar days after the designation or change. 5645

(B) The bureau of workers' compensation chief investment 5646
officer shall reasonably supervise employees of the bureau who 5647
handle investment of assets of funds specified in this chapter and 5648
Chapters 4121., 4127., and 4131. of the Revised Code with a view 5649
toward preventing violations of Chapter 1707. of the Revised Code, 5650
the "Commodity Exchange Act," 42 Stat. 998, 7 U.S.C. 1, the 5651
"Securities Act of 1933," 48 Stat. 74, 15 U.S.C. 77a, the 5652
"Securities Exchange Act of 1934," 48 Stat. 881, 15 U.S.C. 78a, 5653
and the rules and regulations adopted under those statutes. This 5654
duty of reasonable supervision shall include the adoption, 5655
implementation, and enforcement of written policies and procedures 5656
reasonably designed to prevent employees of the bureau who handle 5657
investment of assets of the funds specified in this chapter and 5658
Chapters 4121., 4127., and 4131. of the Revised Code, from 5659
misusing material, nonpublic information in violation of those 5660
laws, rules, and regulations. 5661

For purposes of this division, no bureau of workers' 5662
compensation chief investment officer shall be considered to have 5663
failed to satisfy the officer's duty of reasonable supervision if 5664
the officer has done all of the following: 5665

(1) Adopted and implemented written procedures, and a system 5666
for applying the procedures, that would reasonably be expected to 5667
prevent and detect, insofar as practicable, any violation by 5668

employees handling investments of assets of the funds specified in 5669
this chapter and Chapters 4121., 4127., and 4131. of the Revised 5670
Code; 5671

(2) Reasonably discharged the duties and obligations 5672
incumbent on the bureau of workers' compensation chief investment 5673
officer by reason of the established procedures and the system for 5674
applying the procedures when the officer had no reasonable cause 5675
to believe that there was a failure to comply with the procedures 5676
and systems; 5677

(3) Reviewed, at least annually, the adequacy of the policies 5678
and procedures established pursuant to this section and the 5679
effectiveness of their implementation. 5680

(C) The bureau of workers' compensation chief investment 5681
officer shall establish and maintain a policy to monitor and 5682
evaluate the effectiveness of securities transactions executed on 5683
behalf of the bureau. 5684

Sec. 4123.442. When developing the investment policy for the 5685
investment of the assets of the funds specified in this chapter 5686
and Chapters 4121., 4127., and 4131. of the Revised Code, the 5687
workers' compensation investment committee shall do all of the 5688
following: 5689

(A) Specify the asset allocation targets and ranges, risk 5690
factors, asset class benchmarks, time horizons, total return 5691
objectives, and performance evaluation guidelines; 5692

(B) Prohibit investing the assets of those funds, directly or 5693
indirectly, in vehicles that target any of the following: 5694

(1) Coins; 5695

(2) Artwork; 5696

(3) Horses; 5697

<u>(4) Jewelry or gems;</u>	5698
<u>(5) Stamps;</u>	5699
<u>(6) Antiques;</u>	5700
<u>(7) Artifacts;</u>	5701
<u>(8) Collectibles;</u>	5702
<u>(9) Memorabilia;</u>	5703
<u>(10) Similar unregulated investments that are not commonly</u>	5704
<u>part of an institutional portfolio, that lack liquidity, and that</u>	5705
<u>lack readily determinable valuation.</u>	5706
<u>(C) Specify that the administrator of workers' compensation</u>	5707
<u>may invest in an investment class only if the bureau of workers'</u>	5708
<u>compensation board of directors, by a majority vote, opens that</u>	5709
<u>class;</u>	5710
<u>(D) Prohibit investing the assets of those funds in any class</u>	5711
<u>of investments the board, by majority vote, closed, or any</u>	5712
<u>specific investment in which the board prohibits the administrator</u>	5713
<u>from investing;</u>	5714
<u>(E) Not specify in the investment policy that the</u>	5715
<u>administrator or employees of the bureau of workers' compensation</u>	5716
<u>are prohibited from conducting business with an investment</u>	5717
<u>management firm, any investment management professional associated</u>	5718
<u>with that firm, any third party solicitor associated with that</u>	5719
<u>firm, or any political action committee controlled by that firm or</u>	5720
<u>controlled by an investment management professional of that firm</u>	5721
<u>based on criteria that are more restrictive than the restrictions</u>	5722
<u>described in divisions (Y) and (Z) of section 3517.13 of the</u>	5723
<u>Revised Code.</u>	5724
Sec. 4123.47. (A) The administrator of workers' compensation	5725
shall have actuarial audits of the state insurance fund and all	5726

other funds specified in this chapter and Chapters 4121., 4127., 5727
and 4131. of the Revised Code made at least once each year. The 5728
audits shall be made and certified by recognized insurance 5729
actuaries who shall be selected ~~as the administrator determines by~~ 5730
the bureau of workers' compensation board of directors. The audits 5731
shall cover the premium rates, classifications, and all other 5732
matters involving the administration of the state insurance fund 5733
and all other funds specified in this chapter and Chapters 4121., 5734
4127., and 4131. of the Revised Code. The expense of the audits 5735
shall be paid from the state insurance fund. The administrator 5736
shall make copies of the audits available to the workers' 5737
compensation audit committee at no charge and to the public at 5738
cost. 5739

(B) The auditor of state annually shall conduct an audit of 5740
the administration of this chapter by the industrial commission 5741
and the bureau of workers' compensation and the safety and hygiene 5742
fund. The cost of the audit shall be charged to the administrative 5743
costs of the bureau as defined in section 4123.341 of the Revised 5744
Code. The audit shall include audits of all fiscal activities, 5745
claims processing and handling, and employer premium collections. 5746
The auditor shall prepare a report of the audit together with 5747
recommendations and transmit copies of the report to the 5748
industrial commission, ~~the workers' compensation oversight~~ 5749
~~commission~~ board, the administrator, the governor, and to the 5750
general assembly. The auditor shall make copies of the report 5751
available to the public at cost. 5752

(C) The administrator may retain the services of a recognized 5753
actuary on a consulting basis for the purpose of evaluating the 5754
actuarial soundness of premium rates and classifications and all 5755
other matters involving the administration of the state insurance 5756
fund. The expense of services provided by the actuary shall be 5757
paid from the state insurance fund. 5758

Sec. 4123.50. (A) Each member of a firm, and the president, secretary, general manager, or managing agent of each private corporation, including any public service corporation mentioned in section 4123.01 of the Revised Code or publicly owned utility, shall cause the firm or corporation to comply with section 4123.35 of the Revised Code and, for self-insuring employers, to comply with the assessment based upon paid compensation provisions of this chapter and Chapter 4121. of the Revised Code. No person mentioned in section 4123.01 of the Revised Code and no member of the firms and no officer of the corporations or publicly owned utilities referred to in this section shall fail to comply with section 4123.35 of the Revised Code and, for self-insuring employers, to comply with the assessment based upon paid compensation provisions of this chapter and Chapter 4121. of the Revised Code. All fines collected for a violation of this section shall be paid to the general fund of the political subdivision where the case is prosecuted.

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

Sec. 4123.511. (A) Within seven days after receipt of any claim under this chapter, the bureau of workers' compensation shall notify the claimant and the employer of the claimant of the receipt of the claim and of the facts alleged therein. If the bureau receives from a person other than the claimant written or facsimile information or information communicated verbally over the telephone indicating that an injury or occupational disease

has occurred or been contracted which may be compensable under 5790
this chapter, the bureau shall notify the employee and the 5791
employer of the information. If the information is provided 5792
verbally over the telephone, the person providing the information 5793
shall provide written verification of the information to the 5794
bureau according to division (E) of section 4123.84 of the Revised 5795
Code. The receipt of the information in writing or facsimile, or 5796
if initially by telephone, the subsequent written verification, 5797
and the notice by the bureau shall be considered an application 5798
for compensation under section 4123.84 or 4123.85 of the Revised 5799
Code, provided that the conditions of division (E) of section 5800
4123.84 of the Revised Code apply to information provided verbally 5801
over the telephone. Upon receipt of a claim, the bureau shall 5802
advise the claimant of the claim number assigned and the 5803
claimant's right to representation in the processing of a claim or 5804
to elect no representation. If the bureau determines that a claim 5805
is determined to be a compensable lost-time claim, the bureau 5806
shall notify the claimant and the employer of the availability of 5807
rehabilitation services. No bureau or industrial commission 5808
employee shall directly or indirectly convey any information in 5809
derogation of this right. This section shall in no way abrogate 5810
the bureau's responsibility to aid and assist a claimant in the 5811
filing of a claim and to advise the claimant of the claimant's 5812
rights under the law. 5813

The administrator of workers' compensation shall assign all 5814
claims and investigations to the bureau service office from which 5815
investigation and determination may be made most expeditiously. 5816

The bureau shall investigate the facts concerning an injury 5817
or occupational disease and ascertain such facts in whatever 5818
manner is most appropriate and may obtain statements of the 5819
employee, employer, attending physician, and witnesses in whatever 5820
manner is most appropriate. 5821

The administrator ~~of workers' compensation~~, with the advice 5822
and consent of the bureau of workers' compensation oversight 5823
~~commission~~ board of directors, may adopt rules that identify 5824
specified medical conditions that have a historical record of 5825
being allowed whenever included in a claim. The administrator may 5826
grant immediate allowance of any medical condition identified in 5827
those rules upon the filing of a claim involving that medical 5828
condition and may make immediate payment of medical bills for any 5829
medical condition identified in those rules that is included in a 5830
claim. If an employer contests the allowance of a claim involving 5831
any medical condition identified in those rules, and the claim is 5832
disallowed, payment for the medical condition included in that 5833
claim shall be charged to and paid from the surplus fund created 5834
under section 4123.34 of the Revised Code. 5835

(B)(1) Except as provided in division (B)(2) of this section, 5836
in claims other than those in which the employer is a 5837
self-insuring employer, if the administrator determines under 5838
division (A) of this section that a claimant is or is not entitled 5839
to an award of compensation or benefits, the administrator shall 5840
issue an order no later than twenty-eight days after the sending 5841
of the notice under division (A) of this section, granting or 5842
denying the payment of the compensation or benefits, or both as is 5843
appropriate to the claimant. Notwithstanding the time limitation 5844
specified in this division for the issuance of an order, if a 5845
medical examination of the claimant is required by statute, the 5846
administrator promptly shall schedule the claimant for that 5847
examination and shall issue an order no later than twenty-eight 5848
days after receipt of the report of the examination. The 5849
administrator shall notify the claimant and the employer of the 5850
claimant and their respective representatives in writing of the 5851
nature of the order and the amounts of compensation and benefit 5852
payments involved. The employer or claimant may appeal the order 5853
pursuant to division (C) of this section within fourteen days 5854

after the date of the receipt of the order. The employer and 5855
claimant may waive, in writing, their rights to an appeal under 5856
this division. 5857

(2) Notwithstanding the time limitation specified in division 5858
(B)(1) of this section for the issuance of an order, if the 5859
employer certifies a claim for payment of compensation or 5860
benefits, or both, to a claimant, and the administrator has 5861
completed the investigation of the claim, the payment of benefits 5862
or compensation, or both, as is appropriate, shall commence upon 5863
the later of the date of the certification or completion of the 5864
investigation and issuance of the order by the administrator, 5865
provided that the administrator shall issue the order no later 5866
than the time limitation specified in division (B)(1) of this 5867
section. 5868

(3) If an appeal is made under division (B)(1) or (2) of this 5869
section, the administrator shall forward the claim file to the 5870
appropriate district hearing officer within seven days of the 5871
appeal. In contested claims other than state fund claims, the 5872
administrator shall forward the claim within seven days of the 5873
administrator's receipt of the claim to the industrial commission, 5874
which shall refer the claim to an appropriate district hearing 5875
officer for a hearing in accordance with division (C) of this 5876
section. 5877

(C) If an employer or claimant timely appeals the order of 5878
the administrator issued under division (B) of this section or in 5879
the case of other contested claims other than state fund claims, 5880
the commission shall refer the claim to an appropriate district 5881
hearing officer according to rules the commission adopts under 5882
section 4121.36 of the Revised Code. The district hearing officer 5883
shall notify the parties and their respective representatives of 5884
the time and place of the hearing. 5885

The district hearing officer shall hold a hearing on a 5886

disputed issue or claim within forty-five days after the filing of 5887
the appeal under this division and issue a decision within seven 5888
days after holding the hearing. The district hearing officer shall 5889
notify the parties and their respective representatives in writing 5890
of the order. Any party may appeal an order issued under this 5891
division pursuant to division (D) of this section within fourteen 5892
days after receipt of the order under this division. 5893

(D) Upon the timely filing of an appeal of the order of the 5894
district hearing officer issued under division (C) of this 5895
section, the commission shall refer the claim file to an 5896
appropriate staff hearing officer according to its rules adopted 5897
under section 4121.36 of the Revised Code. The staff hearing 5898
officer shall hold a hearing within forty-five days after the 5899
filing of an appeal under this division and issue a decision 5900
within seven days after holding the hearing under this division. 5901
The staff hearing officer shall notify the parties and their 5902
respective representatives in writing of the staff hearing 5903
officer's order. Any party may appeal an order issued under this 5904
division pursuant to division (E) of this section within fourteen 5905
days after receipt of the order under this division. 5906

(E) Upon the filing of a timely appeal of the order of the 5907
staff hearing officer issued under division (D) of this section, 5908
the commission or a designated staff hearing officer, on behalf of 5909
the commission, shall determine whether the commission will hear 5910
the appeal. If the commission or the designated staff hearing 5911
officer decides to hear the appeal, the commission or the 5912
designated staff hearing officer shall notify the parties and 5913
their respective representatives in writing of the time and place 5914
of the hearing. The commission shall hold the hearing within 5915
forty-five days after the filing of the notice of appeal and, 5916
within seven days after the conclusion of the hearing, the 5917
commission shall issue its order affirming, modifying, or 5918

reversing the order issued under division (D) of this section. The 5919
commission shall notify the parties and their respective 5920
representatives in writing of the order. If the commission or the 5921
designated staff hearing officer determines not to hear the 5922
appeal, within fourteen days after the filing of the notice of 5923
appeal, the commission or the designated staff hearing officer 5924
shall issue an order to that effect and notify the parties and 5925
their respective representatives in writing of that order. 5926

Except as otherwise provided in this chapter and Chapters 5927
4121., 4127., and 4131. of the Revised Code, any party may appeal 5928
an order issued under this division to the court pursuant to 5929
section 4123.512 of the Revised Code within sixty days after 5930
receipt of the order, subject to the limitations contained in that 5931
section. 5932

(F) Every notice of an appeal from an order issued under 5933
divisions (B), (C), (D), and (E) of this section shall state the 5934
names of the claimant and employer, the number of the claim, the 5935
date of the decision appealed from, and the fact that the 5936
appellant appeals therefrom. 5937

(G) All of the following apply to the proceedings under 5938
divisions (C), (D), and (E) of this section: 5939

(1) The parties shall proceed promptly and without 5940
continuances except for good cause; 5941

(2) The parties, in good faith, shall engage in the free 5942
exchange of information relevant to the claim prior to the conduct 5943
of a hearing according to the rules the commission adopts under 5944
section 4121.36 of the Revised Code; 5945

(3) The administrator is a party and may appear and 5946
participate at all administrative proceedings on behalf of the 5947
state insurance fund. However, in cases in which the employer is 5948
represented, the administrator shall neither present arguments nor 5949

introduce testimony that is cumulative to that presented or 5950
introduced by the employer or the employer's representative. The 5951
administrator may file an appeal under this section on behalf of 5952
the state insurance fund; however, except in cases arising under 5953
section 4123.343 of the Revised Code, the administrator only may 5954
appeal questions of law or issues of fraud when the employer 5955
appears in person or by representative. 5956

(H) Except as provided in section 4121.63 of the Revised Code 5957
and division ~~(J)~~(K) of this section, payments of compensation to a 5958
claimant or on behalf of a claimant as a result of any order 5959
issued under this chapter shall commence upon the earlier of the 5960
following: 5961

(1) Fourteen days after the date the administrator issues an 5962
order under division (B) of this section, unless that order is 5963
appealed; 5964

(2) The date when the employer has waived the right to appeal 5965
a decision issued under division (B) of this section; 5966

(3) If no appeal of an order has been filed under this 5967
section or to a court under section 4123.512 of the Revised Code, 5968
the expiration of the time limitations for the filing of an appeal 5969
of an order; 5970

(4) The date of receipt by the employer of an order of a 5971
district hearing officer, a staff hearing officer, or the 5972
industrial commission issued under division (C), (D), or (E) of 5973
this section. 5974

(I) ~~No~~ Payments of medical benefits payable under this 5975
chapter or Chapter 4121., 4127., or 4131. of the Revised Code ~~are~~ 5976
~~payable until~~ shall commence upon the earlier of the following: 5977

(1) The date of the issuance of the staff hearing officer's 5978
order under division (D) of this section; 5979

(2) The date of the final administrative or judicial determination. 5980
5981

(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 to the adjustment specified in division (H) of section 4123.512 of the Revised Code. 5982
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(K) Upon the final administrative or judicial determination under this section or section 4123.512 of the Revised Code of an appeal of an order to pay compensation, if a claimant is found to have received compensation pursuant to a prior order which is reversed upon subsequent appeal, the claimant's employer, if a self-insuring employer, or the bureau, shall withhold from any amount to which the claimant becomes entitled pursuant to any claim, past, present, or future, under Chapter 4121., 4123., 4127., or 4131. of the Revised Code, the amount of previously paid compensation to the claimant which, due to reversal upon appeal, the claimant is not entitled, pursuant to the following criteria: 5991
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(1) No withholding for the first twelve weeks of temporary total disability compensation pursuant to section 4123.56 of the Revised Code shall be made; 6002
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(2) Forty per cent of all awards of compensation paid pursuant to sections 4123.56 and 4123.57 of the Revised Code, until the amount overpaid is refunded; 6005
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6007

(3) Twenty-five per cent of any compensation paid pursuant to section 4123.58 of the Revised Code until the amount overpaid is refunded; 6008
6009
6010

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

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

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

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

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

~~(N)~~(O) Upon application of a party who resides in an area in which an emergency or disaster is declared, the industrial

commission and hearing officers of the commission may waive the 6042
time frame within which claims and appeals of claims set forth in 6043
this section must be filed upon a finding that the applicant was 6044
unable to comply with a filing deadline due to an emergency or a 6045
disaster. 6046

As used in this division: 6047

(1) "Emergency" means any occasion or instance for which the 6048
governor of Ohio or the president of the United States publicly 6049
declares an emergency and orders state or federal assistance to 6050
save lives and protect property, the public health and safety, or 6051
to lessen or avert the threat of a catastrophe. 6052

(2) "Disaster" means any natural catastrophe or fire, flood, 6053
or explosion, regardless of the cause, that causes damage of 6054
sufficient magnitude that the governor of Ohio or the president of 6055
the United States, through a public declaration, orders state or 6056
federal assistance to alleviate damage, loss, hardship, or 6057
suffering that results from the occurrence. 6058

Sec. 4123.512. (A) The claimant or the employer may appeal an 6059
order of the industrial commission made under division (E) of 6060
section 4123.511 of the Revised Code in any injury or occupational 6061
disease case, other than a decision as to the extent of disability 6062
to the court of common pleas of the county in which the injury was 6063
inflicted or in which the contract of employment was made if the 6064
injury occurred outside the state, or in which the contract of 6065
employment was made if the exposure occurred outside the state. If 6066
no common pleas court has jurisdiction for the purposes of an 6067
appeal by the use of the jurisdictional requirements described in 6068
this division, the appellant may use the venue provisions in the 6069
Rules of Civil Procedure to vest jurisdiction in a court. If the 6070
claim is for an occupational disease, the appeal shall be to the 6071
court of common pleas of the county in which the exposure which 6072

caused the disease occurred. Like appeal may be taken from an 6073
order of a staff hearing officer made under division (D) of 6074
section 4123.511 of the Revised Code from which the commission has 6075
refused to hear an appeal. The appellant shall file the notice of 6076
appeal with a court of common pleas within sixty days after the 6077
date of the receipt of the order appealed from or the date of 6078
receipt of the order of the commission refusing to hear an appeal 6079
of a staff hearing officer's decision under division (D) of 6080
section 4123.511 of the Revised Code. The filing of the notice of 6081
the appeal with the court is the only act required to perfect the 6082
appeal. 6083

If an action has been commenced in a court of a county other 6084
than a court of a county having jurisdiction over the action, the 6085
court, upon notice by any party or upon its own motion, shall 6086
transfer the action to a court of a county having jurisdiction. 6087

Notwithstanding anything to the contrary in this section, if 6088
the commission determines under section 4123.522 of the Revised 6089
Code that an employee, employer, or their respective 6090
representatives have not received written notice of an order or 6091
decision which is appealable to a court under this section and 6092
which grants relief pursuant to section 4123.522 of the Revised 6093
Code, the party granted the relief has sixty days from receipt of 6094
the order under section 4123.522 of the Revised Code to file a 6095
notice of appeal under this section. 6096

(B) The notice of appeal shall state the names of the 6097
claimant and the employer, the number of the claim, the date of 6098
the order appealed from, and the fact that the appellant appeals 6099
therefrom. 6100

The administrator of workers' compensation, the claimant, and 6101
the employer shall be parties to the appeal and the court, upon 6102
the application of the commission, shall make the commission a 6103
party. The party filing the appeal shall serve a copy of the 6104

notice of appeal on the administrator at the central office of the 6105
bureau of workers' compensation in Columbus. The administrator 6106
shall notify the employer that if the employer fails to become an 6107
active party to the appeal, then the administrator may act on 6108
behalf of the employer and the results of the appeal could have an 6109
adverse effect upon the employer's premium rates. 6110

(C) The attorney general or one or more of the attorney 6111
general's assistants or special counsel designated by the attorney 6112
general shall represent the administrator and the commission. In 6113
the event the attorney general or the attorney general's 6114
designated assistants or special counsel are absent, the 6115
administrator or the commission shall select one or more of the 6116
attorneys in the employ of the administrator or the commission as 6117
the administrator's attorney or the commission's attorney in the 6118
appeal. Any attorney so employed shall continue the representation 6119
during the entire period of the appeal and in all hearings thereof 6120
except where the continued representation becomes impractical. 6121

(D) Upon receipt of notice of appeal, the clerk of courts 6122
shall provide notice to all parties who are appellees and to the 6123
commission. 6124

The claimant shall, within thirty days after the filing of 6125
the notice of appeal, file a petition containing a statement of 6126
facts in ordinary and concise language showing a cause of action 6127
to participate or to continue to participate in the fund and 6128
setting forth the basis for the jurisdiction of the court over the 6129
action. Further pleadings shall be had in accordance with the 6130
Rules of Civil Procedure, provided that service of summons on such 6131
petition shall not be required and provided that the claimant may 6132
not dismiss the complaint without the employer's consent if the 6133
employer is the party that filed the notice of appeal to court 6134
pursuant to this section. The clerk of the court shall, upon 6135
receipt thereof, transmit by certified mail a copy thereof to each 6136

party named in the notice of appeal other than the claimant. Any 6137
party may file with the clerk prior to the trial of the action a 6138
deposition of any physician taken in accordance with the 6139
provisions of the Revised Code, which deposition may be read in 6140
the trial of the action even though the physician is a resident of 6141
or subject to service in the county in which the trial is had. The 6142
bureau of workers' compensation shall pay the cost of the 6143
stenographic deposition filed in court and of copies of the 6144
stenographic deposition for each party from the surplus fund and 6145
charge the costs thereof against the unsuccessful party if the 6146
claimant's right to participate or continue to participate is 6147
finally sustained or established in the appeal. In the event the 6148
deposition is taken and filed, the physician whose deposition is 6149
taken is not required to respond to any subpoena issued in the 6150
trial of the action. The court, or the jury under the instructions 6151
of the court, if a jury is demanded, shall determine the right of 6152
the claimant to participate or to continue to participate in the 6153
fund upon the evidence adduced at the hearing of the action. 6154

(E) The court shall certify its decision to the commission 6155
and the certificate shall be entered in the records of the court. 6156
Appeals from the judgment are governed by the law applicable to 6157
the appeal of civil actions. 6158

(F) The cost of any legal proceedings authorized by this 6159
section, including an attorney's fee to the claimant's attorney to 6160
be fixed by the trial judge, based upon the effort expended, in 6161
the event the claimant's right to participate or to continue to 6162
participate in the fund is established upon the final 6163
determination of an appeal, shall be taxed against the employer or 6164
the commission if the commission or the administrator rather than 6165
the employer contested the right of the claimant to participate in 6166
the fund. The attorney's fee shall not exceed forty-two hundred 6167
dollars. 6168

(G) If the finding of the court or the verdict of the jury is 6169
in favor of the claimant's right to participate in the fund, the 6170
commission and the administrator shall thereafter proceed in the 6171
matter of the claim as if the judgment were the decision of the 6172
commission, subject to the power of modification provided by 6173
section 4123.52 of the Revised Code. 6174

(H) An appeal from an order issued under division (E) of 6175
section 4123.511 of the Revised Code or any action filed in court 6176
in a case in which an award of compensation or benefits has been 6177
made shall not stay the payment of compensation or benefits under 6178
the award or payment of compensation or benefits for subsequent 6179
periods of total disability during the pendency of the appeal. If, 6180
in a final administrative or judicial action, it is determined 6181
that payments of compensation or benefits, or both, made to or on 6182
behalf of a claimant should not have been made, the amount thereof 6183
shall be charged to the surplus fund under division ~~(B)~~(A) of 6184
section 4123.34 of the Revised Code. In the event the employer is 6185
a state risk, the amount shall not be charged to the employer's 6186
experience, and the administrator shall adjust the employer's 6187
account accordingly. In the event the employer is a self-insuring 6188
employer, the self-insuring employer shall deduct the amount from 6189
the paid compensation the self-insuring employer reports to the 6190
administrator under division (L) of section 4123.35 of the Revised 6191
Code. 6192

A self-insuring employer may elect to pay compensation and 6193
benefits under this section directly to an employee or an 6194
employee's dependents by filing an application with the bureau of 6195
workers' compensation not more than one hundred eighty days and 6196
not less than ninety days before the first day of the employer's 6197
next six-month coverage period. If the self-insuring employer 6198
timely files the application, the application is effective on the 6199
first day of the employer's next six-month coverage period, 6200

provided that the administrator shall compute the employer's 6201
assessment for the surplus fund due with respect to the period 6202
during which that application was filed without regard to the 6203
filing of the application. On and after the effective date of the 6204
employer's election, the self-insuring employer shall pay directly 6205
to an employee or to an employee's dependents compensation and 6206
benefits under this section regardless of the date of the injury 6207
or occupational disease, and the employer shall receive no money 6208
or credits from the surplus fund on account of those payments and 6209
shall not be required to pay any amounts into the surplus fund on 6210
account of this section. The election made under this division is 6211
irrevocable. 6212

All actions and proceedings under this section which are the 6213
subject of an appeal to the court of common pleas or the court of 6214
appeals shall be preferred over all other civil actions except 6215
election causes, irrespective of position on the calendar. 6216

This section applies to all decisions of the commission or 6217
the administrator on November 2, 1959, and all claims filed 6218
thereafter are governed by sections 4123.511 and 4123.512 of the 6219
Revised Code. 6220

Any action pending in common pleas court or any other court 6221
on January 1, 1986, under this section is governed by former 6222
sections 4123.514, 4123.515, 4123.516, and 4123.519 and section 6223
4123.522 of the Revised Code. 6224

Sec. 4123.592. If an injury to an employee causes the 6225
employee's death, and the incident that resulted in the employee's 6226
injury occurred through no fault of the employee, the employee's 6227
employer, or another employee of the employee's employer, death 6228
benefits shall be paid from the surplus fund created under section 6229
4123.34 of the Revised Code in accordance with sections 4123.59, 6230
4123.60, and 4123.61 of the Revised Code. The administrator of 6231

workers' compensation shall not charge the payment of those 6232
benefits to the experience of the employee's employer. 6233

The administrator annually shall submit to the general 6234
assembly a report evaluating the actuarial impact of the payment 6235
of benefits made pursuant to this section. 6236

Sec. 4123.66. (A) In addition to the compensation provided 6237
for in this chapter, the administrator of workers' compensation 6238
shall disburse and pay from the state insurance fund the amounts 6239
for medical, nurse, and hospital services and medicine as the 6240
administrator deems proper and, in case death ensues from the 6241
injury or occupational disease, the administrator shall disburse 6242
and pay from the fund reasonable funeral expenses in an amount not 6243
to exceed fifty-five hundred dollars. The bureau of workers' 6244
compensation shall reimburse anyone, whether dependent, volunteer, 6245
or otherwise, who pays the funeral expenses of any employee whose 6246
death ensues from any injury or occupational disease as provided 6247
in this section. The administrator may adopt rules, with the 6248
advice and consent of the bureau of workers' compensation 6249
~~oversight commission~~ board of directors, with respect to 6250
furnishing medical, nurse, and hospital service and medicine to 6251
injured or disabled employees entitled thereto, and for the 6252
payment therefor. In case an injury or industrial accident that 6253
injures an employee also causes damage to the employee's 6254
eyeglasses, artificial teeth or other denture, or hearing aid, or 6255
in the event an injury or occupational disease makes it necessary 6256
or advisable to replace, repair, or adjust the same, the bureau 6257
shall disburse and pay a reasonable amount to repair or replace 6258
the same. 6259

(B)(1) If an employer or a welfare plan has provided to or on 6260
behalf of an employee any benefits or compensation for an injury 6261
or occupational disease and that injury or occupational disease is 6262

determined compensable under this chapter, the employer or a 6263
welfare plan may request that the administrator reimburse the 6264
employer or welfare plan for the amount the employer or welfare 6265
plan paid to or on behalf of the employee in compensation or 6266
benefits. The administrator shall reimburse the employer or 6267
welfare plan for the compensation and benefits paid if, at the 6268
time the employer or welfare plan provides the benefits or 6269
compensation to or on behalf of employee, the injury or 6270
occupational disease had not been determined to be compensable 6271
under this chapter and if the employee was not receiving 6272
compensation or benefits under this chapter for that injury or 6273
occupational disease. The administrator shall reimburse the 6274
employer or welfare plan in the amount that the administrator 6275
would have paid to or on behalf of the employee under this chapter 6276
if the injury or occupational disease originally would have been 6277
determined compensable under this chapter. If the employer is a 6278
merit-rated employer, the administrator shall adjust the amount of 6279
premium next due from the employer according to the amount the 6280
administrator pays the employer. The administrator shall adopt 6281
rules, in accordance with Chapter 119. of the Revised Code, to 6282
implement this division. 6283

(2) As used in this division, "welfare plan" has the same 6284
meaning as in division (1) of 29 U.S.C.A. 1002. 6285

Sec. 4123.80. No agreement by an employee to waive an 6286
employee's rights to compensation under this chapter is valid, 6287
except that: 6288

(A) An employee who is blind may waive the compensation that 6289
may become due to the employee for injury or disability in cases 6290
where the injury or disability may be directly caused by or due to 6291
the employee's blindness. The administrator of workers' 6292
compensation, with the advice and consent of the bureau of 6293

workers' compensation ~~oversight commission~~ board of directors, may 6294
adopt and enforce rules governing the employment of such persons 6295
and the inspection of their places of employment. 6296

(B) An employee may waive the employee's rights to 6297
compensation or benefits as authorized pursuant to division (C)(3) 6298
of section 4123.01 or section 4123.15 of the Revised Code. 6299

No agreement by an employee to pay any portion of the premium 6300
paid by the employee's employer into the state insurance fund is 6301
valid. 6302

Sec. 4123.82. (A) All contracts and agreements are void which 6303
undertake to indemnify or insure an employer against loss or 6304
liability for the payment of compensation to workers or their 6305
dependents for death, injury, or occupational disease occasioned 6306
in the course of the workers' employment, or which provide that 6307
the insurer shall pay the compensation, or which indemnify the 6308
employer against damages when the injury, disease, or death arises 6309
from the failure to comply with any lawful requirement for the 6310
protection of the lives, health, and safety of employees, or when 6311
the same is occasioned by the willful act of the employer or any 6312
of ~~his~~ the employer's officers or agents, or by which it is agreed 6313
that the insurer shall pay any such damages. No license or 6314
authority to enter into any such agreements or issue any such 6315
policies of insurance shall be granted or issued by any public 6316
authority in this state. Any corporation organized or admitted 6317
under the laws of this state to transact liability insurance as 6318
defined in section 3929.01 of the Revised Code may by amendment of 6319
its articles of incorporation or by original articles of 6320
incorporation, provide therein for the authority and purpose to 6321
make insurance in states, territories, districts, and counties, 6322
other than the state of Ohio, and in the state of Ohio in respect 6323
of contracts permitted by division (B) of this section, 6324

indemnifying employers against loss or liability for payment of 6325
compensation to workers and employees and their dependents for 6326
death, injury, or occupational disease occasioned in the course of 6327
the employment and to insure and indemnify employers against loss, 6328
expense, and liability by risk of bodily injury or death by 6329
accident, disability, sickness, or disease suffered by workers and 6330
employees for which the employer may be liable or has assumed 6331
liability. 6332

(B) Notwithstanding division (A) of this section: 6333

(1) No contract because of that division is void which 6334
undertakes to indemnify a self-insuring employer against all or 6335
part of such employer's loss in excess of at least fifty thousand 6336
dollars from any one disaster or event arising out of the 6337
employer's liability under this chapter, but no insurance 6338
corporation shall, directly or indirectly, represent an employer 6339
in the settlement, adjudication, determination, allowance, or 6340
payment of claims. The superintendent of insurance shall enforce 6341
this prohibition by such disciplinary orders directed against the 6342
offending insurance corporation as the superintendent of insurance 6343
deems appropriate in the circumstances and the administrator of 6344
workers' compensation shall enforce this prohibition by such 6345
disciplinary orders directed against the offending employer as the 6346
administrator deems appropriate in the circumstances, which orders 6347
may include revocation of the insurance corporation's right to 6348
enter into indemnity contracts and revocation of the employer's 6349
status as a self-insuring employer. 6350

(2) The administrator may enter into a contract of indemnity 6351
with any such employer upon such terms, payment of such premium, 6352
and for such amount and form of indemnity as the administrator 6353
determines and the ~~administrator~~ bureau of workers' compensation 6354
board of directors may procure reinsurance of the liability of the 6355
public and private funds under this chapter, or any part of the 6356

liability in respect of either or both of the funds, upon such 6357
terms and premiums or other payments from the fund or funds as the 6358
administrator deems prudent in the maintenance of a solvent fund 6359
or funds from year to year. When making the finding of fact which 6360
the administrator is required by section 4123.35 of the Revised 6361
Code to make with respect to the financial ability of an employer, 6362
no contract of indemnity, or the ability of the employer to 6363
procure such a contract, shall be considered as increasing the 6364
financial ability of the employer. 6365

Sec. 4123.92. Upon the request of the industrial commission 6366
or the administrator of workers' compensation, the attorney 6367
general, or under ~~his~~ the attorney general's direction the 6368
prosecuting attorney of any county in cases arising within the 6369
county, shall institute and prosecute the necessary actions or 6370
proceedings for the enforcement of this chapter, or for the 6371
recovery of any money due the state insurance fund, or any 6372
penalty, and shall defend in like manner all suits, actions, or 6373
proceedings brought against the administrator, the bureau of 6374
workers' compensation ~~oversight commission~~ board of directors, 6375
industrial commission, or the members of the ~~oversight commission~~ 6376
board, or industrial commission in their official capacity. 6377

Sec. 4125.05. (A) Not later than thirty days after ~~the~~ 6378
~~effective date of this section~~ November 5, 2004, or not later than 6379
thirty days after the formation of a professional employer 6380
organization, whichever date occurs later, a professional employer 6381
organization operating in this state shall register with the 6382
administrator of the bureau of workers' compensation on forms 6383
provided by the administrator. Following initial registration, 6384
each professional employer organization shall register with the 6385
administrator annually on or before the thirty-first day of 6386
December. 6387

(B) Initial registration and each annual registration renewal shall include all of the following:

(1) A list of each of the professional employer organization's client employers current as of the date of registration for purposes of initial registration or current as of the date of annual registration renewal, or within fourteen days of adding or releasing a client, that includes the client employer's name, address, federal tax identification number, and bureau of workers' compensation risk number;

(2) A fee as determined by the administrator;

(3) The name or names under which the professional employer organization conducts business;

(4) The address of the professional employer organization's principal place of business and the address of each office it maintains in this state;

(5) The professional employer organization's taxpayer or employer identification number;

(6) A list of each state in which the professional employer organization has operated in the preceding five years, and the name, corresponding with each state, under which the professional employer organization operated in each state, including any alternative names, names of predecessors, and if known, successor business entities.

(C)(1) The administrator, with the advice and consent of the bureau of workers' compensation oversight commission board of directors, shall adopt rules in accordance with Chapter 119. of the Revised Code to require, except as otherwise specified in division (C)(2) of this section, a professional employer organization to provide security in the form of a bond or letter of credit assignable to the Ohio bureau of workers' compensation not to exceed an amount equal to the premiums and assessments

incurred for the two most recent payroll periods, prior to any 6419
discounts or dividends, to meet the financial obligations of the 6420
professional employer organization pursuant to this chapter and 6421
Chapters 4121. and 4123. of the Revised Code. 6422

(2) As an alternative to providing security in the form of a 6423
bond or letter of credit, the administrator shall permit a 6424
professional employer organization to make periodic payments of 6425
prospective premiums and assessments to the bureau or to submit 6426
proof of being certified by either a nationally recognized 6427
organization that certifies professional employer organizations or 6428
by a government entity approved by the administrator. 6429

(3) A professional employer organization may appeal the 6430
amount of the security required pursuant to rules adopted under 6431
division (C)(1) of this section in accordance with section 6432
4123.291 of the Revised Code. 6433

(D) Notwithstanding division (C) of this section, a 6434
professional employer organization that qualifies for 6435
self-insurance or retrospective rating under section 4123.29 or 6436
4123.35 of the Revised Code shall abide by the financial 6437
disclosure and security requirements pursuant to those sections 6438
and the rules adopted under those sections in place of the 6439
requirements specified in division (C) of this section or 6440
specified in rules adopted pursuant to that division. 6441

(E) Except to the extent necessary for the administrator to 6442
administer the statutory duties of the administrator and for 6443
employees of the state to perform their official duties, all 6444
records, reports, client lists, and other information obtained 6445
from a professional employer organization under divisions (A) and 6446
(B) of this section are confidential and shall be considered trade 6447
secrets and shall not be published or open to public inspection. 6448

(F) The list described in division (B)(1) of this section 6449

shall be considered a trade secret. 6450

(G) The administrator shall establish the fee described in 6451
division (B)(2) of this section in an amount that does not exceed 6452
the cost of the administration of the initial and renewal 6453
registration process. 6454

Sec. 4127.07. Every employer shall contribute to the public 6455
work-relief employees' compensation fund the amount of money 6456
determined by the administrator of workers' compensation, with the 6457
advice and consent of the bureau of workers' compensation 6458
~~oversight commission~~ board of directors. The contributions may be 6459
made in whole or in part out of any relief funds or any other 6460
available public funds, regardless of the manner in which the 6461
funds were raised. The officer of any employer having charge of 6462
the expenditures of funds for relief purposes, shall set aside and 6463
maintain as a special fund out of which contributions to the 6464
work-relief employees' compensation fund may be made, an amount 6465
equal to the percentage of the work-relief funds as the 6466
administrator determines on an actuarial basis as is reasonably 6467
necessary to cover the premium obligations of the employer. The 6468
manner of determining the contributions and classifications of 6469
employers, shall be the same as is provided in sections 4123.39 to 6470
4123.41 and 4123.48 of the Revised Code, and such sections shall 6471
apply in so far as they are applicable to the employers, but rates 6472
of premium shall be applied to insure solvency of the public 6473
work-relief employees' compensation fund at all times. 6474

The state relief commission or any other state agency having 6475
supervision or control of work-relief employees, either directly 6476
or through agencies, shall file reports and make payments of 6477
premiums out of any fund under its control or supervision, in the 6478
amount and manner, and at the time, as is determined by the 6479
administrator; and the furnishing of the reports and the payment 6480

of the premiums by the state agency, for work-relief employees, 6481
shall relieve the state of the obligations set forth in sections 6482
4123.40, 4123.41, and 4123.48 of the Revised Code, with respect to 6483
contributing to the public work-relief employees' compensation 6484
fund for work-relief employees. 6485

Sec. 4127.08. The administrator of workers' compensation, 6486
under special circumstances and with the advice and consent of the 6487
bureau of workers' compensation oversight commission board of 6488
directors, may adjust the rate of disbursements of compensation of 6489
benefits, which shall not in any instance exceed the maximum 6490
reimbursable relief award established by the state which the 6491
claimant would have been entitled to had ~~he~~ the claimant not been 6492
injured. 6493

Sec. 4131.04. (A) For the purpose of sections 4131.01 to 6494
4131.06 of the Revised Code, each subscriber shall pay premiums 6495
upon the basis and at the intervals determined by the 6496
administrator of workers' compensation, with the advice and 6497
consent of the bureau of workers' compensation oversight 6498
~~commission~~ board of directors. 6499

(B) The administrator shall fix and maintain for each class 6500
of occupation and type of mining the lowest possible rates of 6501
premiums consistent with the maintenance of a solvent fund and the 6502
creation and maintenance of a reasonable surplus after providing 6503
for payment to maturity of all liabilities insured pursuant to the 6504
federal act. 6505

(C) The administrator may adjust the rates of premium at any 6506
time. Each adjustment order shall become effective on the date 6507
prescribed by ~~him~~ the administrator. 6508

(D) The administrator, by rule, may prescribe procedures for 6509
subscription, payroll reporting, premium payment, termination of 6510

subscription, reinstatement, and all other matters pertinent to 6511
subscriber participation in the coal-workers pneumoconiosis fund. 6512

(E) In addition to premiums required to be paid into the 6513
fund, the administrator, with the advice and consent of the 6514
~~oversight commission~~ board, shall fix and may adjust at any time 6515
an additional premium for the cost of administering the fund. The 6516
additional premium shall be paid by each subscriber as a part of 6517
the subscriber's total premium payment. 6518

Sec. 4131.06. (A) The collection of premiums, the 6519
administration and investment of the coal-workers pneumoconiosis 6520
fund, and the payment of benefits therefrom shall not create any 6521
liability upon the state. 6522

(B) Except for a gross abuse of discretion, the industrial 6523
commission and the individual members thereof, the bureau of 6524
workers' compensation ~~oversight commission~~ board of directors and 6525
the individual members thereof, and the administrator of workers' 6526
compensation shall not incur any obligation or liability 6527
respecting the collection of premiums, the administration or 6528
investment of the fund, or the payment of benefits therefrom. 6529

Sec. 4131.13. (A) For the relief of persons who are entitled 6530
to receive benefits by virtue of the federal act, there is hereby 6531
established a marine industry fund, which shall be separate from 6532
the funds established and administered pursuant to Chapter 4123. 6533
of the Revised Code. The marine industry fund shall consist of 6534
premiums and other payments thereto by marine industry employers 6535
who apply to the bureau of workers' compensation for permission to 6536
subscribe to the fund to insure the payment of benefits required 6537
by the federal act. 6538

By rule, the administrator of workers' compensation shall 6539
establish criteria for the acceptance or rejection of applications 6540

by marine industry employers who apply to subscribe to the fund. 6541

(B) The marine industry fund shall be in the custody of the 6542
treasurer of state. The bureau shall make disbursements from the 6543
fund to those persons entitled to payment therefrom and in the 6544
amounts required pursuant to the federal act. The auditor of state 6545
annually shall complete a fiscal audit of the fund. All investment 6546
earnings of the fund shall be credited to the fund. 6547

(C) The administrator shall have the same powers to invest 6548
any of the surplus or reserve belonging to the marine industry 6549
fund as are delegated to him under section 4123.44 of the Revised 6550
Code with respect to the state insurance fund. 6551

(D) If the ~~administrator~~ bureau of workers' compensation 6552
board of directors determines that reinsurance of the risks of the 6553
marine industry fund is necessary to assure solvency of the fund, 6554
~~he~~ the board may: 6555

(1) Enter into contracts for the purchase of reinsurance 6556
coverage of the risks of the fund with any company or agency 6557
authorized by law to issue contracts of reinsurance; 6558

(2) ~~Pay~~ Require the administrator to pay the cost of 6559
reinsurance from the fund; 6560

(3) Include the costs of reinsurance as a liability and 6561
estimated liability of the fund. 6562

(E) For the purpose of maintaining the solvency of the marine 6563
industry fund, the administrator may borrow money from the state 6564
insurance fund as is necessary. Money borrowed from the state 6565
insurance fund shall be repaid from the marine industry fund 6566
together with an appropriate interest rate not to exceed the 6567
average yield of fixed income investments of the state insurance 6568
fund for the six-month period ended on the last day of the month 6569
preceding the month in which the money is borrowed. Loans made 6570
pursuant to this division are a proper investment of the surplus 6571

or reserve of the state insurance fund. 6572

(F) In no event shall any of the assets of any of the funds 6573
created and administered pursuant to Chapter 4123. of the Revised 6574
Code be disbursed in payment of any cost or obligation of or 6575
insured by the marine industry fund. This division shall not be 6576
construed to prohibit as a proper investment loans made from the 6577
state insurance fund to the marine industry fund pursuant to 6578
division (E) of this section. 6579

Sec. 4131.14. (A) For the purpose of sections 4131.11 to 6580
4131.16 of the Revised Code, each subscriber shall pay premiums 6581
upon the basis and at the intervals determined by the 6582
administrator of workers' compensation, with the advice and 6583
consent of the bureau of workers' compensation ~~oversight~~ 6584
~~commission~~ board of directors. 6585

(B) The administrator shall fix and maintain for each class 6586
of occupation and type of business the lowest possible rates of 6587
premiums consistent with the maintenance of a solvent fund and the 6588
creation and maintenance of a reasonable surplus after providing 6589
for payment to maturity of all liabilities insured pursuant to the 6590
federal act. The administrator, by rule, may provide for merit 6591
rating of subscribers. 6592

(C) The administrator, with the advice and consent of the 6593
~~oversight commission~~ board, may adjust the rates of premium at any 6594
time. Each adjustment order is effective on the date prescribed by 6595
the administrator. 6596

(D) The administrator, by rule adopted pursuant to Chapter 6597
119. of the Revised Code, may prescribe procedures for 6598
subscription, payroll reporting, premium payment, payment of an 6599
advance security deposit by subscribers to secure payments of 6600
premiums when due, termination of subscription, reinstatement, and 6601
all other matters pertinent to subscriber participation in the 6602

marine industry fund. 6603

(E) In addition to premiums required to be paid into the 6604
fund, the administrator, with the advice and consent of the 6605
~~oversight commission~~ board, shall fix and may adjust at any time 6606
an additional premium for the cost of administering the fund. The 6607
additional premium shall be paid by each subscriber as a part of 6608
the subscriber's total premium payment. 6609

Sec. 4131.16. (A) The collection of premiums, the 6610
administration and investment of the marine industry fund, and the 6611
payment of benefits therefrom shall not create any liability upon 6612
the state. 6613

(B) Except for a gross abuse of discretion, the industrial 6614
commission and the individual members thereof, the bureau of 6615
workers' compensation ~~oversight commission~~ board of directors and 6616
the individual members thereof, and the administrator of workers' 6617
compensation shall not incur any obligation or liability 6618
respecting the collection of premiums, the administration or 6619
investment of the fund, or the payment of benefits therefrom. 6620

Sec. 4167.02. (A) The administrator of worker's compensation 6621
shall operate and enforce the public employment risk reduction 6622
program created by this chapter. 6623

(B) The administrator shall do all of the following: 6624

(1) Adopt rules, with the advice and consent of the bureau of 6625
workers' compensation ~~oversight commission~~ board of directors and 6626
in accordance with Chapter 119. of the Revised Code, for the 6627
administration and enforcement of this chapter, including rules 6628
covering standards the administrator shall follow in issuing an 6629
emergency temporary Ohio employment risk reduction standard under 6630
section 4167.08 of the Revised Code and a temporary variance and a 6631
variance from an Ohio employment risk reduction standard or part 6632

thereof under section 4167.09 of the Revised Code; 6633

(2) Do all things necessary and appropriate for the 6634
administration and enforcement of this chapter. 6635

(C) In carrying out the responsibilities of this chapter, the 6636
administrator may use, with the consent of any federal, state, or 6637
local agency, the services, facilities, and personnel of such 6638
agency, with or without reimbursement, and may retain or contract 6639
with experts, consultants, and organizations for services or 6640
personnel on such terms as the administrator determines 6641
appropriate. 6642

Sec. 4167.07. (A) The administrator of workers' compensation, 6643
with the advice and consent of the bureau of workers' compensation 6644
~~oversight commission~~ board of directors, shall adopt rules that 6645
establish employment risk reduction standards. Except as provided 6646
in division (B) of this section, in adopting these rules, the 6647
administrator shall do both of the following: 6648
6649

(1) By no later than July 1, 1994, adopt as a rule and an 6650
Ohio employment risk reduction standard every federal occupational 6651
safety and health standard then adopted by the United States 6652
secretary of labor pursuant to the "Occupational Safety and Health 6653
Act of 1970," 84 Stat. 1590, 29 U.S.C.A. 651, as amended; 6654

(2) By no later than one hundred twenty days after the United 6655
States secretary of labor adopts, modifies, or revokes any federal 6656
occupational safety and health standard, by rule do one of the 6657
following: 6658

(a) Adopt the federal occupational safety and health standard 6659
as a rule and an Ohio employment risk reduction standard; 6660

(b) Amend the existing rule and Ohio employment risk 6661
reduction standard to conform to the modification of the federal 6662

occupational safety and health standard; 6663

(c) Rescind the existing rule and Ohio employment risk 6664
reduction standard that corresponds to the federal occupational 6665
safety and health standard the United States secretary of labor 6666
revoked. 6667

(B) The administrator, with the advice and consent of the 6668
bureau of workers' compensation oversight commission board of 6669
directors, may decline to adopt any federal occupational safety 6670
and health standard as a rule and an Ohio employment risk 6671
reduction standard or to modify or rescind any existing rule and 6672
Ohio employment risk reduction standard to conform to any federal 6673
occupational safety and health standard modified or revoked by the 6674
United States secretary of labor or may adopt as a rule and 6675
Ohio employment risk reduction standard any occupational safety 6676
and health standard that is not covered under the federal law or 6677
that differs from one adopted or modified by the United States 6678
secretary of labor, if the administrator determines that existing 6679
rules and Ohio employment risk reduction standards provide 6680
protection at least as effective as that which would be provided 6681
by the existing, new, or modified federal occupational safety and 6682
health standard or if the administrator determines that local 6683
conditions warrant a different standard from that of the existing 6684
federal occupational safety and health standard or from standards 6685
the United States secretary of labor adopts, modifies, or revokes. 6686

(C) In adopting, modifying, or rescinding any rule or Ohio 6687
employment risk reduction standard dealing with toxic materials or 6688
harmful physical agents, the administrator, with the advice and 6689
consent of the bureau of workers' compensation oversight 6690
~~commission~~ board of directors, shall do all of the following: 6691

(1) Set the employment risk reduction standard to most 6692
adequately assure, to the extent technologically feasible and on 6693
the basis of the best available evidence, that no public employee 6694

will suffer material impairment of health or functional capacity 6695
as a result of the hazards dealt with by the rule or Ohio 6696
employment risk reduction standard for the period of the public 6697
employee's working life; 6698

(2) Base the development of these rules and Ohio employment 6699
risk reduction standards on research, demonstrations, experiments, 6700
and other information as is appropriate and upon the technological 6701
feasibility of the rule and standard, using the latest available 6702
scientific data in the field and the experience gained in the 6703
workplace under this chapter and other health and safety laws, to 6704
establish the highest degree of safety and health for the public 6705
employee; 6706

(3) Whenever practicable, express the rule and Ohio 6707
employment risk reduction standard in terms of objective criteria 6708
and of the performance desired; 6709

(4) Prescribe the use of labels or other appropriate forms of 6710
warning as are necessary to ensure that public employees are 6711
apprised of all hazards to which they are exposed, relevant 6712
symptoms and appropriate emergency treatment, and proper 6713
conditions and precautions of safe use or exposure where 6714
appropriate; 6715

(5) Prescribe suitable protective equipment and control 6716
procedures to be used in connection with the hazards; 6717

(6) Provide for measuring or monitoring public employee 6718
exposure in a manner necessary for the protection of the public 6719
employees; 6720

(7) Where appropriate, prescribe the type and frequency of 6721
medical examinations or other tests the public employer shall make 6722
available, at the cost of the public employer, to the public 6723
employees exposed to the hazards in order to determine any adverse 6724
effect from the exposure. 6725

(D) In determining the priority for adopting rules and Ohio employment risk reduction standards under this section, the administrator shall give due regard to the urgency of need and recommendations of the department of health regarding that need for mandatory employment risk reduction standards for particular trades, crafts, occupations, services, and workplaces.

(E)(1) Except for rules adopted under division (A) of this section, the administrator, with the advice and consent of the bureau of workers' compensation ~~oversight commission~~ board of directors, shall adopt all rules under this section in accordance with Chapter 119. of the Revised Code, provided that notwithstanding that chapter, the administrator may delay the effective date of any rule or Ohio employment risk reduction standard for the period the administrator determines necessary to ensure that affected public employers and public employees will be informed of the adoption, modification, or rescission of the rule and Ohio employment risk reduction standard and have the opportunity to familiarize themselves with the specific requirements of the rule and standard. In no case, however, shall the administrator delay the effective date of a rule adopted pursuant to Chapter 119. of the Revised Code in excess of ninety days beyond the otherwise required effective date.

(2) In regard to the rules for which the administrator does not have to comply with Chapter 119. of the Revised Code, the administrator shall file two certified copies of the rules and Ohio employment risk reduction standards adopted with the secretary of state and the director of the legislative service commission.

Sec. 4167.08. (A) In the event of an emergency or unusual situation, the administrator of workers' compensation shall issue an emergency temporary Ohio employment risk reduction standard to

take immediate effect upon publication in newspapers of general 6757
circulation in Cleveland, Columbus, Cincinnati, and Toledo if the 6758
administrator finds both of the following: 6759

(1) Public employees are exposed to grave danger from 6760
exposure to substances or agents determined to be toxic or 6761
physically harmful or from new hazards; 6762

(2) The emergency temporary Ohio employment risk reduction 6763
standard is necessary to protect employees from the danger. 6764

(B)(1) Except as provided in division (B)(2) of this section 6765
an emergency temporary Ohio employment risk reduction standard 6766
issued by the administrator under division (A) of this section 6767
shall be in effect no longer than fifteen days, unless the 6768
~~commission~~ bureau of workers' compensation board of directors 6769
approves the emergency temporary Ohio employment risk reduction 6770
standard as issued by the administrator, in which case, the 6771
emergency temporary Ohio employment risk reduction standard shall 6772
be in effect no longer than one hundred twenty days after the date 6773
the administrator issues it. 6774

(2) The administrator may renew an emergency temporary Ohio 6775
employment risk reduction standard that has been approved by the 6776
~~workers' compensation oversight commission~~ board for an additional 6777
time period not to exceed one hundred days if the administrator 6778
finds that the conditions identified in divisions (A)(1) and (2) 6779
of this section continue to exist. 6780

On or before the expiration date of the emergency temporary 6781
Ohio employment risk reduction standard or renewal thereof, if the 6782
conditions identified in divisions (A)(1) and (2) of this section 6783
continue to exist, the administrator, with the advice and consent 6784
of the ~~oversight commission~~ board, shall adopt a permanent Ohio 6785
employment risk reduction standard pursuant to section 4167.07 of 6786
the Revised Code as a rule to replace the emergency temporary Ohio 6787

employment risk reduction standard. 6788

Sec. 4167.09. (A) Any public employer affected by a proposed 6789
rule or Ohio employment risk reduction standard or any provision 6790
of a standard proposed under section 4167.07 or 4167.08 of the 6791
Revised Code may apply to the administrator of workers' 6792
compensation for an order granting a temporary variance from the 6793
standard or provision. The application for the order and any 6794
extension of the order shall contain a reasonable application fee, 6795
as determined by the bureau of workers' compensation oversight 6796
~~commission~~ board of directors, and all of the following 6797
information: 6798

(1) A specification of the Ohio public employment risk 6799
reduction standard or provision of it from which the public 6800
employer seeks the temporary variance; 6801

(2) A representation by the public employer, supported by 6802
representations from qualified persons having firsthand knowledge 6803
of the facts represented, that the public employer is unable to 6804
comply with the Ohio employment risk reduction standard or 6805
provision of it and a detailed statement of the reasons for the 6806
inability to comply; 6807

(3) A statement of the steps that the public employer has 6808
taken and will take, with dates specified, to protect employees 6809
against the hazard covered by the standard; 6810

(4) A statement of when the public employer expects to be 6811
able to comply fully with the Ohio employment risk reduction 6812
standard and what steps the public employer has taken and will 6813
take, with dates specified, to come into full compliance with the 6814
standard; 6815

(5) A certification that the public employer has informed the 6816
public employer's public employees of the application by giving a 6817

copy of the application to the public employee representative, if 6818
any, and by posting a statement giving a summary of the 6819
application and specifying where a copy of the application may be 6820
examined at the place or places where notices to public employees 6821
are normally posted, and by any other appropriate means of public 6822
employee notification. The public employer also shall inform the 6823
public employer's public employees of their rights to a hearing 6824
under section 4167.15 of the Revised Code. The certification also 6825
shall contain a description of how public employees have been 6826
informed of the application and of their rights to a hearing. 6827

(B) The administrator shall issue an order providing for a 6828
temporary variance if the public employer files an application 6829
that meets the requirements of division (A) of this section and 6830
establishes that all of the following pertaining to the public 6831
employer are true: 6832

(1) The public employer is unable to comply with the Ohio 6833
employment risk reduction standard or a provision of it by its 6834
effective date because of the unavailability of professional or 6835
technical personnel or of materials and equipment needed to come 6836
into compliance with the Ohio employment risk reduction standard 6837
or provision of it or because necessary construction or alteration 6838
of facilities cannot be completed by the effective date of the 6839
standard. 6840

(2) The public employer is taking all available steps to 6841
safeguard the public employer's public employees against the 6842
hazards covered by the Ohio employment risk reduction standard. 6843

(3) The public employer has an effective program for coming 6844
into compliance with the Ohio employment risk reduction standard 6845
as quickly as practicable. 6846

(4) The granting of the variance will not create an imminent 6847
danger of death or serious physical harm to public employees. 6848

(C)(1) If the administrator issues an order providing for a temporary variance under division (B) of this section, the administrator shall prescribe the practices, means, methods, operations, and processes that the public employer must adopt and use while the order is in effect and state in detail the public employer's program for coming into compliance with the Ohio employment risk reduction standard. The administrator may issue the order only after providing notice to affected public employees and their public employee representative, if any, and an opportunity for a hearing pursuant to section 4167.15 of the Revised Code, provided that the administrator may issue one interim order granting a temporary order to be effective until a decision on a hearing is made. Except as provided in division (C)(2) of this section, no temporary variance may be in effect for longer than the period needed by the public employer to achieve compliance with the Ohio employment risk reduction standard or one year, whichever is shorter.

(2) The administrator may renew an order issued under division (C) of this section up to two times provided that the requirements of divisions (A), (B), and (C)(1) of this section and section 4167.15 of the Revised Code are met and the public employer files an application for renewal with the administrator at least ninety days prior to the expiration date of the order.

(D) Any public employer affected by an Ohio employment risk reduction standard or any provision of it proposed, adopted, or otherwise issued under section 4167.07 or 4167.08 of the Revised Code may apply to the administrator for an order granting a variance from the standard or provision. The administrator shall provide affected public employees and their public employee representative, if any, notice of the application and shall provide an opportunity for a hearing pursuant to section 4167.15 of the Revised Code. The administrator shall issue the order

granting the variance if the public employer files an application 6881
that meets the requirements of division (B) of this section, and 6882
after an opportunity for a hearing pursuant to section 4167.15 of 6883
the Revised Code, and if the public employer establishes to the 6884
satisfaction of the administrator that the conditions, practices, 6885
means, methods, operations, or processes used or proposed to be 6886
used by the public employer will provide employment and places of 6887
employment to the public employer's public employees that are as 6888
safe and healthful as those that would prevail if the public 6889
employer complied with the Ohio employment risk reduction 6890
standard. The administrator shall prescribe in the order granting 6891
the variance the conditions the public employer must maintain, and 6892
the practices, means, methods, operations, and processes the 6893
public employer must adopt and utilize in lieu of the Ohio 6894
employment risk reduction standard that would otherwise apply. The 6895
administrator may modify or revoke the order upon application of 6896
the public employer, public employee, or public employee 6897
representative, or upon the administrator's own motion in the 6898
manner prescribed for the issuance of an order under this division 6899
at any time during six months after the date of issuance of the 6900
order. 6901

Sec. 4167.11. (A) In order to further the purposes of this 6902
chapter, the administrator of workers' compensation shall develop 6903
and maintain, for public employers and public employees, an 6904
effective program of collection, compilation, and analysis of 6905
employment risk reduction statistics. 6906

(B) To implement and maintain division (A) of this section, 6907
the administrator, with the advice and consent of the bureau of 6908
workers' compensation ~~oversight commission~~ board of directors, 6909
shall adopt rules in accordance with Chapter 119. of the Revised 6910
Code that extend to all of the following: 6911

(1) Requiring each public employer to make, keep, and 6912
preserve, and make available to the administrator, reports and 6913
records regarding the public employer's activities, as determined 6914
by the rule that are necessary or appropriate for the enforcement 6915
of this chapter or for developing information regarding the causes 6916
and prevention of occupational accidents and illnesses. The rule 6917
shall prescribe which of these reports and records shall or may be 6918
furnished to public employees and public employee representatives. 6919

(2) Requiring every public employer, through posting of 6920
notices or other appropriate means, to keep their public employees 6921
informed of public employees' rights and obligations under this 6922
chapter, including the provisions of applicable Ohio employment 6923
risk reduction standards; 6924

(3) Requiring public employers to maintain accurate records 6925
of public employee exposure to potentially toxic materials, 6926
carcinogenic materials, and harmful physical agents that are 6927
required to be monitored or measured under rules adopted under the 6928
guidelines of division (C) of section 4167.07 of the Revised Code. 6929
The rule shall provide public employees or public employee 6930
representatives an opportunity to observe the monitoring or 6931
measuring, and to have access on request to the records thereof, 6932
and may provide public employees or public employee 6933
representatives an opportunity to participate in and to undertake 6934
their own monitoring or measuring. The rules also shall permit 6935
each current or former public employee to have access to the 6936
records that indicate their own exposure to toxic materials, 6937
carcinogenic materials, or harmful agents. 6938

(C) The administrator shall obtain any information under 6939
division (B) of this section with a minimum burden upon the public 6940
employer and shall, to the maximum extent feasible, reduce 6941
unnecessary duplication of efforts in obtaining the information. 6942

Sec. 4167.14. (A) Any court of common pleas has jurisdiction, 6943
upon petition of the administrator of workers' compensation, to 6944
restrain any conditions or practices in any places of employment 6945
that present a danger that could reasonably be expected to cause 6946
death or serious harm or contribute significantly to 6947
occupationally related illness immediately or before the imminence 6948
of the danger can be eliminated through the enforcement procedures 6949
provided in this chapter. Any order issued under this section may 6950
require that steps be taken as necessary to avoid, correct, or 6951
remove the imminent danger and prohibit the employment or presence 6952
of any individual in locations or under conditions where the 6953
imminent danger exists, except individuals whose presence is 6954
necessary to avoid, correct, or remove the imminent danger. 6955

(B) Upon the filing of a petition under division (A) of this 6956
section, the court of common pleas may grant injunctive relief or 6957
a temporary restraining order pending the outcome of an 6958
enforcement proceeding pursuant to this chapter, except that no 6959
temporary restraining order issued without notice is effective for 6960
a period longer than five calendar days. 6961
6962

(C) If the administrator or the administrator's designee 6963
responsible for inspections determines that the imminent danger as 6964
described in division (A) of this section is such that immediate 6965
action is necessary, and further determines that there is not 6966
sufficient time in light of the nature, severity, and imminence of 6967
the danger to seek and obtain a temporary restraining order or 6968
injunction, the administrator or the administrator's designee 6969
immediately shall file a petition with the court under division 6970
(A) of this section and issue an order requiring action to be 6971
taken as is necessary to avoid, correct, or remove the imminent 6972
danger. 6973

The administrator, with the advice and consent of the bureau 6974
of workers' compensation oversight commission board of directors, 6975
shall adopt rules, in accordance with Chapter 119. of the Revised 6976
Code, to permit a public employer expeditious informal 6977
reconsideration of any order issued by the administrator under 6978
this division. Unless the administrator reverses an order pursuant 6979
to the informal reconsideration, the order remains in effect 6980
pending the court's determination under this section. If the 6981
administrator modifies an order pursuant to the informal 6982
reconsideration, the administrator shall provide the court with 6983
whom the administrator filed the petition under this section with 6984
a copy of the modified order. The modified order remains in effect 6985
pending the court's determination under this section. 6986

Section 101.02. That existing sections 102.02, 102.06, 6987
109.981, 111.15, 119.01, 131.02, 1707.01, 3345.12, 4121.01, 6988
4121.03, 4121.12, 4121.121, 4121.122, 4121.125, 4121.126, 6989
4121.128, 4121.13, 4121.32, 4121.37, 4121.40, 4121.441, 4121.48, 6990
4121.61, 4121.67, 4121.70, 4123.25, 4123.29, 4123.291, 4123.311, 6991
4123.32, 4123.34, 4123.341, 4123.342, 4123.35, 4123.351, 4123.37, 6992
4123.411, 4123.44, 4123.441, 4123.47, 4123.50, 4123.511, 4123.512, 6993
4123.66, 4123.80, 4123.82, 4123.92, 4125.05, 4127.07, 4127.08, 6994
4131.04, 4131.06, 4131.13, 4131.14, 4131.16, 4167.02, 4167.07, 6995
4167.08, 4167.09, 4167.11, and 4167.14 of the Revised Code are 6996
hereby repealed. 6997

Section 105.01. That sections 4121.06, 4121.123, and 4121.131 6998
of the Revised Code are hereby repealed. 6999

Section 201.10. All items in this section are hereby 7000
appropriated out of any moneys in the state treasury to the credit 7001
of the designated fund. For all appropriations made in this act, 7002
those in the first column are for fiscal year 2008, and those in 7003

the second column are for fiscal year 2009.				7004
FND AI	AI TITLE	Appropriations		7005
	BWC BUREAU OF WORKERS' COMPENSATION			7006
Workers' Compensation Fund Group				7007
023 855-401	William Green Lease	\$ 20,436,600	\$ 20,686,500	7008
	Payments to OBA			
023 855-407	Claims, Risk & Medical	\$ 140,367,719	\$ 140,367,719	7009
	Management			
023 855-408	Fraud Prevention	\$ 11,772,551	\$ 11,772,551	7010
023 855-409	Administrative	\$ 122,962,388	\$ 122,962,388	7011
	Services			
023 855-410	Attorney General	\$ 4,444,085	\$ 4,444,085	7012
	Payments			
822 855-606	Coal Workers' Fund	\$ 91,894	\$ 91,894	7013
823 855-608	Marine Industry	\$ 53,952	\$ 53,952	7014
825 855-605	Disabled Workers	\$ 488,282	\$ 492,500	7015
	Relief Fund			
826 855-609	Safety & Hygiene	\$ 20,734,750	\$ 20,734,750	7016
	Operating			
826 855-610	Safety Grants Program	\$ 4,000,000	\$ 4,000,000	7017
829 855-604	Long Term Care Loan	\$ 2,000,000	\$ 2,000,000	7018
	Program			
TOTAL WCF Workers' Compensation				7019
Fund Group		\$ 327,352,221	\$ 327,606,339	7020
Federal Special Revenue Fund Group				7021
349 855-601	OSHA Enforcement	\$ 1,604,140	\$ 1,604,140	7022
TOTAL FED Federal Special Revenue				7023
Fund Group		\$ 1,604,140	\$ 1,604,140	
TOTAL ALL BUDGET FUND GROUPS				7024
		\$ 328,956,361	\$ 329,210,479	
WILLIAM GREEN LEASE PAYMENTS				7025
The foregoing appropriation item 855-401, William Green Lease				7026
Payments to OBA, shall be used for lease payments to the Ohio				7027

Building Authority, and these appropriations shall be used to meet 7028
all payments at the times they are required to be made during the 7029
period from July 1, 2007, to June 30, 2009, by the Bureau of 7030
Workers' Compensation to the Ohio Building Authority pursuant to 7031
leases and agreements made under Chapter 152. of the Revised Code 7032
and Section 6 of Am. Sub. H.B. 743 of the 118th General Assembly. 7033
Of the amounts received in Fund 023, appropriation item 855-401, 7034
William Green Lease Payments to OBA, up to \$41,123,100 shall be 7035
restricted for lease rental payments to the Ohio Building 7036
Authority. If it is determined that additional appropriations are 7037
necessary for such purpose, such amounts are hereby appropriated. 7038

Notwithstanding any other provision of law to the contrary, 7039
all tenants of the William Green Building not funded by the 7040
Workers' Compensation Fund (Fund 023) shall pay their fair share 7041
of the costs of lease payments to the Workers' Compensation Fund 7042
(Fund 023) by intrastate transfer voucher. 7043

WORKERS' COMPENSATION FRAUD UNIT 7044

The Workers' Compensation Section Fund (Fund 195) shall 7045
receive payments from the Bureau of Workers' Compensation at the 7046
beginning of each quarter of each fiscal year to fund expenses of 7047
the Workers' Compensation Fraud Unit of the Attorney General's 7048
Office. Of the foregoing appropriation item 855-410, Attorney 7049
General Payments, \$796,346 in fiscal year 2008 and \$796,346 in 7050
fiscal year 2009 shall be used to provide these payments. 7051

SAFETY AND HYGIENE 7052

Notwithstanding section 4121.37 of the Revised Code, the 7053
Administrator of Workers' Compensation shall transfer moneys from 7054
the State Insurance Fund so that appropriation item 855-609, 7055
Safety and Hygiene Operating, is provided \$20,734,750 in fiscal 7056
year 2008 and \$20,734,750 in fiscal year 2009. 7057

OSHA ON-SITE CONSULTATION PROGRAM 7058

The Bureau of Workers' Compensation may designate a portion 7059
of appropriation item 855-609, Safety and Hygiene Operating, to be 7060
used to match federal funding for the federal Occupational Safety 7061
and Health Administration's (OSHA) on-site consultation program. 7062

VOCATIONAL REHABILITATION 7063

The Bureau of Workers' Compensation and the Rehabilitation 7064
Services Commission shall enter into an interagency agreement for 7065
the provision of vocational rehabilitation services and staff to 7066
mutually eligible clients. The bureau shall provide \$605,407 in 7067
fiscal year 2008 and \$605,407 in fiscal year 2009 from the State 7068
Insurance Fund to fund vocational rehabilitation services and 7069
staff in accordance with the interagency agreement. 7070

FUND BALANCE 7071

Any unencumbered cash balance in excess of \$45,000,000 in the 7072
Workers' Compensation Fund (Fund 023) on the thirtieth day of June 7073
of each fiscal year shall be used to reduce the administrative 7074
cost rate charged to employers to cover appropriations for Bureau 7075
of Workers' Compensation operations. 7076

HOLDING ACCOUNT 7077

On July 1, 2007, or as soon as possible thereafter, the 7078
Director of Budget and Management shall transfer the remaining 7079
cash balance in the Camera Center Fund (Fund R46) to the 7080
Administrative Fund (Fund 023). After the transfer, the Camera 7081
Center Fund is abolished. 7082

Section ____. Notwithstanding division (D) of section 4121.03, 7083
division (B)(10) of section 4121.121, and section 101.532 of the 7084
Revised Code regarding the requirement that the budget for the 7085
bureau of workers' compensation and the budget for the industrial 7086
commission be enacted in separate bills, all items in this section 7087
are hereby appropriated out of any moneys in the state treasury to 7088

the credit of the designated fund. For all appropriations made in 7089
this section, those in the first column are for fiscal year 2008, 7090
and those in the second column are for fiscal year 2009. 7091

		Appropriations		
FND AI	AI TITLE	FY 2008	FY 2009	
OIC INDUSTRIAL COMMISSION				7094
Workers' Compensation Fund Group				7095
5W3 845-321	Operating Expenses	\$ 51,778,924	\$ 51,778,924	7096
5W3 845-402	Rent - William Green	\$ 6,299,960	\$ 6,299,960	7097
Building				
5W3 845-410	Attorney General	\$ 3,558,634	\$ 3,558,634	7098
Payments				
821 845-605	Program Support	\$ 161,847	\$ 161,847	7099
TOTAL WCF Workers' Compensation				7100
Fund Group				
		\$ 61,799,365	\$ 61,799,365	7101
TOTAL ALL BUDGET FUND GROUPS				7102
		\$ 61,799,365	\$ 61,799,365	

RENT - WILLIAM GREEN BUILDING 7103

The foregoing appropriation item 845-402, Rent - William 7104
Green Building, shall be used for rent and operating expenses for 7105
the space occupied by the Industrial Commission in the William 7106
Green Building. 7107

PROGRAM SUPPORT 7108

The foregoing appropriation item 845-605, Program Support, 7109
shall be used for any expense related to revenues collected and 7110
deposited in Fund 821, such as the purchase of copiers, copier 7111
maintenance and related supplies, coin copier expense, coin 7112
changer purchases, expenses related to conferences that produce 7113
revenue, publications that produce revenue, and replacement of 7114
furniture and equipment. 7115

Section 303.10. Law contained in the main operating 7116

appropriations act of the 127th General Assembly that applies 7117
generally to the appropriations made in that act also applies 7118
generally to the appropriations made in this act. 7119

Section 403.03. That Section 4 of Am. Sub. H.B. 516 of the 7120
125th General Assembly, as amended by Am. Sub. H.B. 66 and Sub. 7121
S.B. 124 of the 126th General Assembly, be amended to read as 7122
follows: 7123

Sec. 4. The following agencies shall be retained pursuant to 7124
division (D) of section 101.83 of the Revised Code and shall 7125
expire on December 31, 2010: 7126

REVISED CODE 7127

OR

UNCODIFIED 7128

AGENCY NAME SECTION 7129

Administrator, Interstate Compact on Mental Health 5119.50 7130

Administrator, Interstate Compact on 5103.20 7131

Placement of Children 7132

Advisory Board of Governor's Office of Faith-Based 107.12 7133

and Community Initiatives

Advisory Boards to the EPA for Air Pollution 121.13 7134

Advisory Boards to the EPA for Water Pollution 121.13 7135

Advisory Committee of the State Veterinary Medical 4741.03(D)(3) 7136

Licensing Board

Advisory Committee on Livestock Exhibitions 901.71 7137

Advisory Council on Amusement Ride Safety 1711.51 7138

Advisory Board of Directors for Prison Labor 5145.162 7139

Advisory Council for Each Wild, Scenic, or 1517.18 7140

Recreational River Area

Advisory Councils or Boards for State Departments 107.18 or 7141

121.13

Advisory Group to the Ohio Water Resources Council 1521.19(C) 7142

Alzheimer's Disease Task Force	173.04(F)	7143
AMBER Alert Advisory Committee	5502.521	7144
Apprenticeship Council	4139.02	7145
Armory Board of Control	5911.09	7146
Automated Title Processing Board	4505.09(C)(1)	7147
Banking Commission	1123.01	7148
Board of Directors of the Ohio Health Reinsurance Program	3924.08	7149
Board of Voting Machine Examiners	3506.05(B)	7150
Brain Injury Advisory Committee	3304.231	7151
Capitol Square Review and Advisory Board	105.41	7152
Child Support Guideline Advisory Council	3119.024	7153
Children's Trust Fund Board	3109.15	7154
Citizens Advisory Committee (BMV)	4501.025	7155
Citizen's Advisory Councils (Dept. of Mental Retardation and Developmental Disabilities)	5123.092	7156
Clean Ohio Trail Advisory Board	1519.06	7157
Coastal Resources Advisory Council	1506.12	7158
Commission on African-American Males	4112.12	7159
Commission on Hispanic-Latino Affairs	121.31	7160
Commission on Minority Health	3701.78	7161
Committee on Prescriptive Governance	4723.49	7162
Commodity Advisory Commission	926.32	7163
Community Mental Retardation and Developmental Disabilities Trust Fund Advisory Council	5123.353	7164
Community Oversight Council	3311.77	7165
Compassionate Care Task Force	Section 3, H.B. 474, 124th GA	7166
Continuing Education Committee (for Sheriffs)	109.80	7167
Coordinating Committee, Agricultural Commodity Marketing Programs	924.14	7168
Council on Alcohol and Drug Addiction Services	3793.09	7169

Council on Unreclaimed Strip Mined Lands	1513.29	7170
Council to Advise on the Establishment and Implementation of the Birth Defects Information System	3705.34	7171
County Sheriffs' Standard Car-Marking and Uniform Commission	311.25	7172
Credit Union Council	1733.329	7173
Criminal Sentencing Advisory Committee	181.22	7174
Day-Care Advisory Council	5104.08	7175
Dentist Loan Repayment Advisory Board	3702.92	7176
Development Financing Advisory Council	122.40	7177
Education Commission of the States (Interstate Compact for Education)	3301.48	7178
Electrical Safety Inspector Advisory Committee	3783.08	7179
Emergency Response Commission	3750.02	7180
Engineering Experiment Station Advisory Committee	3335.27	7181
Environmental Education Council	3745.21	7182
EPA Advisory Boards or Councils	121.13	7183
Farmland Preservation Advisory Board	901.23	7184
Financial Planning & Supervision Commission for Municipal Corporation, County, or Township	118.05	7185
Financial Planning & Supervision Commission for School District	3316.05	7186
Forestry Advisory Council	1503.40	7187
Governance Authority for a State University or College	3345.75	7188
Governor's Advisory Council on Physical Fitness, Wellness, & Sports	3701.77	7189
Governor's Council on People with Disabilities	3303.41	7190
Governor's Residence Advisory Commission	107.40	7191
Great Lakes Commission (Great Lakes Basin Compact)	6161.01	7192
Gubernatorial Transition Committee	107.29	7193
Head Start Partnership Study Council	Section 41.35,	7194

	H.B. 95, 125th GA	
Hemophilia Advisory Subcommittee	3701.0210	7195
Housing Trust Fund Advisory Committee	175.25	7196
Industrial Commission Nominating Council	4121.04	7197
Industrial Technology and Enterprise Advisory Council	122.29	7198
Infant Hearing Screening Subcommittee	3701.507	7199
Insurance Agent Education Advisory Council	3905.483	7200
Interagency Council on Hispanic/Latino Affairs	121.32(J)	7201
Interstate Mining Commission (Interstate Mining Compact)	1514.30	7202
Interstate Rail Passenger Advisory Council (Interstate High Speed Intercity Rail Passenger Network Compact)	4981.35	7203
Joint Council on MR/DD	101.37	7204
Joint Select Committee on Volume Cap	133.021	7205
Labor-Management Government Advisory Council	4121.70	7206
Legal Rights Service Commission	5123.60	7207
Legislative Task Force on Redistricting, Reapportionment, and Demographic Research	103.51	7208
Maternal and Child Health Council	3701.025	7209
Medically Handicapped Children's Medical Advisory Council	3701.025	7210
Midwest Interstate Passenger Rail Compact Commission (Ohio members)	4981.361	7211
Military Activation Task Force	5902.15	7212
Milk Sanitation Board	917.03	7213
Mine Subsidence Insurance Governing Board	3929.51	7214
Minority Development Financing Board	122.72	7215
Multi-Agency Radio Communications Systems Steering Committee	Sec. 21, H.B. 790, 120th GA	7216
Multidisciplinary Council	3746.03	7217

Muskingum River Advisory Council	1501.25	7218
National Museum of Afro-American History and Culture Planning Committee	149.303	7219
Ohio Advisory Council for the Aging	173.03	7220
Ohio Aerospace & Defense Advisory Council	122.98	7221
Ohio Arts Council	3379.02	7222
Ohio Business Gateway Steering Committee	5703.57	7223
Ohio Cemetery Dispute Resolution Commission	4767.05	7224
Ohio Civil Rights Commission Advisory Agencies and Conciliation Councils	4112.04(B)	7225
Ohio Commercial Insurance Joint Underwriting Association Board Of Governors	3930.03	7226
Ohio Commercial Market Assistance Plan Executive Committee	3930.02	7227
Ohio Commission on Dispute Resolution and Conflict Management	179.02	7228
Ohio Commission to Reform Medicaid	Section 59.29, H.B. 95, 125th GA	7229
Ohio Community Service Council	121.40	7230
Ohio Council for Interstate Adult Offender Supervision	5149.22	7231
Ohio Cultural Facilities Commission	3383.02	7232
Ohio Developmental Disabilities Council	5123.35	7233
Ohio Expositions Commission	991.02	7234
Ohio Family and Children First Cabinet Council	121.37	7235
Ohio Geology Advisory Council	1505.11	7236
Ohio Grape Industries Committee	924.51	7237
Ohio Hepatitis C Advisory Commission	3701.92	7238
Ohio Historic Site Preservation Advisory Board	149.301	7239
Ohio Historical Society Board of Trustees	149.30	7240
Ohio Judicial Conference	105.91	7241
Ohio Lake Erie Commission	1506.21	7242

Ohio Medical Malpractice Commission	Section 4, S.B. 281, 124th GA and Section 3, S.B. 86, 125th GA	7243
Ohio Medical Quality Foundation	3701.89	7244
Ohio Parks and Recreation Council	1541.40	7245
Ohio Peace Officer Training Commission	109.71	7246
Ohio Public Defender Commission	120.01	7247
Ohio Public Library Information Network Board	Sec. 69, H.B. 117, 121st GA, as amended by H.B. 284, 121st GA	7248
Ohio Quarter Horse Development Commission	3769.086	7249
Ohio Small Government Capital Improvements Commission	164.02	7250
Ohio Soil and Water Conservation Commission	1515.02	7251
Ohio Standardbred Development Commission	3769.085	7252
Ohio Steel Industry Advisory Council	122.97	7253
Ohio Teacher Education and Licensure Advisory Council	3319.28(D)	7254
Ohio Thoroughbred Racing Advisory Committee	3769.084	7255
Ohio Tuition Trust Authority	3334.03	7256
Ohio University College of Osteopathic Medicine Advisory Committee	3337.10	7257
Ohio Vendors Representative Committee	3304.34	7258
Ohio War Orphans Scholarship Board	5910.02	7259
Ohio Water Advisory Council	1521.031	7260
Ohio Water Resources Council	1521.19	7261
Ohioana Library Association, Martha Kinney Cooper Memorial	3375.62	7262

Oil and Gas Commission	1509.35	7263
Operating Committee, Agricultural Commodity Marketing Programs	924.07	7264
Organized Crime Investigations Commission	177.01	7265
Pharmacy and Therapeutics Committee of the Dept. of Job and Family Services	5111.81	7266
Physician Loan Repayment Advisory Board	3702.81	7267
Power Siting Board	4906.02	7268
Prequalification Review Board	5525.07	7269
Private Water Systems Advisory Council	3701.346	7270
Public Employment Risk Reduction Advisory Commission	4167.02	7271
Public Health Council	3701.33	7272
Public Utilities Commission Nominating Council	4901.021	7273
Public Utility Property Tax Study Committee	5727.85	7274
Radiation Advisory Council	3748.20	7275
Reclamation Commission	1513.05	7276
Recreation and Resources Commission	1501.04	7277
Recycling and Litter Prevention Advisory Council	1502.04	7278
Rehabilitation Services Commission Consumer Advisory Committee	3304.24	7279
Savings & Loans Associations & Savings Banks Board	1181.16	7280
Schools and Ministerial Lands Divestiture Committee	501.041	7281
Second Chance Trust Fund Advisory Committee	2108.17	7282
Services Committee of the Workers' Compensation System	4121.06	7283
Small Business Stationary Source Technical and Environmental Compliance Assistance Council	3704.19	7284
Solid Waste Management Advisory Council	3734.51	7285
State Agency Coordinating Group	1521.19	7286
State Board of Emergency Medical Services Subcommittees	4765.04	7287

State Council of Uniform State Laws	105.21	7288
State Committee for the Purchase of Products and Services Provided by Persons with Severe Disabilities	4115.32	7289
State Criminal Sentencing Commission	181.21	7290
State Fire Commission	3737.81	7291
State Racing Commission	3769.02	7292
State Victims Assistance Advisory Committee	109.91	7293
Student Tuition Recovery Authority	3332.081	7294
Tax Credit Authority	122.17	7295
Technical Advisory Committee to Assist the Director of the Ohio Coal Development Office	1551.35	7296
Technical Advisory Council on Oil and Gas	1509.38	7297
Transportation Review Advisory Council	5512.07	7298
Unemployment Compensation Review Commission	4141.06	7299
Unemployment Compensation Advisory Council	4141.08	7300
Utility Radiological Safety Board	4937.02	7301
Vehicle Management Commission	125.833	7302
Veterans Advisory Committee	5902.02(K)	7303
Volunteer Fire Fighters' Dependents Fund Boards (Private and Public)	146.02	7304
Water and Sewer Commission	1525.11(C)	7305
Waterways Safety Council	1547.73	7306
Wildlife Council	1531.03	7307
Workers' Compensation System Oversight Commission	4121.12	7308
Workers' Compensation Oversight Commission	4121.123	7309
Nominating Committee		

Section 403.04. That existing Section 4 of Am. Sub. H.B. 516 7310
of the 125th General Assembly, as amended by Am. Sub. H.B. 66 and 7311
Sub. S.B. 124 of the 126th General Assembly, is hereby repealed. 7312

Section 403.10. That Section 3 of Am. H.B. 67 of the 126th 7313

General Assembly, as amended by Am. Sub. H.B. 66 of the 126th 7314
 General Assembly, be amended to read as follows: 7315

Sec. 3. All items in this section are hereby appropriated out 7316
 of any moneys in the state treasury to the credit of the 7317
 designated fund. For all appropriations made in this act, those in 7318
 the first column are for fiscal year 2006, and those in the second 7319
 column are for fiscal year 2007. 7320

FND AI	AI TITLE	Appropriations		
	BWC BUREAU OF WORKERS' COMPENSATION			7322
	Workers' Compensation Fund Group			7323
023 855-401	William Green Lease	\$ 19,736,600	\$ 20,125,900	7324
	Payments to OBA			
023 855-407	Claims, Risk & Medical	\$ 140,052,037	\$ 140,052,037	7325
	Management			
023 855-408	Fraud Prevention	\$ 11,713,797	\$ 11,713,797	7326
023 855-409	Administrative	\$ 119,246,553	\$ 119,246,553	7327
	Services			
023 855-410	Attorney General	\$ 4,314,644	\$ 4,314,644	7328
	Payments			
822 855-606	Coal Workers' Fund	\$ 91,894	\$ 91,894	7329
823 855-608	Marine Industry	\$ 53,952	\$ 53,952	7330
825 855-605	Disabled Workers	\$ 693,764	\$ 693,764	7331
	Relief Fund			
826 855-609	Safety & Hygiene	\$ 20,130,820	\$ 20,130,820	7332
	Operating			
826 855-610	Safety Grants Program	\$ 4,000,000	\$ 4,000,000	7333
	TOTAL WCF Workers' Compensation			7334
	Fund Group	\$ 320,034,061	\$ 320,423,361	7335
	Federal Special Revenue Fund Group			7336
349 855-601	OSHA Enforcement	\$ 1,527,750	\$ 1,604,140	7337
	TOTAL FED Federal Special Revenue	\$ 1,527,750	\$ 1,604,140	7338

WORKERS' COMPENSATION FRAUD UNIT 7369

The Workers' Compensation Section Fund (Fund 195) shall 7370
receive payments from the Bureau of Workers' Compensation at the 7371
beginning of each quarter of each fiscal year to fund expenses of 7372
the Workers' Compensation Fraud Unit of the Attorney General's 7373
Office. Of the foregoing appropriation item 855-410, Attorney 7374
General Payments, \$773,151 in fiscal year 2006 and \$773,151 in 7375
fiscal year 2007 shall be used to provide these payments. 7376

SAFETY AND HYGIENE 7377

Notwithstanding section 4121.37 of the Revised Code, the 7378
Administrator of Workers' Compensation shall transfer moneys from 7379
the State Insurance Fund so that appropriation item 855-609, 7380
Safety and Hygiene Operating, is provided \$20,130,820 in fiscal 7381
year 2006 and \$20,130,820 in fiscal year 2007. 7382

LONG-TERM CARE LOAN FUND 7383

Upon the request of the Administrator of the Bureau of 7384
Workers' Compensation and with the advice and consent of the 7385
Bureau of Workers' Compensation Oversight Commission, the Director 7386
of Budget and Management shall transfer cash in the amounts 7387
requested from the Safety and Hygiene Operating Fund (Fund 826) to 7388
the Long-Term Care Loan Fund (Fund 829) created in section 4121.48 7389
of the Revised Code. The amounts transferred are hereby 7390
appropriated. 7391

OSHA ON-SITE CONSULTATION PROGRAM 7392

The Bureau of Workers' Compensation may designate a portion 7393
of appropriation item 855-609, Safety and Hygiene Operating, to be 7394
used to match federal funding for the federal Occupational Safety 7395
and Health Administration's (OSHA) on-site consultation program. 7396

VOCATIONAL REHABILITATION 7397

The Bureau of Workers' Compensation and the Rehabilitation 7398

Services Commission shall enter into an interagency agreement for 7399
the provision of vocational rehabilitation services and staff to 7400
mutually eligible clients. The bureau shall provide \$587,774 in 7401
fiscal year 2006 and \$605,407 in fiscal year 2007 from the State 7402
Insurance Fund to fund vocational rehabilitation services and 7403
staff in accordance with the interagency agreement. 7404

FUND BALANCE 7405

Any unencumbered cash balance in excess of \$45,000,000 in the 7406
Workers' Compensation Fund (Fund 023) on the thirtieth day of June 7407
of each fiscal year shall be used to reduce the administrative 7408
cost rate charged to employers to cover appropriations for Bureau 7409
of Workers' Compensation operations. 7410

OSHA ENFORCEMENT FUND TRANSFER 7411

On July 1, 2005, or as soon thereafter as possible, the 7412
Director of Budget and Management shall transfer the OSHA 7413
Enforcement Fund (Fund 349) from the Department of Commerce to the 7414
Bureau of Workers' Compensation. At the request of the Director of 7415
the Department of Commerce, the Director of Budget and Management 7416
may cancel encumbrances in this fund from appropriation item 7417
800-626, OSHA Enforcement, within the budget of the Department of 7418
Commerce, and reestablish those encumbrances or parts of those 7419
encumbrances in fiscal year 2006 for the same purpose and to the 7420
same vendor to appropriation item 855-601, OSHA Enforcement, 7421
within the budget of the Bureau of Workers' Compensation. As 7422
determined by the Director of Budget and Management, the 7423
appropriation authority necessary to reestablish encumbrances or 7424
parts of encumbrances in fiscal year 2006 for the Bureau of 7425
Workers' Compensation is hereby granted. 7426

Section 403.11. That existing Section 3 of Am. H.B. 67 of the 7427
126th General Assembly, as amended by Am. Sub. H.B. 66 of the 7428
126th General Assembly, is hereby repealed. 7429

Section 512.10. The governor shall not appoint any individual 7430
who is a member of the Workers' Compensation Oversight Commission 7431
on the effective date of this section to serve as a member of the 7432
Bureau of Workers' Compensation Board of Directors. The Oversight 7433
Commission is hereby abolished on the date the Governor appoints 7434
the last member to the Board in accordance with this section. The 7435
Board shall supersede the Oversight Commission and its members and 7436
succeed to and have and perform all the duties, powers, and 7437
obligations pertaining to the duties, powers, and obligations of 7438
the Oversight Commission and its members. For the purpose of the 7439
institution, conduct, and completion of matters relating to its 7440
succession, the Board is deemed to be the continuation of and 7441
successor under law to the Oversight Commission and its members. 7442
All rules, actions, determinations, commitments, resolutions, 7443
decisions, and agreements pertaining to those duties, powers, 7444
obligations, functions, and rights in force or in effect on the 7445
effective date of this section shall continue in force and effect 7446
subject to any further lawful action thereon by the Board. 7447
Wherever the Oversight Commission or its members are referred to 7448
in any provision of law, or in any agreement or document that 7449
pertains to those duties, powers, obligations, functions, and 7450
rights, the reference is to the Board. 7451

All authorized obligations and supplements thereto of the 7452
Oversight Commission and its members pertaining to the duties, 7453
powers, and obligations transferred are binding on the Board, and 7454
nothing in this act impairs the obligations or rights thereunder 7455
or under any contract. The abolition of the Oversight Commission 7456
and the transfer of the Oversight Commission's duties, powers, and 7457
obligations do not affect the validity of agreements or 7458
obligations made by the Oversight Commission or its members 7459
pursuant to Chapters 4121., 4123., 4125., 4127., 4131., and 4167. 7460
of the Revised Code or any other provisions of law. 7461

In connection with the transfer of duties, powers, 7462
obligations, functions, and rights and abolition of the Oversight 7463
Commission, all real property and interest therein, documents, 7464
books, money, papers, records, machinery, furnishings, office 7465
equipment, furniture, and all other property over which the 7466
Oversight Commission has control pertaining to the duties, powers, 7467
and obligations transferred and the rights of the Oversight 7468
Commission to enforce or receive any of the aforesaid is 7469
automatically transferred to the Board without necessity for 7470
further action on the part of the Board. Additionally, all 7471
appropriations or reappropriations made to the Oversight 7472
Commission for the purposes of the performance of its duties, 7473
powers, and obligations, are transferred to the Board to the 7474
extent of the remaining unexpended or unencumbered balance 7475
thereof, whether allocated or unallocated, and whether obligated 7476
or unobligated. 7477

Section 512.20. The Bureau of Workers' Compensation Board of 7478
Directors shall appoint the members of the Workers' Compensation 7479
Audit Committee, Workers' Compensation Actuarial Committee, and 7480
the Workers' Compensation Investment Committee in accordance with 7481
section 4121.123 of the Revised Code, as enacted by this act, not 7482
later than ninety days after the effective date of this section. 7483

Section 512.30. On the effective date of this section, the 7484
Workers' Compensation Oversight Commission Nominating Committee 7485
and the Services Committee of the Workers' Compensation System are 7486
hereby abolished. 7487

Section 512.40. On the effective date of section 4121.122 of 7488
the Revised Code, as amended by this act, the Internal Security 7489
Committee is hereby abolished. 7490

Section 512.45. The Workers' Compensation Council shall 7491
contract with an independent actuary to have that actuary perform 7492
an actuarial valuation of the assets, liabilities, and funding 7493
requirements of the funds specified in Chapters 4121., 4123., 7494
4127., and 4131. of the Revised Code. The actuary with whom the 7495
Council contracts under this section shall prepare a report of the 7496
valuation in accordance with the standards of practice promulgated 7497
by the Actuarial Standards Board of the American Academy of 7498
Actuaries and shall submit that report to the Council. The actuary 7499
shall include all of the following information in the report: 7500

(A) A summary of the compensation and benefit provisions 7501
evaluated; 7502

(B) A summary of the census data and financial information 7503
used in the valuation; 7504

(C) A description of the actuarial assumptions, actuarial 7505
cost method, and asset valuation method used in the valuation; 7506

(D) A summary of the findings that includes a statement of 7507
the actuarial accrued compensation and benefit liabilities and 7508
unfounded actuarial accrued compensation and benefit liabilities. 7509

The Council shall submit to the governor and the general 7510
assembly a report summarizing the valuation required under this 7511
section not later than two years after the effective date of 7512
section 4121.75 of the Revised Code, as enacted by this act. 7513

Section 512.50. (A) The Administrator of Workers' 7514
Compensation shall commission a reputable outside consulting firm 7515
that the Bureau of Workers' Compensation has not retained to 7516
conduct similar reports over the five years prior to the effective 7517
date of this section to perform a comprehensive review of the base 7518
rate of premiums paid by employers and of all of the rating 7519
programs used by the Administrator to determine an employer's 7520

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:

(1) Compare the rates and programs used in this state to the rates and programs used in other states;

(2) Study the effect of the rates in reducing the number and severity of workers' compensation claims in this state;

(3) Study the effect that saving money has had on safety in workplaces in this state;

(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.

(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, 7552
takes effect at the earliest time permitted by law. 7553

Section 512.60. The Administrator of Workers' Compensation 7554
shall not place a limit on the length of time that an employer may 7555
participate in the Bureau of Workers' Compensation Drug Free 7556
Workplace Program until the Administrator adopts rules in 7557
accordance with Chapter 119. of the Revised Code for the purpose 7558
of establishing the length of time that an employer may 7559
participate in that program. 7560

Section 512.70. The Administrator of Workers' Compensation 7561
shall not use the Micro Insurance Reserve Analysis System to 7562
determine the reserves for use in establishing premium rates 7563
assessed for the purposes of Chapter 4121., 4123., 4127., or 4131. 7564
of the Revised Code after June 30, 2007. A contract between the 7565
Administrator and a vendor for the System in existence on the 7566
effective date of this section shall expire in accordance with the 7567
terms of the contract, and the Administrator shall not renew or 7568
extend that contract. 7569

Section 603.10. The items of law contained in this act, and 7570
their applications, are severable. If any item of law contained in 7571
this act, or if any application of any item of law contained in 7572
this act, is held invalid, the invalidity does not affect other 7573
items of law contained in this act and their applications that can 7574
be given effect without the invalid item of law or application. 7575

Section 606.10. An item that composes the whole or part of an 7576
uncodified section contained in this act has no effect after June 7577
30, 2009, unless the context clearly indicates otherwise. 7578

Section 609.03. Except as otherwise specifically provided in 7579

this act, the codified sections of law amended or enacted in this 7580
act, and the items of law of which the codified sections of law 7581
amended or enacted in this act are composed, are subject to the 7582
referendum. Therefore, under Ohio Constitution, Article II, 7583
Section 1c and section 1.471 of the Revised Code, the codified 7584
sections of law amended or enacted by this act, and the items of 7585
law of which the codified sections of law as amended or enacted by 7586
this act are composed, take effect on the ninety-first day after 7587
this act is filed with the Secretary of State. If, however, a 7588
referendum petition is filed against any such codified section of 7589
law as amended or enacted by this act, or against any item of law 7590
of which any such codified section of law as amended or enacted by 7591
this act is composed, the codified section of law as amended or 7592
enacted, or item of law, unless rejected at the referendum, takes 7593
effect at the earliest time permitted by law. 7594

Section 609.05. Except as otherwise specifically provided in 7595
this act, the repeal by this act of a codified section of law is 7596
subject to the referendum. Therefore, under Ohio Constitution, 7597
Article II, Section 1c and section 1.471 of the Revised Code, the 7598
repeal by this act of a codified section of law takes effect on 7599
the ninety-first day after this act is filed with the Secretary of 7600
State. If, however, a referendum petition is filed against any 7601
such repeal, the repeal, unless rejected at the referendum, takes 7602
effect at the earliest time permitted by law. 7603

Section 612.03. The codified section of law amended or 7604
enacted by this act that is listed in this section, and the items 7605
of law of which such section as amended or enacted by this act are 7606
composed, are not subject to the referendum. Therefore, under Ohio 7607
Constitution, Article II, Section 1d and section 1.471 of the 7608
Revised Code, such section as amended or enacted by this act, and 7609
the items of law of which such section as amended or enacted by 7610

this act are composed, go into immediate effect when this act
becomes law.

Section 4121.12 of the Revised Code.

Section 612.09. The repeal and reenactment of section
4121.123 of the Revised Code is not subject to the referendum.
Therefore, under Ohio Constitution, Article II, Section 1d and
section 1.471 of the Revised Code, section 4121.123 of the Revised
Code takes effect sixty days after the effective date of this
section.

Section 615.03. Except as otherwise provided in Section
512.50 of this act, 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, 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.